

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) The Gun Shop LLC 1452 Sheridan Road Kenosha, WI 53140, Kenosha	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 778025-2017-0190-B1B
	3. PERMIT/LICENSE NUMBER 339059079L06714
	4a. TARGET DATE 9/22/2017
	4b. TARGET HOURS
5. REQUESTED BY (SIGNATURE, TITLE AND DATE)	

6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), Area Supervisor, 10/03/2016

8. PURPOSE/SPECIAL INSTRUCTIONS
 Conduct a DE compliance inspection. (b)(3) - 112 Public Law 59-139 Stat 552

9. INSPECTION RESULTS				<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	8	NO. OF REFERRALS		1		2111 - PER DIEM	
NO. OF TECS CHECKS	77	NO. OF TECS HITS				2112 - P.O.A.	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES				2113 - COMM. AIR	
		\$ VALUE OF TAX DECREASES				2114 - RENTAL CAR	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS				2115 - GPV EXPENSES	
NO. OF CLAIMS		\$ VALUE OF CLAIMS				2116 - MISC.	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED				TOTAL \$ FOR INSP.	

11. ATF OFFICER'S RECOMMENDATION
 Submitted by **(b)(6)** - Industry Operations Investigator
 Submitted on: 04/21/2017

 Viols WC with WL and Recall

12. TIME ACCOUNTING DATA		
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)	
NOV 2016	5.00	
DEC 2016	10.50	
JAN 2017	95.00	
FEB 2017	50.00	
MAR 2017	100.00	
APR 2017	8.50	
ATF OFFICER'S SUBTOTAL	269.00	ATF OFFICER'S SIGNATURE
TOTAL HOURS	269.00	

13. REVIEW AND ROUTING	
REVIEW COMMENTS AND RECOMMENDATION	
Area Supervisor recommends an alternate recommendation from Warning Conference to Warning Letter and recall because; <ol style="list-style-type: none"> 1. This was the licensee's first inspection. 2. There were no missing firearms 3. There was only (b)(6) instance of not properly marking a firearm. 4. The licensee has corrected all items they could correct and state they will do better. 	
Viols WL ONLY and Recall Inspection	
<input checked="" type="checkbox"/> REVIEWED	<input type="checkbox"/> CONCUR
<input checked="" type="checkbox"/> SEE COMMENTS	<input checked="" type="checkbox"/> FINAL DISPOSITION
SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 03/30/2017

Assignment and Report

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13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

A Warning Letter with a Recall is warranted based on the nature of the violations after consideration to the lack of inspection history and that the FFL was not missing firearms. The high error rate on 4473s and in the A&D record warrants the assignment of a recall inspection.

Viols WL ONLY and Recall Inspection

REVIEWED CONCUR SEE COMMENTS FINAL DISPOSITION

SIGNATURE AND TITLE HCHUMMEL - Director, Industry Operations	REVIEW DATE 04/07/2017
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ROUTING SEQUENCE AND DATE

- 1. _____
- 2. _____
- 3. _____
- 4. _____

CONTROL FILE POSTED DATE _____

Report of Violations

Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor The Gun Shop LLC	Street Address 1452 Sheridan Road	City Kenosha	State WI	Zip Code 53140-	County Kenosha	Page 1 of 3 Pages
License/Permit/Registry Number <i>(If any)</i> 339059079L06714		Expiration Date 11/1/2019	Date(s) or Period of Inspection 01/03/2016 through 01/03/2017			

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 1

Nature of Violation:

In instances, the licensee failed to complete and record required information on Form 4473 as PRESCRIBED BY THE FORM.

Citation: 27 CFR 478.21(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will correct the omissions. The licensee shall ensure forms are complete and accurate when executing the firearm transaction.

Number: 2

Nature of Violation:

In instances, the licensee failed to obtain required information on Form 4473 in Section A - TRANSFEREE CERTIFICATION.

Citation: 27 CFR 478.124(c)(1)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

These errors are uncorrectable. For future transfers, the licensee shall ensure the F4473 certification is complete and accurate before executing a firearm transaction.

Number: 3

Nature of Violation:

In instances, the licensee failed to record NICS/WI-DOJ BACKGROUND CHECK INFORMATION on Form 4473.

Citation: 27 CFR 478.124(c)(3)(iv)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will correct these errors. The licensee shall ensure Forms 4473 are complete and accurate before executing a firearms transaction.

