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Washington, Tuesday, September 13, 1949

TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10078

CREATING AN EMERGENCY BOARD TO INVESTIGATE A DISPUTE BETWEEN THE MONONGAHELA CONNECTING RAILROAD COMPANY AND CERTAIN OF ITS EMPLOYEES

WHEREAS a dispute exists between the Monongahela Connecting Railroad Company, a carrier, and certain of its employees represented by the Brotherhood of Railroad Trainmen, a labor organization; and

WHEREAS this dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

WHEREAS this dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce within the State of Pennsylvania to a degree such as to deprive that portion of the country of essential transportation service:

NOW, THEREFORE, by virtue of the authority vested in me by section 10 of the Railway Labor Act, as amended (45 U. S. C. 160), I hereby create a board of three members, to be appointed by me, to investigate the said dispute. No member of the said board shall be pecuniarily or otherwise interested in any organization of railway employees or any carrier.

The board shall report its findings to the President with respect to the said dispute within thirty days from the date of this order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the board has made its report to the President, no change, except by agreement, shall be made by the Monongahela Connecting Railroad Company or its employees in the conditions out of which the said dispute arose.

HARRY S. TRUMAN

THE WHITE HOUSE,
September 9, 1949.

[F. R. Doc. 49-7414; Filed, Sept. 10, 1949; 10:47 a. m.]

EXECUTIVE ORDER 10079

TRANSFERRING CERTAIN PROPERTY IN THE VIRGIN ISLANDS TO THE PERMANENT CONTROL AND JURISDICTION OF THE SECRETARY OF THE INTERIOR

WHEREAS Executive Order No. 5602 of April 20, 1931, transferred certain lands, buildings, and improvements in the Virgin Islands permanently to the control and jurisdiction of the Secretary of the Interior for use in the administration of the government of the Virgin Islands, the property so transferred being enumerated under Class One of the order; and

WHEREAS the said Executive order also transferred certain other lands, buildings, improvements, and furnishings in the Virgin Islands temporarily to the control and jurisdiction of the Secretary of the Interior for use in the administration of the government of the Virgin Islands, on condition that the premises be returned to the control and jurisdiction of the Secretary of the Navy when required for naval use, the property so transferred being enumerated under Class Two of the order; and

WHEREAS the property enumerated under the said Class Two is no longer required for naval use but is needed by the Secretary of the Interior for permanent use in the administration of the government of the Virgin Islands:

NOW, THEREFORE, by virtue of the authority vested in me by the Organic Act of the Virgin Islands of the United States, approved June 22, 1936 (49 Stat. 1807), and as President of the United States, it is ordered that all the lands, buildings, improvements, and furnishings enumerated under Class Two of the said Executive Order No. 5602 of April 20, 1931, be, and they are hereby, transferred permanently to the control and jurisdiction of the Secretary of the Interior for use in the administration of the government of the Virgin Islands.

HARRY S. TRUMAN

THE WHITE HOUSE,
September 9, 1949.

[F. R. Doc. 49-7415; Filed, Sept. 12, 1949; 9:51 a. m.]

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THE PRESIDENT

EXECUTIVE AGENCIES

FEDERAL REGISTER

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TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

PART 674—FARM STORAGE FACILITIES

SUBPART—FARM STORAGE FACILITY LOAN PROGRAM

This bulletin states the requirements with respect to the Farm Storage Facility Loan Program formulated by Commodity Credit Corporation (hereinafter referred to as "CCC") and the Production and Marketing Administration (hereinafter referred to as "PMA"). The program will be carried out by PMA under the general supervision and direction of the Manager, CCC.

Sec.

AUTHORITY: §§ 674.101 to 674.108, issued under sec. 4 (d) Pub. Law 806, 80th Cong.; interpreting and applying sec. 4 (h), Pub. Law 806, 80th Cong., as amended by Pub. Law 85, 81st Cong.; sec. 5, Pub. Law 806, 80th Cong.

§ 674.101 *Administration.* In the field, the program will be administered through county agricultural conservation committees (hereinafter referred to as "county committees") and State PMA committees.

§ 674.102 *Availability of loans*—(a) *Area.* Loans will be available in all States.

(b) *Time.* Loans will be available through June 30, 1950.

(c) *Source.* All forms and documents will be made available through the offices of county committees. Disbursements on loans will be made by approved lending agencies under agreements with CCC, or by drafts drawn on CCC by the State PMA committee.

§ 674.103 *Approved lending agencies.* An approved lending agency shall be any bank, partnership, individual, or other legal entity which has entered into a lending agency agreement for storage loans (Form PMA 97B or other form prescribed by CCC).

§ 674.104 *Eligible borrowers.* Storage facility loans will be available to any tenant, landlord, owner-operator, or partnership of producers. Loans will also be available to landlords who rent their land on a cash-rental basis. With respect to loans to tenants on immovable form storage facilities, the property on which the facility is to be located must be held under an assignable long-term lease (i. e., a lease which will run for at least ten years beyond the maturity of the loan), and, in addition, the lease must contain the written consent of the owner of the land to construct the facility thereon or the lessee must obtain such consent.

