

SCHNITZ ENTERPRISES LLC's FCI

FCI-8324

03/27/2019 2:06 PM

IO (b)(6), (b)(7)(C), McAllen II (IO) Field Office

**LICENSEE INFORMATION**

Licensee Name	RDS Key	License/Permit Number	License Type
SCHNITZ ENTERPRISES LLC	5-74-08477	5-74-249-07-9D-08477	07 - Manufacturer of Firearms License

Business Type

Limited Liability Company (LLC)

Premises Address

Premises Ownership Type

Owned

Premises Location Type

Store Front

Address

164 N CR 307

Unit N/A

Orange Grove, Texas 78372

Jim Wells County United States

Mailing Address

Address

P O BOX 1393

Unit N/A

ORANGE GROVE, Texas 78372

County United States

Phone Type	Phone Number	Remarks
Business	+1 361-701-2089	

**RECOMMENDATIONS**

Final Decision

Warning Letter

Area Supervisor (b)(6), (b)(7)(C) Recommendation

Warning Letter

Details

Concur with IOI finding and recommendation, Warning Letter.

Industry Operations Investigator (b)(6), (b)(7)(C) Recommendation

Warning Letter

Details

5-74-08744

RDS: 5-74-08477

Schnitz Enterprises LLC

Lead IOI: (b)(6), (b)(7)(C)

Onsite Start: 3/13/19

Onsite End: 3/14/19

Recommendation: Warning Letter

Inspection Findings

Firearms

Missing firearms after inventory reconciliation (e.g., no records of disposition, required or otherwise).

**ELIGIBILITY VERIFICATION**

*Business Information Verification*

Licensee Name	Business Type	Is the business valid?
SCHNITZ ENTERPRISES LLC	Limited Liability Company (LLC)	Yes

Business Information Verification obtained via Texas Secretary of State website. At time of query SCHNITZ ENTERPRISES LLC was shown to be in existence and operating as a Domestic Limited Liability Company (LLC). Original date of filing for SCHNITZ ENTERPRISES LLC was April 18, 2005 under filing number 800481237. A query of the Texas Comptroller of Public Accounts website shows SCHNITZ ENTERPRISES LLC to be operating under Texas Sales tax number (b)(3) - 28 USC 6103 and to have a franchise tax account in good standing.

Attachment(s):

FCI-8324\_Business Information Verification.pdf

### ***Property Ownership Verification***

Premises Ownership Type	Premises Location Type	Has the property ownership been verified?
Owned	Store Front	Yes

Address

164 N CR 307  
Unit N/A  
Orange Grove, Texas 78372  
Jim Wells County United States

Additional Findings

Property Ownership Verification was obtained via Jim Wells County Appraisal District website. At time of query property was shown to be owned by David L. Schnitz (licensee).

Attachment(s):

FCI-8324\_Property Ownership Verification.pdf

### ***Trade Name/DBA Verification***

Trade Name/DBA	Is the trade name/DBA registered?
1836 ARMORY	Yes

Additional Findings

DBA Verification was obtained via Texas Secretary of State website. At time of query SCHNITZ ENTERPRISES LLC was shown to have an active Assumed Name Certificate to conduct business as 1836 ARMORY in the State of Texas. Assumed Name Certificate was filed on December 21, 2015 and is active for 10 years.

Attachment(s):

FCI-8324\_DBA Verification.pdf

### ***Zoning Information Verification***

Is the proposed business activity in compliance with zoning?

Yes

Additional Findings

Zoning Information Verification was obtained via Jim Wells County Appraisal District website. At time of query property was shown to be zoned as a D1 property (D1 - Acreage Ranch Land). No zoning restrictions are enforced.

Attachment(s):

FCI-8324\_Zoning Information Verification.pdf

## **APPOINTMENT DETAILS**

Interview Date

03/13/2019

Address

164 N CR 307 Unit N/A , Orange Grove, Texas 78372

Responsible Attendee(s)

DAVID LEWES SCHNITZ

Non-Responsible Attendee(s)

No items

## **RESPONSIBLE PERSON(S)**

**DAVID LEWES SCHNITZ**

Name	Gender	Race	Ethnicity
DAVID LEWES SCHNITZ	Male	White	Not Hispanic or Not Latino
Date of Birth	SSN	Job Title	
(b)(6), (b)(7)(C)	(b)(6), (b)(7)(C)	PRESIDENT	

**Physical Identifiers**

Height (b)(6), (b)(7)(C) Weight (b)(6), (b)(7)(C) Hair Color (b)(6), (b)(7)(C) Eye Color (b)(6), (b)(7)(C)

**Place of Birth**

Country United States Of America State (b)(6), (b)(7)(C) City

**Home Address**

(b)(6), (b)(7)(C)

**Additional Names**

**Citizenship**

United States

ID Type	Country	State	ID Number
Driver's License	United States	Texas	(b)(6), (b)(7)(C)

Phone Type	Phone Number	Remarks
Mobile	(b)(6), (b)(7)(C)	

**Criminal History Check**

Date Criminal History Check Conducted 03/05/2019

**Criminal History Check Comments**

NCIC and NLETS queries conducted by IRS (b)(6), (b)(7)(C) with negative results.