Report of Violations

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License/Permit/Registry Number <i>(If any)</i> 339059079L06714		Expiration Date 11/1/2019	Date(s) or Period of Inspection 01/03/2016 through 01/03/2017			

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 4

Nature of Violation:

In **3** instances, the licensee failed to record on Form 4473 the required FIREARM INFORMATION.

Citation: 27 CFR 478.124(c)(4)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will correct the errors. The licensee shall ensure forms are complete and accurate before executing the transfer of a firearm.

Number: 5

Nature of Violation:

In **3** instances, the licensee failed to record completely or accurately the required FINAL TRANSFER INFORMATION on Form 4473.

Citation: 27 CFR 478.124(c)(5)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will correct these errors. The licensee shall ensure forms are complete and accurate before the firearm transfer is executed.

Number: 6

Nature of Violation:

In **3** instances, the licensee failed to complete and transmit F3310.4 - Report of Multiple Sale or other Disposition of Pistols or Revolvers as required.

Citation: 27 CFR 478.126a

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee will complete and transmit the missing forms to the ATF Tracing Center as required, and ensure all such future firearms transactions are properly reported using F3310.4.

Report of Violations

Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor The Gun Shop LLC	Street Address 1452 Sheridan Road	City Kenosha	State WI	Zip Code 53140-	County Kenosha	Page 3 of 3 Pages
License/Permit/Registry Number <i>(If any)</i> 339059079L06714		Expiration Date 11/1/2019	Date(s) or Period of Inspection 01/03/2016 through 01/03/2017			

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 7

Nature of Violation:

In [REDACTED] instances the licensee failed to record or to record correctly required information in the ACQUISITION & DISPOSITION RECORD as required for a type 07 licensee.

Citation: 27 CFR 478.123(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Licensee will correct the discovered errors and omissions. The licensee shall ensure the A&D record is complete and accurate when firearms are received and after they are transferred.

Number: 8

Nature of Violation:

In [REDACTED] instance, the licensee failed to mark a firearm (mfg name, city, state) that was assembled (manufactured) by the licensee, and on display, for sale as a "shop gun". The licensee has no approved marking variance to allow for not marking this firearm. Reference the following firearm:

(b)(3) - 112 Public Law 55 125 Stat 552



Citation: 27 CFR 478.92(a)(1)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee will mark with the proper required markings, all firearms manufactured unless there is an approved marking variance issued by ATF.

I Have Received a Copy of This Report of Violations <i>(Proprietor's signature and title)</i>	Date
Signature and Title of ATF Officer	Date



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

1000 N. Water Street, Suite 1400
Milwaukee, WI 53202

April 20, 2017

www.atf.gov

778025: (b)(6)
5373

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**The Gun Shop LLC
ATTN: Todd Ogren
1452 Sheridan Road
Kenosha, WI 53140**

FFL # 3-39-06714

Dear Mr. Ogren:

During a recent compliance inspection conducted on January 03, 2016 – March 20, 2017, at your firearms business covering the period of January 03, 2016, through January 03, 2017, you were cited for violations of 27 Code of Federal Regulations, Part 478. A copy of the Report of Violations, Form 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Investigator (b)(6). You indicated that you understood the requirements of the firearms laws and regulations. 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 effort 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. This is critical to carrying out our mission to protect the public and ensure that criminals do not gain access to firearms. 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.

The Gun Shop LLC
3-39-06714

You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. 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) at (414)727-6200.

Sincerely yours,

A large black rectangular redaction box covering the signature area. Inside the box, the text "(b)(6)" is written in large, white, sans-serif font.

Area Supervisor
Milwaukee II Field Office

Enclosure

Cc: Federal Firearms Licensing Center
Milwaukee II Field Office

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

Address: 1452 Sheridan Road
Kenosha, WI 53140

1 - Introduction

Inspection Profile:

On 01/03/17, IOI (b)(6) initiated a compliance inspection being conducted of Federal Firearms Licensee (FFL) The Gun Shop LLC which has possessed an FFL type 07 – Manufacturer of Firearms since 2013. Inspection was concluded on 03/20/17 with a closing conference. The inspection period was from 01/03/16 to 01/03/17. Identified and interviewed throughout this inspection and during the closing conference was LLC member and responsible person Todd Ogren, and Office Manager (b)(6), who is the main record keeper.