§ 674.105 *Eligible structures.* (a) In order to be eligible for a loan, the storage facility must be for the storage of cottonseed, corn, wheat, rye, oats, barley, grain sorghums, soybeans, flaxseed, rice, dry edible beans, dry peas, or peanuts, in the production and storage of which the borrower has an interest or such commodities produced on a farm where the landlord is obtaining the loan and rents the farm on a cash-rental basis. Storage loans will not be available to increase storage facilities for commodities purchased or for commodities in which the borrower has no interest in the production. Loans for the construction of immovable storage facilities for cottonseed, beans, peas, or peanuts, will be approved only in areas for which the State PMA committee determines that existing privately owned storage facilities for such commodity or commodities in the area concerned are not adequate.

(b) Loans will be made for the purchase or construction of new farm-storage facilities which will meet requirements for eligible storage under CCC commodity loan programs, provided there is a need for the facility and it is of suitable capacity. Loans will not be made for repair, remodeling, or maintenance of present facilities or for the purchase of second-hand facilities. Loans will, however, be made to finance additions to existing immovable facilities. A loan will not be approved for any facility on which construction was begun prior to June 7, 1949.

§ 674.106 *Terms and conditions of loan.* (a) *Term.* The maximum term of the loan will be approximately five years, except that the term of an individual loan may be extended for one year by the county committee in case of catastrophic losses of crops or other conditions beyond the control of the borrower. Loans will be payable in equal annual principal payments with interest at four percent on the unpaid balance. Loans on movable storage facilities will be secured by chattel mortgages on the storage facilities. Loans for the construction of immovable storage facilities will be secured by a real estate mortgage, deed of trust, or other security instrument approved by CCC, on the borrower's farm or other property on which the facility is to be located, or on a sufficient acreage of the farm which, in the judgment of the county committee, will make the site easily accessible for use of other farmers in the area, and constitute a salable unit. A first mortgage will be required except that where a first mortgage is not obtainable, a second mortgage loan may be made (except in North Dakota), provided the prior lien on the farm is small enough that the borrower's equity in the farm, in the opinion of the county committee, is sufficient to assure his continued tenure of the farm, and provided the prior lienholder subordinates his lien as to the structure and the site on which it is located, with the right of access to the storage facility. No second mortgage loans will be made on structures not located on the farm.

(b) *Amount of loan.* The maximum amount loaned shall be $30 per ton of the rated storage capacity for cottonseed and forty-five cents (45¢) per bushel for all other commodities, or eighty-five percent (85%) of the cost, whichever is less. In computing the capacity of the storage facility, two and one-half (2½) cubic feet shall be considered equivalent to one bushel of ear corn, ninety (90) cubic feet equivalent to one ton of cottonseed, and one and one-fourth (1¼) cubic feet equivalent to one bushel of all other commodities. In determining the cost, the applicant's and other labor usually employed on the farm shall be excluded.

(c) *Repayment of loan.* Payment will be due annually in equal principal installments beginning January 31, 1951. The borrower is required to prepay the amount of any annual installment out of the proceeds from any price support loan or purchase agreement due the borrower within 12 months preceding the date on which the installment falls due. Any past due installment may be deducted and paid out of any amounts due the borrower under any program carried out by the Department of Agriculture. In addition, any farm-storage payments due the borrower by CCC for storage of commodities in such farm-storage facilities may be applied to any installment past due or next maturing, and any excess thereover may be applied on the remaining principal. The loan may be paid in part or in full by the borrower at any time before maturity.

(d) *Insurance.* With respect to movable storage facilities, if the total amount loaned is $1,000 or more, insurance on the facility shall be required in an amount sufficient to cover the loan, and with coverage for hazards existent in the area. With respect to immovable storage facilities, insurance shall be required in like amount and coverage regardless of the size of the loan. All insurance shall be maintained during the life of the loan and the cost shall be borne by the borrower.

(e) *Maintaining storage facility.* The borrower shall be required to maintain the storage facility in condition and keep it available for storage until the loan is paid.

§ 674.107 *Disbursement of loan.* In the case of movable storage facilities, disbursement will be made in full at the time of completion of the facility and after the facility has been inspected and approved by the county committee. With respect to immovable storage facilities, disbursement will be made either in full at the time of completion and approval of the facility or on a partial advance plan, as elected by the borrower in his application for a loan. Under the partial advance plan, the proceeds of the loan will be disbursed in the following manner: 10 percent upon the execution of the security instrument, an additional 20 percent when the construction is one-half completed, an additional 20 percent when the construction is three-fourths completed, and the remainder when the construction is fully completed. Final and complete disbursement of the loan proceeds on movable or immovable structures will not be made under any plan until the borrower furnishes satisfactory evidence of the payment of any debts on the facility in excess of the amount discharged with the loan.

