

Federal Energy Regulatory Commission

§ 367.9130

(c) This account must include the following materials and expenses items:

- (1) Supplies and expenses pertaining to demonstration and experimental and development activities.
- (2) Booth and temporary space rental.
- (3) Loss in value on equipment and appliances used for demonstration purposes.
- (4) Transportation, meals, and incidental expenses.

§ 367.9130 Account 913, Advertising expenses.

(a) This account must include the cost of labor, materials used and expenses incurred in advertising designed to promote or retain the use of services provided by the service company or the companies within the holding company system, except advertising the sale of merchandise.

(b) This account must include the following labor items:

- (1) Direct supervision of department.
- (2) Preparing advertising material for newspapers, periodicals, billboards, and other similar forms of advertisement, and preparing and conducting motion pictures, radio and television programs.
- (3) Preparing booklets, bulletins, and other similar forms of advertisement, used in direct mail advertising.
- (4) Preparing window and other displays.
- (5) Clerical and stenographic work.
- (6) Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of sales advertising.

(c) This account must include the following materials and expenses items:

- (1) Advertising in newspapers, periodicals, billboards, radio, and other similar forms of advertisement, for sales promotion purposes, but not including institutional or goodwill advertising included in account 930.1, General advertising expenses (§ 367.9301).
- (2) Materials and services given as prizes or otherwise in connection with civic lighting contests, canning, or cooking contests, bazaars, and other similar materials and services, in order to publicize and promote the use of utility services.

(3) Fees and expenses of advertising agencies and commercial artists.

- (4) Novelties for general distribution.
- (5) Postage on direct mail advertising.
- (6) Premiums distributed generally, such as recipe books, and other similar items, when not offered as inducement to purchase appliances.
- (7) Printing booklets, dodgers, bulletins, and other similar forms of advertisement.

(8) Supplies and expenses in preparing advertising material.

(9) Office supplies and expenses.

(d) The cost of advertisements which set forth the value or advantages of offered services without reference to specific appliances or the promotion of appliances must be considered sales promotion advertising and charged to this account. However, advertisements that are limited to specific makes of appliances sold by any company and prices, terms, and other similar items, without referring to the value or advantages of offered services, must be considered as merchandise advertising and the cost must be charged to account 416, Costs and expenses of merchandising, jobbing and contract work (§ 367.4160).

(e) Advertisements that substantially mention or refer to the value or advantages of offered services, together with specific reference to makes of appliances sold by any company and the price, terms, and other similar items, and designed for the joint purpose of increasing the use of offered services and the sales of appliances, must be considered as a combination advertisement and the costs must be distributed between this account and account 416 (§ 367.4160) on the basis of space, time, or other proportional factors.

(f) Exclude from this account and charge to account 930.2, Miscellaneous general expenses (§ 367.9302), the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Exclude also all institutional or goodwill advertising (*See* account 930.1, General advertising expenses (§ 367.9301)).