

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

In the Matter of: )  
)  
Gunnar Petzel Medizintechnik )  
Waldstrasse 22 )  
Tangstedt D-22889 )  
Germany )  
)  
\_\_\_\_\_  
Respondent )

ORDER RELATING TO GUNNAR PETZEL MEDIZINTECHNIK

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified Gunnar Petzel Medizintechnik (“Gunnar Petzel Medizintechnik”), of its intention to initiate an administrative proceeding against Gunnar Petzel Medizintechnik pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),<sup>2</sup> through issuance of a proposed charging letter to Gunnar Petzel Medizintechnik that alleged that Gunnar Petzel Medizintechnik committed three violations of the Regulations. Specifically, these charges are:

---

<sup>1</sup> The violations alleged to have been committed occurred in 2003 and 2006. The Regulations governing the violations at issue are found in the 2003 and 2006 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2003; 2006)). The 2008 Regulations establish the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)).

**Charges 1-3: 15 C.F.R. § 764.2(b) – Causing the Export of Items from the United States to Cuba via Germany in Violation of the Regulations**

As described in greater detail in the attached Schedule of Transactions, on three occasions, Gunnar Petzel Medizintechnik caused the export of items subject to the Regulations from the United States to Cuba via Germany in violation of the Regulations. Specifically, on or about November 17, 2003, and on or about June 30, 2006, Gunnar Petzel Medizintechnik engaged in conduct prohibited by the Regulations by ordering and buying Ten Station Microplate Processing Conveyor Systems (MPCS-10) for export from the United States to Cuba via Germany, and on or about February 24, 2006, by ordering and buying power supply units for export from the United States to Cuba via Germany. Both of these items are subject to the Regulations and designated as EAR99,<sup>3</sup> and a Department of Commerce license was required under Section 746.2 of the Regulations for their export from the United States to Cuba via Germany. No such authorization was obtained for any of these transactions. In so doing, Gunnar Petzel Medizintechnik committed three violations of Section 764.2(b) of the Regulations.

WHEREAS, BIS and Gunnar Petzel Medizintechnik have entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and

WHEREAS, I have approved of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$50,000 is assessed against Gunnar Petzel Medizintechnik, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due

---

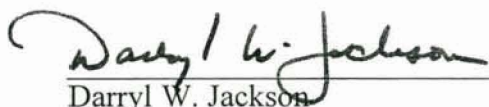
<sup>3</sup> Under the Regulations, items designated as “EAR99” are items that are subject to the Regulations but which do not fall in any specific entry on the Commerce Control List.

date specified herein, Gunnar Petzel Medizintechnik will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Gunnar Petzel Medizintechnik. Accordingly, if Gunnar Petzel Medizintechnik should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Gunnar Petzel Medizintechnik's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order, which constitutes the final agency action in this matter, is effective immediately.



Darryl W. Jackson  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 15<sup>th</sup> day of December, 2008.



UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

\_\_\_\_\_  
In the Matter of: )  
 )  
Gunnar Petzel Medizintechnik )  
Waldstrasse 22 )  
Tangstedt D-22889 )  
Germany )  
 )  
Respondent )  
\_\_\_\_\_

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Gunnar Petzel Medizintechnik (“Gunnar Petzel Medizintechnik”), and the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) (collectively, the “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “Regulations”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),<sup>2</sup>

<sup>1</sup> The violations alleged to have been committed occurred in 2003 and 2006. The Regulations governing the violations at issue are found in the 2003 and 2006 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2003; 2006)). The 2008 Regulations establish the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

WHEREAS, BIS has notified Gunnar Petzel Medizintechnik of its intention to initiate an administrative proceeding against Gunnar Petzel Medizintechnik, pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a proposed charging letter to Gunnar Petzel Medizintechnik that alleged that Gunnar Petzel Medizintechnik is liable for 3 violations of the Regulations, specifically:

**Charges 1-3: 15 C.F.R. § 764.2(b) – Causing the Export of Items from the United States to Cuba via Germany in Violation of the Regulations**