Business Profile:

This licensed firearms business is a commercial retail storefront that sells new and used long guns and handguns, ammunition and firearm accessories. They also offer gunsmithing, internet transfers and special order services. The licensee also attends gun shows within the state. The licensee will occasionally manufacture (custom AR assembly) firearms for customer order, and also to put out for display firearms they have assembled for sale.

In addition to firearms for sale, the licensee is a Special Occupational Taxpayer (SOT) which offers a variety of suppressors and NFA items for sale.

Ownership and Control:

There has been no change to ownership or control of this business to report.

Variance:

There are no variances associated with this FFL.

2 - Recommendation

“Violations, warning conference with warning letter, and recall inspection”.

3 - Inspection History

There is no previous compliance inspection history.

4 - Acquisition & Disposition (A&D) Record - Inventory

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

A complete physical inventory was conducted of all firearms on the business premises. There were 499 firearms in inventory, and there were [REDACTED] open entries in the A&D record, with [REDACTED] discrepancies discovered. These violations are noted below and on the attached Report of Violations.

There were approximately (b)(4) acquisitions and dispositions during the inspection period, which would have included gunsmithing firearms.

5 - ATF Forms 4473 – NICS & Other Dispositions

The licensee had approximately [REDACTED] completed Forms 4473 on file for the inspection period. All forms on file were examined for errors and omissions. There were [REDACTED] forms that were discovered to have errors or omissions. These violations are noted below and on the attached Report of Violations.

A check of a sample of NICS transaction numbers (NTN) was made using a current FFL Audit Report, with no discrepancies found.

Forms 4473 with a “denied” or “cancelled” status are being properly retained.

6 – Multiple Sales

The licensee reported [REDACTED] multiple sales ([REDACTED] firearms) during the inspection period. There were [REDACTED] transactions ([REDACTED] firearms) discovered during inspection that were not reported to the ATF Tracing Center on F3310.4 - Report of Multiple Sale or other Disposition of Pistols or Revolvers. These violations are noted below and on the attached Report of Violations.

7 – Suspicious/Prohibited Purchasers

There were no suspicious or prohibited purchasers discovered during inspection.

8 – Trace Activity

There were [REDACTED] firearm traces associated with the licensee during the inspection period. These traces had been completed by ATF Tracing Center to a purchaser using the records of the licensee. There were no unresolved traces associated with this licensee.

9 - NFA/Importer/Collector/Manufacturer

The licensee is a Special Occupational Taxpayer (SOT) at the (b)(3) - 26 USC 6103 [REDACTED]

There

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

are (b)(3) NFA firearms associated with this licensee. No discrepancies were discovered during inspection.

The licensee possesses an FFL type 07 – manufacturer of firearms other than destructive devices, and occasionally builds (assembles) an AR per customer request or for purposes of display for sale on the business premises. A firearm built for display and sale at the shop was discovered in inventory. This firearm did not have the required manufacturing markings: name, city, and state etched or stamped into the firearm. This violation is noted below and on the attached Report of Violations. The licensee is compliant and has submitted all AFMER ATF F 5300.11 to ATF for every year since the issuance of their FFL.

10 - Referrals

A referral was made to the (b)(6), Chief, Department of State, because the licensee appears to fall under the requirement to register with ITAR as a “manufacturer of firearms other than destructive devices”. See the attached referral.

11 - Other

Nothing to report.

12 - Closing Actions

On 03/20/17 a Report of Violations was issued, and along with the “Acknowledgement of Federal Firearms Regulations” checklist, both were reviewed with Responsible Person Todd Ogren and Office Manager (b)(6). Special attention was given to:

- Form 4473 errors and omissions.
- A&D record errors and omissions.
- Manufacturing of firearms: manufacturing recordkeeping, the markings requirements, and availability marking variances online.

Discussion about the use of the practice of double checking for errors and omissions with a second person was important in reducing these discrepancies. All other questions posed by the licensee pertaining to the firearms business recordkeeping and conduct of business were answered. Milwaukee II Field Office contact information was also provided at this time.

13 - Violations

1. 27CFR478.21(a) Records - In (b)(3) instances, the licensee failed to complete and record required information on Form 4473 as PRESCRIBED BY THE FORM.

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

Response: Responsible person Todd Ogren noted that multiple employees were involved these discrepancies, some who are gone, but also current employees. He noted that these discrepancies were careless, and double checking for errors and omissions had not been a shop practice.

Corrective action: Licensee will correct the omissions. The licensee shall ensure forms are complete and accurate when executing the firearm transaction.