§ 674.108 *Service fees.* There shall be collected from the applicant at the time the application is made, a service fee of thirty cents (30¢) per ton of the rated storage capacity of the structure to be acquired or erected for the storage of cottonseed and a fee of ¼ cent per bushel of the rated capacity for all other commodities, but in no case shall the fee be less than $2.50. If the loan is rejected or is not completed, the minimum fee of $2.50 shall be retained by the county committee and the balance returned to the applicant.

Issued this 7th day of September 1949.

[SEAL] HAROLD K. HILL,
Acting Manager,
Commodity Credit Corporation.

Approved:

RALPH S. TRIGG,
President,
Commodity Credit Corporation.

[F. R. Doc. 49-7359; Filed, Sept. 12, 1949; 8:46 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Reg. 3]

PART 957—IRISH POTATOES GROWN IN CERTAIN DESIGNATED COUNTIES IN IDAHO AND IN MALHEUR COUNTY, OREGON

LIMITATION OF SHIPMENTS

§ 957.303 *Regulation No. 3*—(a) *Findings.* (1) Pursuant to the provisions of Order No. 57 (7 CFR 957.1 et seq.), regulating the handling of potatoes grown in certain designated counties in Idaho and in Malheur County, Oregon, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Administrative Committee established under said order, and upon other available information, it is hereby found that the limitation of shipments, as hereinafter provided, of such potatoes will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U. S. C. 1001) in that the harvest season for Russet potatoes has already begun, immature Russet potatoes are shipped mostly at the beginning of the season, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and a reasonable time is permitted, under the circumstances, to prepare for the effective date of this section.

(b) *Order.* (1) During the period beginning 12:01 a. m., m. s. t., September 15, 1949, and ending 12:01 a. m., m. s. t., July 1, 1950, no handler shall ship potatoes of the Russet Burbank and Long White varieties which are of sizes smaller than 2 inches in diameter or 4 ounces in weight, as such sizes are defined in the United States Standards for Potatoes (14 F. R. 1955, 2161), including the tolerances set forth therein.

(2) During the period beginning 12:01 a. m., m. s. t., September 15, 1949, and ending 12:01 a. m., m. s. t., November 1, 1949, no handler shall ship potatoes of the Russet Burbank variety which do not comply with the grade and size requirements in effect at the time of shipment and which are more than "moderately skinned," as such term is defined in the United States Standards for Potatoes (14 F. R. 1955, 2161), which means that not more than 10 percent of the potatoes in any lot have more than one-half of the skin missing or feathered: *Provided,* That 200 hundredweight of Russet Burbank potatoes of each producer thereof may be handled without regard to the aforesaid skinning requirement if (i) the handler of such potatoes reports, prior to shipment, the name and address of each producer of the excessively skinned potatoes involved therein, and (ii) each lot of such potatoes so reported is handled as an individual entity.

(3) The limitations set forth in subparagraphs (1) and (2) of this paragraph shall not be applicable to shipments of potatoes for the purposes set forth in § 957.6 (7 CFR 957.6) and to shipments of potatoes for livestock feed, and nothing contained in this section shall suspend or modify Regulation No. 1 (7 CFR 957.301), issued pursuant to § 957.2 (General Cull Regulation), which has been in effect since August 6, 1948, and will continue in effect until suspended or modified pursuant to the provisions of § 957.2 (b).

(4) The terms used in this section, except as herein otherwise indicated, shall have the same meaning as when used in Marketing Order No. 57.

(48 Stat. 31, as amended: 7 U. S. C. 601 et seq.; 7 CFR 957.1 et seq.).

Done at Washington, D. C., this 12th day of September 1949.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 49-7413; Filed, Sept. 12, 1949, 9:37 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

PART 361—BRITISH TOKEN IMPORT PLAN

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LIST OF COMMODITIES SUBJECT TO THE PLAN

361.10 Commodity list.

AUTHORITY: §§ 361.1 to 361.10 issued under R. S. 161; 5 U. S. C. 22.

§ 361.1 *Procedure.* The procedure governing administration of the British Token Import Plan, and the role of the Office of International Trade therein, have been revised as set forth in this part.

INTRODUCTION

§ 361.2 *What the plan is.* The "British Token Import Plan" is an arrangement with the British Government which permits United States manufacturers, their authorized agents, or other qualified exporters, with established pre-war trade connections in the United Kingdom (England, Scotland, Wales, and Northern Ireland) to export to that area token shipments of specified commodities, the importation of which the British Government prohibited as a war measure. Under the plan, the British Government will permit imports in a yearly amount not to exceed 20% of the value of the average annual shipments of the specified commodities of each qualified exporter during a base period consisting of the years 1936, 1937, and 1938. The British Government requires appropriate evidence, issued under authority of the United States Government, that manufacturers wishing to take advantage of opportunities under the arrangement did in fact make shipments of the commodities to the United Kingdom during the base period. The Office of International Trade has agreed to act as certifying agent and issue appropriate certificates, in the form of token scrip, which the exporter forwards to the British importer for presentation to the British Board of Trade as a basis for obtaining an import license.