As described in greater detail in the attached Schedule of Transactions, on three occasions, Gunnar Petzel Medizintechnik caused the export of items subject to the Regulations from the United States to Cuba via Germany in violation of the Regulations. Specifically, on or about November 17, 2003, and on or about June 30, 2006, Gunnar Petzel Medizintechnik engaged in conduct prohibited by the Regulations by ordering and buying Ten Station Microplate Processing Conveyor Systems (MPCS-10) for export from the United States to Cuba via Germany, and on or about February 24, 2006, by ordering and buying power supply units for export from the United States to Cuba via Germany. Both of these items are subject to the Regulations and designated as EAR99,<sup>3</sup> and a Department of Commerce license was required under Section 746.2 of the Regulations for their export from the United States to Cuba via Germany. No such authorization was obtained for any of these transactions. In so doing, Gunnar Petzel Medizintechnik committed three violations of Section 764.2(b) of the Regulations.

WHEREAS, Gunnar Petzel Medizintechnik has reviewed the proposed charging letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against it if the allegations are found to be true;

WHEREAS, Gunnar Petzel Medizintechnik fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if he approves this Agreement as the final resolution of this matter;

---

<sup>3</sup> Under the Regulations, items designated as "EAR99" are items that are subject to the Regulations but which do not fall in any specific entry on the Commerce Control List.

WHEREAS, Gunnar Petzel Medizintechnik enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, Gunnar Petzel Medizintechnik states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, Gunnar Petzel Medizintechnik neither admits nor denies the allegations contained in the proposed charging letter;

WHEREAS, Gunnar Petzel Medizintechnik wishes to settle and dispose of all matters alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, Gunnar Petzel Medizintechnik agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Gunnar Petzel Medizintechnik, under the Regulations, in connection with the matters alleged in the proposed charging letter.

2. The following sanction shall be imposed against Gunnar Petzel Medizintechnik in complete settlement of the alleged violations of the Regulations relating to the transactions specifically detailed in the proposed charging letter:

a. Gunnar Petzel Medizintechnik shall be assessed a civil penalty in the amount of \$50,000, all of which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the Order.

b. The timely payment of the civil penalty agreed to in paragraph 2.a is hereby made a condition to the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to Gunnar

Petzel Medizintechnik. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Gunnar Petzel Medizintechnik's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Gunnar Petzel Medizintechnik hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order and timely payment of the \$50,000 civil penalty, BIS will not initiate any further administrative proceeding against Gunnar Petzel Medizintechnik in connection with any violation of the Act or the Regulations arising out of the transactions identified in the proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement pursuant to Section 766.18(a) of the Regulations, no Party may use this Agreement in any administrative or judicial proceeding and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.



7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U.S. Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY  
U.S. DEPARTMENT OF COMMERCE

Thomas Madigan  
Thomas Madigan  
Director  
Office of Export Enforcement

GUNNAR PETZEL MEDIZINTECHNIK

Gunnar Petzel  
Gunnar Petzel  
President  
Gunnar Petzel Medizintechnik

Date: December 11, 2008

Date: 06.12.2008



PROPOSED CHARGING LETTER

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Gunnar Petzel Medizintechnik  
Waldstrasse 22  
D-22889 Tangstedt  
Germany

*Attention:* Gunnar Petzel  
President

Dear Mr. Petzel:

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that Gunnar Petzel Medizintechnik (“Gunnar Petzel Medizintechnik”), of Tangstedt, Germany, has committed three violations of the Export Administration Regulations (the “Regulations”),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (the “Act”).<sup>2</sup> Specifically, BIS charges that Gunnar Petzel Medizintechnik committed the following violations, described in greater detail in the attached Schedule of Transactions, which is enclosed herewith and incorporated herein by reference:

**Charges 1-3: 15 C.F.R. § 764.2(b) – Causing the Export of Items from the United States to Cuba via Germany in Violation of the Regulations**