**INTERVIEW QUESTIONNAIRE**

What is the proposed business activity?

Sale of firearms

Do they need an additional license or permit?

No

Who are their primary suppliers?

(b)(4)

**Other State or Local Permits**

Type	Number	Expiration
State Sales Tax	(b)(3) - 26 USC 6103	

**Business Activities**

National Firearms Act

Retail

Gunsmith

Gun Show Participant

Selected Operational Security Measures

Controlled Access to ATF Recordkeeping

Controlled Access to Keys

**SUPPLEMENTAL QUESTIONNAIRE**

**General Business Operations**

If there is a security system, who has access to the security codes?

David Lewes Schnitz

Who has keys to the premises?

David Lewes Schnitz

Who has keys to locked inventory?

David Lewes Schnitz

Who is operating the business on a day-to-day basis?

David Lewes Schnitz

Is financial backing provided by anyone that is not a responsible person on the license/permit?

No

Are any employees known to be prohibited?

No

Are any employees known to be prohibited from obtaining a license/permit?

No

**PREMISES INFORMATION**

Inspection Area Description

Business premises is located in a ranch. Building is detached from main living area and its sole use is for firearms sales. Building is composed of main area, gun storage room and counter.

Primary Activity

Manufacturing

GPS Coordinates

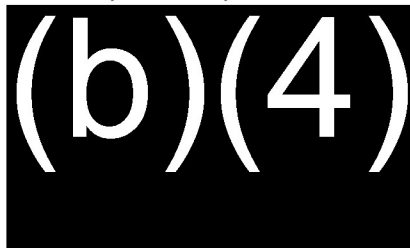
Latitude

27.97933N

Longitude

97.96910W

Selected Physical Security Measures



**ONSITE SUMMARY**

Total # of ATF F 4473 Reviewed

(b)(3)

Total # of Open Dispositions in A & D Record

(b)(3)

Total # of Firearms in Inventory

160

Total # of Firearms Missing after Reconciliation

(b)(3)

Total # of Acquisitions in the Last 12 Months

(b)(4)

Total # of Dispositions in the Last 12 Months

(b)(4)

AFMER Verified

Yes

NFA Documents Verified

Yes

Additional Comments

Licensee utilizes a computerized A&D records book by the name of EZ Arms Keeper. Inventory was conducted from gun to book. (b)(3) ATF Forms 4473 were cross referenced with A&D records book and no discrepancies were found. All A&D required information was present. During the inspection period the licensee was not associated with any traces or multiple sales. No unreported multiple sales were disclosed during the inspection. One NICS transaction was executed during the inspection period. NICS transaction was verified and authenticated.

Attachment(s)

Report of Violations.pdf

Report of Violations.pdf

Licensee Response to Violations Report.pdf

Firearm Theft Loss List.pdf

**REPORT OF VIOLATIONS**

Regulation	Corrective Actions	Instance Details
27 CFR 478.123(a): Failure to maintain an accurate/complete/timely manufacture or acquisition record  Number of Instances: (b)(3)	Accurately, completely & timely record all required future firearm acquisition information.	(b)(3) - 112 Public Law 55 125 Stat 552 (b)(6) (b)(7)(C)

**THEFT/LOSS REPORT**

Acquisition Date      Type      Manufacturer      Importer      Model      Caliber/Gauge      Serial Number

**(b)(3) - 112 Public Law 55 125 Stat 552 (b)(6) (b)(7)(C)**

**LICENSEE RESPONSE REPORT**

Regulation	Corrective Actions	Licensee Response	Status Details
27 CFR 478.123(a): Failure to maintain an accurate/complete/timely manufacture or acquisition record  Number of Instances: 0	Accurately, completely & timely record all required future firearm acquisition information.	I just didn't enter it correctly. On the missing one I don't know what happened.	Status Correction Verified Verified Method In Person Date Correction Verified 03/14/2019