§ 361.3 *How to obtain information.* All announcements regarding the plan will be published in the "Foreign Commerce Weekly," subscription to which may be arranged through the Superintendent of Documents, Government Printing Office, Washington 25, D. C. Announcements will also be made in press releases which will be available to trade journals. Copies of announcements (including lists of commodities currently subject to the plan) as well as all forms needed in connection with the plan may be obtained from the Office of International Trade, Areas Division, British Token Import Plan Unit, Washington, D. C., or from any of the Field Offices of the Department of Commerce.

§ 361.4 *Effect on export restrictions.* The issuance of token scrip in no way

affects United States export restrictions which may be applicable to commodities coming under the plan.

PROCEDURE FOR OBTAINING CERTIFICATION OF PREWAR EXPORTS

§ 361.5 *Eligibility.* (a) Manufacturers, or their duly authorized agents, who exported any of the items on the approved list to the United Kingdom (England, Scotland, Wales, and Northern Ireland) during the base period 1936, 1937, and 1938, are eligible for certification under the plan. "Manufacturer" means an individual, firm or corporation that manufactures products sold through established markets. "Authorized agent" means an export merchant, export commissioner, or any other person who has been authorized by the manufacturer to handle products produced by the manufacturer. Such an individual cannot be certified under the plan without a letter from the manufacturer addressed to the Office of International Trade, specifically authorizing him to apply for certification for the manufacturer's total basic quota or for a portion of the total basic quota. Such authorization must be submitted for each calendar year or otherwise must state the period of time for which the authorization is made. "Basic quota" means 20% of the value of the manufacturer's average annual shipments of the product to the United Kingdom during the base period years 1936, 1937, and 1938. If a manufacturer authorizes an agent, or agents, to apply for certification of only a portion of the quota, the manufacturer may apply for certification of the balance.

(b) Individuals or firms, other than manufacturers, having an established export trade from the United States to the United Kingdom during the years 1936, 1937 and 1938 in the items on the approved list, may be eligible if they can demonstrate clearly that such trade was developed by them and not by a manufacturer. Any person who is not a manufacturer, or an authorized agent, who feels that he is eligible for participation under the plan should request a determination of eligibility from the Office of International Trade, Areas Division, British Token Import Plan Unit. Such a request should fully identify his export connections during the years 1936, 1937, and 1938 with the United Kingdom and should explain in detail his reasons for requesting eligibility under the plan.

§ 361.6 *Applying for certification*—(a) *Time and manner of submitting application.* (1) Applications for certification shall be made in triplicate on Form IT–558 (Rev.), "Request for Certification of Pre-War Exports to the United Kingdom," and submitted to the Office of International Trade, Areas Division, British Token Import Plan Unit, Washington, D. C. A separate application, Form IT–558 (Rev.), shall be submitted for each commodity group covered by the plan and shall give the information requested on the application form. The commodity description, section 3, should include brand name(s) for all branded products included in the applicant's export figures for the base period. The quantity and value of exports listed under section 6 should cover only the permitted types of each commodity shown on the approved list. All data shown on the form must be based upon actual records or other documentary evidence. Only those applications will be considered which have the certification on the bottom of the form executed.

(2) All applications should be filed as early in the year as possible. The following conditions will apply:

(i) Only those applications received on or before April 30, of the current year, can be assured of consideration as claims for full annual basic quotas.

(ii) Applications received later than April 30, may require treatment as partial claims entitling applicants to allotments of scrip only in proportion to the number of months remaining after the applications are received.

(iii) No applications for scrip can be accepted after September 30 of the current year.

(b) *Evidence of authority.* If an application is signed by an agent, it will be necessary to have evidence of authorization as explained in § 361.5.

§ 361.7 *Action by Office of International Trade*—(a) *Numbering and certifying applications.* (1) Upon receipt of Form IT–558 (Rev.) by the Office of International Trade, a number is assigned to the application for identification purposes. The first part of the number corresponds to the commodity group number assigned to the item as shown on the approved list. The second part of the number is a numerical case number. For example, number 17–435 indicates that the application covers "Lawnmowers," since "17" is the commodity group for lawnmowers and "435" is the numerical case number.

(2) When an applicant has been approved for participation under the plan, the Department of Commerce certification stamp is placed on all three copies of the application. The original copy is returned to the applicant, together with token scrip. The duplicate copy is retained by the Office of International Trade, and the triplicate copy is forwarded through the U. S. Embassy in London to the British Board of Trade. If scrip cannot be issued for the total amount of the basic quota requested on the application, notice will be sent to the applicant and to the Board of Trade of the amount of scrip which is being issued as an interim allotment pending verification or adjustment of the claim as explained in paragraph (b) of this section.