2. 27CFR478.124(c)(1) Records - In [REDACTED] instances, the licensee failed to obtain required information on Form 4473 in Section A - TRANSFEREE CERTIFICATION.

Response: Responsible person Todd Ogren noted that multiple employees were involved these discrepancies, some who are gone, but also current employees. He noted that these discrepancies were careless, and double checking for errors and omissions had not been a shop practice.

Corrective action: These errors are uncorrectable. For future transfers, the licensee shall ensure the F4473 certification is complete and accurate before executing a firearm transaction.

3. 27CFR478.124(c)(3)(iv) Records - In [REDACTED] instances, the licensee failed to record NICS/WI-DOJ BACKGROUND CHECK INFORMATION on Form 4473.

Response: Responsible person Todd Ogren noted that multiple employees were involved these discrepancies, some who are gone, but also current employees. He noted that these discrepancies were careless, and double checking for errors and omissions had not been a shop practice.

Corrective action: Licensee will correct these errors. The licensee shall ensure Forms 4473 are complete and accurate before executing a firearms transaction.

4. 27CFR478.124(c)(4) Records - In [REDACTED] instances, the licensee failed to record on Form 4473 the required FIREARM INFORMATION.

Response: Responsible person Todd Ogren noted that multiple employees were involved these discrepancies, some who are gone, but also current employees. He noted that these discrepancies were careless, and double checking for errors and omissions had not been a shop practice.

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

Corrective action: Licensee will correct the errors. The licensee shall ensure forms are complete and accurate before executing the transfer of a firearm.

5. 27CFR478.124(c)(5) Records - In [REDACTED] instances, the licensee failed to record completely or accurately the required FINAL TRANSFER INFORMATION on Form 4473.

Response: Responsible person Todd Ogren noted that multiple employees were involved these discrepancies, some who are gone, but also current employees. He noted that these discrepancies were careless, and double checking for errors and omissions had not been a shop practice.

Corrective action: Licensee will correct these errors. The licensee shall ensure forms are complete and accurate before the firearm transfer is executed.

6. 27CFR478.126a Records - In [REDACTED] instances, the licensee failed to complete and transmit F3310.4 - Report of Multiple Sale or other Disposition of Pistols or Revolvers as required.

Response: The licensee did not know why or how these violations occurred. There was no system of double checking to ensure these sales were reported as required.

Corrective action: The licensee will complete and transmit the missing forms to the ATF Tracing Center as required, and ensure all such future firearms transactions are properly reported using F3310.4.

7. 27CFR478.123(a) Records - In [REDACTED] instances the licensee failed to record or to record correctly required information in the ACQUISITION & DISPOSITION RECORD as required for a type 07 licensee.

Response: Responsible person Todd Ogren noted that earlier in 2016, there was a switch to a computerized system from a hardcopy A&D record that integrated inventory, sales order, A&D record system. He noted that there may have been insufficient training and oversight in the initiation of this new system which resulted in many errors and omissions as discovered during inspection.

Corrective action: Licensee will correct the discovered errors and omissions. The licensee shall ensure the A&D record is complete and accurate when firearms are received and after they are transferred.

FIREARMS INSPECTION REPORT

Name: The Gun Shop LLC
Trade Name:

UI#: 778025-2017-0190-B1B
FFL#: 3-39-059-07-9L-06714

8. 27CFR478.92(a)(1) Records - In [REDACTED] instance, the licensee failed to mark a firearm (mfg name, city, state) that was assembled (manufactured) by the licensee, and on display, for sale as a "shop gun". The licensee has no approved marking variance to allow for not marking this firearm. Reference the following firearm:

(b)(3) - 112 Public Law 55 125 Stat 552



Response: Responsible person Todd Ogren stated he had researched the issue of markings and firearms manufacturing, and that he was sure that this requirement did not apply to him, or least to the first 50 firearms manufactured, which he thought were exempt from not only the FAET but also markings.

Corrective action: The licensee will mark with the proper required markings, all firearms manufactured unless there is an approved marking variance issued by ATF.

X

(b)(6)

Industry Operations Investigator

Index of Worksheets and Exhibits

1. Report of Violations
2. Worksheets
3. Forms 4473 with certification discrepancies
4. Forms 4473 for multiple handgun sales not reported
5. Forms 4473 with other various discrepancies
6. Sample of computer A&D pages with discrepancies
7. Sample of hardcopy NFA A&D pages with discrepancies
8. Acknowledgement of Federal Firearms Regulations
9. Referral of Information to the Department of State