**CLOSING CONFERENCE**

Closing Conference Date  
03/14/2019

Attachment(s)  
Acknowledgment of Regulations.pdf

Attendee(s)  
DAVID LEWES SCHNITZ

**WARNING LETTER**

Delivery Method  
Certified Mail

Tracking Number	Date Sent	Date Delivered
70122210000233099409	03/19/2019	03/25/2019

Certified Mail Return Slip

2019-03-27 12-56.pdf      03/27/2019 2:02 PM

**EXHIBITS**

**Inspection**

Category	
Correspondence	
WarningLetterReturnSlip	2019-03-27 12-56.pdf
WarningLetter	Warning Letter.pdf
Correspondence	Information Concerning Your Federal License/Permit
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ClosingConferenceSummary	Acknowledgment of Regulations.pdf
Correspondence	Information Concerning Your Federal License/Permit
ViolationsPDF	Report of Violations.pdf
Correspondence	Information Concerning Your Federal License/Permit
ViolationsPDF	Report of Violations.pdf
Correspondence	Action Required Concerning Your Federal Firearms Compliance Insp
FirearmTheftLossList	Firearm Theft Loss List.pdf
ZoningVerification	FCI-8324_Zoning Information Verification.pdf
PropertyOwnershipVerification	FCI-8324_Property Ownership Verification.pdf
TradeNameVerification	FCI-8324_Trade Name Verification.pdf



FFL: SCHNITZ ENTERPRISES LLC  
Inspection: FCI-8324  
Date Generated: 3/14/2019  
RDS Key: 5-74-08477  
Lead Industry Operations Investigator: (b)(6), (b)(7)(C)

Regulation	Corrective Action(s)	Instance Details
1 27 CFR 478.123(a): Failure to maintain an accurate/complete/timely manufacture or acquisition record  Number of Instances: 1	Accurately, completely & timely record all required future firearm acquisition information.	(b)(3) - 112 Public Law 55 125 Stat 552 (b)(6) (b)(7)(C)

**Signature(s)**

My signature below certifies that on Thursday, March 14, 2019 ATF IOI (b)(6), (b)(7)(C) reviewed the above information with me and answered my questions regarding this information. I understand I can receive a copy of this for my records. I understand that this is only a general overview of the violations and that I will be responsible for familiarizing myself with all of the laws and regulations governing my licensed/permitted business.

Printed Name:  
DAVID LEWES SCHNITZ  
Signature Date:  
Thursday, March 14, 2019

(b)(6), (b)(7)(C)

Licensee Response to Violations Report

FFL: SCHNITZ ENTERPRISES LLC  
Inspection: FCI-8324  
Date Generated: 3/14/2019  
RDS Key: 5-74-08477  
Lead Industry Operations Investigator: (b)(6), (b)(7)(C)

Regulation	Corrective Action(s)	Licensee Response
1 27 CFR 478.123(a): Failure to maintain an accurate/complete/timely manufacture or acquisition record  Number of Instances: 0	Accurately, completely & timely record all required future firearm acquisition information.	I just didn't enter it correctly. On the missing one I don't know what happened.



March 18, 2019

WARNING LETTER

SCHNITZ ENTERPRISES LLC  
1836 ARMORY  
P O BOX 1393  
ORANGE GROVE, Texas 78372

Re: Federal Firearms License Number: 5-74-08477.

SCHNITZ ENTERPRISES LLC,

As a result of a recent compliance inspection conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) at your firearms business located at 164 N CR 307 Unit N/A , Orange Grove, Texas 78372 on 3/13/2019 through 3/14/2019 , you were cited for violations of 27 Code of Federal Regulations, Part 478. The violations were discussed with you during the inspection. A copy of the Report of Violations, ATF Form 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by ATF Industry Operations Investigator (b)(6), (b)(7)(C) . You indicated that you understood the requirements of the firearms laws and regulations as a licensee. You further indicated that corrective actions would be taken to eliminate future violations.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing efforts to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. ATF appreciates the efforts you and other industry members make in this area, and we look forward to continuing to work with you in that regard.

You are reminded that retention of your Federal Firearms License is conditional upon compliance with Federal laws and regulations. Because the violations cited in this most recent inspection were fully explained to you and you stated you understood your compliance responsibilities as a licensee, any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

Should you have any questions regarding this matter, please contact Industry Operations Investigator (b)(6), (b)(7)(C) .

Sincerely,  
(b)(6), (b)(7)(C)  
Area Supervisor  
McAllen II (IO) Field Office

Attachment