(b) *Issuance of token scrip.* (1) When an application is approved in full or in part, scrip will be issued in denominations requested by the applicant under section 7 of Form IT–558 (Rev.) totaling, to the nearest $25, an amount determined as explained in subparagraph (3) (i) of this paragraph. When issued, scrip is given a number identical with the number assigned to the certified application, Form IT–558 (Rev.). Scrip is neither transferable nor negotiable. It cannot be transferred by the certified manufacturer to another manufacturer of the same commodity or to a manufacturer of another product, nor can it be used by the holder for a product other than the one for which it was issued.

(2) Under the terms of the plan, as established by the British Government, import licenses will be issued by the British Board of Trade, up to 20% of each United States applicant's pre-war exports into the United Kingdom. Since the total exports of these items, as reported by individual applicants, should not exceed 20% of the total imports for each commodity during the base period, the pre-war exports certified by the Office of International Trade and scrip issued under such certification must be kept within the over-all national quotas computed from official trade statistics and mutually accepted by the Department of Commerce and the British Board of Trade.

(3) In order to operate the plan with the flexibility needed for convenience of American exporters, and, at the same time, with assurance that total national quotas will not be exceeded in any way which would endanger the continuance of the program, it is necessary to issue scrip on an installment basis. It is to be expected that scrip can be issued during the year to the full amount of each applicant's basic quota, but since errors are possible and time is therefore required before there can be complete assurance that all data are accurate, the quantities of scrip will be issued from time to time in installments as follows:

(i) *Applications filed on or before April 30.* For applications filed by April 30, in accordance with instructions in this part, the procedure will be, in general, to issue scrip immediately upon receipt of the application in an amount totaling approximately one-third of the applicant's basic quota. As soon as possible after April 30, a second installment of scrip will be issued in as large amount as practicable. If it is clear that there will be no danger of the total of all applications covering a specific commodity exceeding the over-all national quota for that commodity, scrip will be issued for the full remainder of the individual's basic quota. The amount of the initial and subsequent installments of scrip will vary for different commodities. Applicants having justifiable need for the full issue of scrip may request that arrangements be made to have their records and documents examined by a Department of Commerce representative. If this is done, and it is found that the full claim is substantiated, scrip will then be issued for the total unissued balance of the basic quota. Final issue of all scrip will be made as soon as possible after the closing date for filing applications, September 30.

(ii) *Applications filed after April 30, but prior to October 1.* Applications filed after April 30 will be certified in amounts consistent with any balance of the over-all national quota which was not applied for on or before April 30.

§ 361.8 *Use of token scrip by certified exporter.* When the certified exporter receives an order from a United Kingdom importer, he should forward to the importer sufficient scrip, to the nearest $25 to cover the order. The importer will attach the scrip to his application for an

import permit. The British Board of Trade, upon receipt of the import license application and accompanying scrip, will, prior to issuance of an import permit, check the application and scrip against the certified copy of the Form IT–558 (Rev.) forwarded from the Office of International Trade.

§ 361.9 *Validity period of scrip.* Scrip will be valid and accepted by the British Board of Trade through February 28 of the year following that in which it is issued. In no event will import licenses granted by the Board of Trade against token scrip issued under any calendar year program be valid beyond March 31 of the following year. Accordingly, all shipments must be landed in the United Kingdom by that date.

COMMODITIES SUBJECT TO THE PLAN

§ 361.10 *Commodity list.* The commodities listed below have been accepted by the British Board of Trade as those to which the British Token Import Plan shall apply. The number preceding each commodity is the "Commodity Group Number" which must be entered under Section 4 of the application for certification, Form IT–558 (Rev.).

FOOD AND DRINK

156. Bottled fruits, processed for serving with ice cream.
85. Canned lobster.
75. Canned macaroni and spaghetti.
76. Canned pork and beans.
74. Canned soups.
84. Canned vegetables, other than tomatoes and tomato puree (including tomato juice).
87. Cheese rennet.
118. Glacé cherries.
1. Jelly powder.
120. Marshmallow (cooking ingredient).
82. Mustard.
83. Olives preserved in salt or brine.
188. Onion and garlic salt.
219. Pectin, domestic pack.
157. Pickles.
185. Quick-frozen fruits.
119. Quick-frozen peas.
73. Rolled or flaked oats.
178. Sugar confectionery of all kinds, excluding cocoa preparations.
86. Vegetable butter coloring.
77. Whisky.

TOBACCO MANUFACTURES

186. Cigarettes.
187. Manufactured smoking tobacco and plug tobacco.

LEATHER PRODUCTS

151. Fancy leather goods, excluding trunks, traveling bags, handbags, wallets, and pochettes.
221. Leather footwear.
138. Leather gloves, excluding industrial gloves.

RUBBER MANUFACTURES

142. Elastic braid.
91. Household rubber gloves.
68. Rubber bands.
67. Rubber bathing caps.
47. Rubber belting, other than conveyor belting.
69. Rubber erasers.
152. Rubber garden hose.
15. Rubber heels and soles.
80. Rubber hot-water bottles.
94. Rubber soling slabs.
16. Surgeon's rubber gloves.
10. Waterproof rubber footwear of all types.