As described in greater detail in the attached Schedule of Transactions, on three occasions, Gunnar Petzel Medizintechnik caused the export of items subject to the Regulations from the United States to Cuba via Germany in violation of the Regulations. Specifically, on or about November 17, 2003, and on or about June 30, 2006, Gunnar Petzel Medizintechnik engaged in conduct prohibited by the Regulations by ordering and buying Ten Station Microplate Processing Conveyor Systems (MPCS-10) for export from the United States to Cuba via Germany, and on or about February 24, 2006, by ordering and buying power supply units for

---

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2008). The violations charged occurred during 2003 and 2006. The Regulations governing the violations at issue are found in the 2003 and 2006 versions of the Code of Federal Regulations. 15 C.F.R. Parts 730-774 (2003; 2006). The 2008 Regulations govern the procedural aspects of this case.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

export from the United States to Cuba via Germany. Both of these items are subject to the Regulations and designated as EAR99,<sup>3</sup> and a Department of Commerce license was required under Section 746.2 of the Regulations for their export from the United States to Cuba via Germany. No such authorization was obtained for any of these transactions. In so doing, Gunnar Petzel Medizintechnik committed three violations of Section 764.2(b) of the Regulations.

\* \* \* \* \*

Accordingly, Gunnar Petzel Medizintechnik is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

- The maximum civil penalty allowed by law of up to the greater of \$250,000 per violation or twice the value of the transaction that is the basis of the violation;<sup>4</sup>
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If Gunnar Petzel Medizintechnik fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. *See* 15 C.F.R. §§ 766.6 and 766.7. If Gunnar Petzel Medizintechnik defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to Gunnar Petzel Medizintechnik. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty for the charges in this letter.

Gunnar Petzel Medizintechnik is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. *See* 15 C.F.R. § 766.6. Gunnar Petzel Medizintechnik is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. *See* 15 C.F.R. §§ 766.3(a) and 766.4.

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18. Should Gunnar Petzel Medizintechnik have a proposal to settle this case, Gunnar Petzel Medizintechnik should transmit it to the attorney representing BIS named below.

Gunnar Petzel Medizintechnik is further notified that under the Small Business Regulatory Enforcement Flexibility Act, Gunnar Petzel Medizintechnik may be eligible for assistance from

---

<sup>3</sup> Under the Regulations, items designated as “EAR99” are items that are subject to the Regulations but which do not fall in any specific entry on the Commerce Control List.

<sup>4</sup> 50 U.S.C. § 1705(b) (2008).

Gunnar Petzel Medizintechnik  
Proposed Charging Letter  
Page 3

the Office of the National Ombudsman of the Small Business Administration in this matter. To determine eligibility and get more information, please see: <http://www.sba.gov/ombudsman/>.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Gunnar Petzel Medizintechnik's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center  
40 S. Gay Street  
Baltimore, Maryland 21202-4022

In addition, a copy of Gunnar Petzel Medizintechnik's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security  
Attention: Adrienne Frazier, Esq.  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Adrienne Frazier is the attorney representing BIS in this case; any communications that Gunnar Petzel Medizintechnik may wish to have concerning this matter should occur through her. Ms. Frazier may be contacted by telephone at (202) 482-5301.

Sincerely,

Thomas Madigan  
Director  
Office of Export Enforcement



Gunnar Petzel Medizintechnik  
 Schedule of Transactions

Schedule of Transactions

Transaction	Export Date	Commodity	Quantity	Value	Consignee	Country of Ult. Dest.	Invoice #	AWB Number	SED ITN
1	11/17/2003	MPCS-10	1	\$125,196.00	Gunnar Petzel Medizintechnik	Cuba	5351	Unknown	20031118000058
2	2/24/2006	Power Supply Units	3	Unknown	Gunnar Petzel Medizintechnik	Cuba	6326	Unknown - Documentation Unavailable	
3	6/30/2006	MPCS-10	1	\$128,857.00	Gunnar Petzel Medizintechnik	Cuba	6468	300-504-124-8	20060629057121