COTTON FABRICS AND MANUFACTURES

168. Bed ticking.
141. Cotton boot and shoe and corset laces and braid.
143. Cotton ribbon and tapes; trimmings of cotton and cotton-rayon mixtures.
79. Embroidery and embroidered articles (other than apparel) of descriptions currently manufactured in the United Kingdom for the home market, of which the base fabric is wholly or mainly of cotton.
170. Finished cotton sewing thread.
167. Furnishing fabrics of cotton and cotton-rayon mixtures.
169. Quilts, counterpanes, and other bed coverings of cotton and cotton-rayon mixtures.
166. Woven cotton piece goods of all kinds.

WOOLEN FABRICS

147. Wool and mohair plushes and other wool pile fabrics.
146. Woolen damasks, tapestries, and brocades.
145. Woolen tissues.

SYNTHETIC FIBER MANUFACTURES

63. Artificial silk woven fabric of a width not exceeding 12 inches.
7. Woven fabric of a width exceeding 12 inches of artificial silk or of artificial silk mixed with other materials except silk. (Furnishing fabrics of cotton-rayon mixtures under group 167.)

LINEN MANUFACTURES

164. Finished linen thread.
163. Linen canvas not under 12 ounces per square yard.
161. Printed or dyed linen piece goods.

APPAREL

6. Artificial silk clothing, except lace trimmed, excluding hose. (Women's hose under group 179.)
64. Athletes' supporters.
108. Children's outer garments, knitted, netted, or crocheted, except lace-trimmed, excluding hose. (Artificial silk clothing under group 6; cotton and woolen stockings under group 200.)
203. Corsets, girdles, and brassieres.
202. Garter and sanitary belts.
107. Men's and boys' outer garments of material other than artificial silk, excluding knitted, netted, or crocheted. (Artificial silk clothing under group 6; men's shirts under group 139.)
140. Men's felt hats, unlined.
139. Men's shirts.
201. Men's socks.
106. Underwear of material other than artificial silk, except lace-trimmed, excluding corsets, girdles, and brassieres. (Artificial silk clothing under group 6.)
92. Proofed clothing of all kinds (including blankets, baby pants, and crib sheets.)
200. Women's and children's cotton and woolen stockings.
199. Women's dresses other than of silk or artificial silk. (Women's dresses of artificial silk under group 6.)
5. Women's felt hats.
179. Women's full-fashioned stockings of silk and artificial silk, excluding nylon.

WOOD MANUFACTURES

31. Domestic woodware (clothes pegs, etc.).
222. Manufactures of mulga wood.
158. Wood wool (excelsior).
62. Wooden mouldings for picture and mirror frames.
61. Wooden picture and mirror frames.
70. Wooden spring blind or shade rollers.

PAPER AND RELATED PRODUCTS

210. Adhesive labels.
112. Blotting paper.
117. Bristol boards.
116. Duplicating paper.
211. Indexing or filing cards.
65. Paper dress patterns.
114. Printing paper of the following types: book, text, cover, litho, offset.
113. Stationery paper in uncut form and writing paper in large sheets (bond ledger).
66. Wallpaper.
123. Yellow varnished paper for bottle-cap linings.

GLASS, CLAY, AND MANUFACTURES

148. Bottles other than ornamental, pharmaceutical, medicine, wine, and spirit bottles.
171. Colored sheet and plate window glass.
122. Glazed wall tiles.
154. Illuminating glassware of the following: Oil-lamp chimneys, hurricane-lamp glasses, globes, and shades.
4. Industrial porcelain insulators.
177. Mirrors conforming in shape and size to those in current use for utility furniture.
78. Table glassware as follows: Plain stemware, tumblers, tableware, and heat-resisting glassware.

IRON AND STEEL MANUFACTURES

49. Axes.
197. Belt fasteners for conveyor belts.
56. Bolts and nuts of all kinds, other than precision bolts and nuts.
99. Carpet sweepers and repair parts.
23. Domestic cutlery (includes only knives, forks, and spoons).
127. Domestic hand-operated meat mincers, coffee and spice mills.
217. Furniture casters and parts thereof.
20. Furniture of metal (other than domestic furniture).
89. Gasoline and kerosene pressing irons.
96. Hard haberdashery, such as eyelets and hooks for boots and shoes, hooks and eyes, safety and other pins, snap fasteners, studs, steel fasteners, etc. (excluding hair combs).
218. Ladies' handbag and purse frames.
21. Locks, padlocks, keys, and key blanks.
124. Machine knives.
55. Nails and staples of all kinds except for decorative purposes (including hobnails and boot and shoe studs and spikes).
125. Paper machine wires.
134. Pipe joints of iron and steel excluding malleable cast iron and nonmalleable cast iron.
133. Pipe joints of nonmalleable cast iron.
184. Precision screws and other precision turned parts of metal.
57. Rivets of iron and steel.
190. Safety razors.
25. Slide fasteners.
194. Spectacle frames other than of gold or gold-filled.
189. Stropping machines, razor grinders, and razor sharpeners, all hand-operated.
172. Weighing apparatus (other than personal and baby scales) of less than 5-hundredweight capacity, and sold at a retail price not exceeding 50 pounds sterling.
126. Woven wire cloth, gauze, fabric, or meshing.

ALUMINUM AND MANUFACTURES

174. Aluminum and aluminum alloys in sheets, disks, wire, tubes, rods, angles, shapes, and sections.
54. Aluminum cooking utensils.
175. Aluminum kitchen utensils other than cooking utensils.
173. Beer barrels, made of aluminum or aluminum alloys.

ELECTRICAL MACHINERY, SUPPLIES, AND APPARATUS

2. Carbon electrodes.
29. Dry batteries (high tension).
28. Dry batteries (torch).
104. Electrical equipment for cycles and motorcycles.
130. Electric fans complete with motors for domestic use.
132. Electric-light bulbs.
103. Electric-light fixtures.
102. Electric meters.
153. Electric switches.
101. Electric refrigerators and parts for domestic purposes.
131. Electrically operated domestic washing machines.
27. Vacuum cleaners and parts.

INDUSTRIAL MACHINERY AND APPARATUS

129. Gear transmissions and gears.
24. Mechanical valves.
128. Pulley blocks.

AGRICULTURAL AND GARDEN MACHINERY AND EQUIPMENT

46. Beehives and frames, bee veils, bee smokers, and other beekeepers' accessories.
53. Hand cultivators for garden and farm use.
50. Forks for garden and farm use.
191. Hand seeders for garden and farm use.
51. Hoes for garden and farm use.
17. Lawn mowers.
100. Milk churns, cans, pails, and strainers.
52. Rakes for garden and farm use.

AUTOMOTIVE EQUIPMENT

19. Antiskid chains.
212. Automotive cables.
216. Chemical maintenance products for motorcars except oils and polishes (includes valve-grinding compounds; radiator leak stop, weather sealer, gasket cement, radiator flush, hydraulic-brake fluid, rubbing compound, mechanics' blue for marking valves, bearings, etc., and tar remover).
30. Spark plugs.
213. Windshield wipers and parts.

CHEMICALS AND RELATED PRODUCTS

204. Bone black.
136. Fuses and detonators.
206. Medicinal preparations packed ready for retail sale under proprietary or trade names (excluding veterinary medicinals).
110. Meta fuel (solidified mentholated spirits).
3. Paints and varnishes.
37. Petroleum-jelly preparations.
205. Porcelain enamel frit.
72. Powder for sporting cartridges.
155. Shampoos, nonliquid, in containers holding no more than 1 ounce.
182. Toilet preparations, including tooth paste and powder, but excluding perfumery and soap.

PHOTOGRAPHIC AND PROJECTION GOODS

105. Cinematographic cameras and projectors (for 16-mm. film or less).
26. Film for photographers' use.
60. Photographic coated paper (not sensitized).
59. Photographic paper and cloth, unexposed, sensitized.
58. Photographers' plates.

OFFICE SUPPLIES

176. Carbon paper.
198. Filing boxes or filing trays (of wood or cardboard).
42. Fountain pens and parts.
215. Miscellaneous office supplies: telephone indexes, numbering machines, staplers and stapler refills, eyeletting machines and eyelets.
43. Propelling pencils and parts.
137. Typewriter ribbons.

SPORTING GOODS

41. Ice skates, roller skates, ice hockey equipment, and other sports equipment.
214. Loaded sporting cartridges and loaded shotgun shells.
71. Sporting cartridges, primed, empty.
135. Sporting guns, sporting rifles, and spare parts thereof.[1]

MISCELLANEOUS

196. Aquarium equipment (includes aquarium pumps).
193. Artificial teeth.
183. Baskets and basketware.
32. Brushes.
44. Buttons of all kinds other than vegetable-ivory and dum buttons.
18. Cooking and heating appliances and parts.
192. Dental equipment and instruments.
95. Goldsmiths' and silversmiths' wares.
160. Granite pavement kerbs and setts.
88. Ice-cream cabinets.
33. Imitation jewelery (excluding jewelry findings, cigarette cases, cigarette lighters, hair ornaments, insignia, lipstick cases, match boxes, military ornaments, rhinestone buckles, Ronson repeaters, shoulder devices, and watch containers).
144. Jute webbing.
207. Laundry soap.
90. Manufactured abrasive cloths, papers, and disks.
97. Musical boxes.
22. Oil lamps and lanterns for illumination.
8. Papermakers' felts.
220. Pocket watches, except watches in cases made of gold or other precious metals.
165. Saddlers' thread.
150. Sun goggles and sun glasses.
40. Toilet requisites (includes only powder bowls or boxes, powder puffs, nail polishes, nail clippers, nail files, denture bowls, manicure sets, compacts, vanity cases, and pancake cases).
9. Toys, dolls, and parts, of all kinds except those made of hemp.
93. Varnished cambric insulating material.

THOMAS R. WILSON,
Director, Areas Division,
Office of International Trade.

[F. R. Doc. 49-7357; Filed, Sept. 12, 1949; 8:46 a. m.]

[4th Gen. Rev. of Export Regs., Amdt. 37]

PART 371—GENERAL LICENSES

PART 379—EXPORT CLEARANCE

GENERAL IN-TRANSIT LICENSE AND SHIPPER'S EXPORT DECLARATION

1. Section 371.9 *General in-transit license GIT* is amended in the following particulars:

Paragraph (a) *General provisions* is amended by adding thereto a new unnumbered paragraph to read as follows:

Commodities which originate in a foreign country include commodities which were originally grown, produced, or manufactured in the United States but which have been so altered by further processing, manufacture, or assembly in the foreign country that such commodities have either thereby been substantially enhanced in value, or have lost their original identity with respect to form.

2. Section 379.3 *Shipper's export declaration; miscellaneous* is amended in the following particulars:

Paragraph (c) *In-transit goods*, subparagraph (2), is amended to read as follows:

(2) Underneath the name and address of the intermediate consignee, also within columns 1–6, one of the following statements must be made, whichever is appropriate:

(i) *For in-transit shipments of foreign merchandise:* "The merchandise described herein is of foreign origin."

NOTE: For definition of "foreign origin", see § 371.9 (a).

(ii) *For in-transit shipments of domestic (U. S.) merchandise:* "The merchandise described herein is of the growth, production, or manufacture of the United States."

NOTE: Any commodities shipped in-transit through the United States, from one foreign destination to another, which are of the growth, production, or manufacture of the United States, do not fall within the scope of general in-transit license GIT and are subject to the export control provisions which are applicable to any other U. S. export involving the same commodity to the same foreign destination.

This amendment shall become effective October 1, 1949.

(Pub. Law 11, 81st Cong.; E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

Dated: August 31, 1949.

LORING K. MACY,
Assistant Director,
Office of International Trade.

[F. R. Doc. 49-7365; Filed, Sept. 12, 1949; 8:46 a. m.]

[4th Gen. Rev. of Export Regs., Amdt. 38]

PART 375—BLT (BLANKET) LICENSES

MISCELLANEOUS AMENDMENTS

1. Section 375.1 *BLT (Blanket) licenses* is amended to read as follows:

§ 375.1 *BLT (Blanket) licenses.* Under the provisions of this part there is established a procedure for the exportation of certain RO commodities set forth in this part. Pursuant to this procedure, application may be made for a BLT (Blanket) license, which, if issued, authorizes exportation of the same commodity to two or more consignees in the same country of destination.

2. Section 375.2 *Commodities subject to procedure* is amended to read as follows:

§ 375.2 *Commodities subject to procedure.* The following commodities are subject to the BLT (Blanket) license procedure:

[1] Imported sporting guns and sporting rifles will be subject to the provisions of the British 1937 Firearms Act, except smoothbore guns having a barrel not less than 20 inches in length.

Commodity	Schedule B No.
Aluminum and aluminum-base alloy sheets, plates, and strips (0.006 inch and over in thickness)	630301
Milk shipping containers (5 gallons or over)	759300
Milk shipping cans (less than 5 gallons)	780200

In addition, all RO commodities with the following processing code symbols of the Office of International Trade:

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3. Section 375.3 *Application requirements* is amended in the following particulars:

Paragraph (c) *Commodities which may be grouped on one application* is amended to read as follows:

(c) *Commodities which may be grouped on one application.* A separate application must be submitted for each commodity which it is proposed to export to the same country of destination except that all accepted orders which an applicant holds from consignees in the same country of destination for the same commodity which are not more than $100 in value, or not more than twice the GLV dollar-value limit of the named commodity, whichever is higher, should be included in a single application.

This amendment shall become effective September 2, 1949.

(Pub. Law 11, 81st Cong.; E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

Dated: August 17, 1949.

LORING K. MACY,
Assistant Director,
Office of International Trade.

[F. R. Doc. 49-7366; Filed, Sept. 12, 1949; 8:46 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 204—DANGER ZONE REGULATIONS

MISCELLANEOUS AMENDMENTS

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), and Chapter XIX of the Army Appropriation Act of July 9, 1918 (40 Stat. 892; 33 U. S. C. 3), §§ 204.57, 204.60, 204.70, 204.83, 204.85, 204.110, and 204.118 are hereby revoked, § 204.125 is hereby redesignated § 204.228, §§ 204.105 and 204.140 (a) are hereby amended, and §§ 204.2, 204.4, 204.12, and 204.222 are hereby prescribed, the revocation of § 204.118 to be effective on the date of publication of this revocation, and § 204.222 to be in full force and effect on and after the date of its publication, in the FEDERAL REGISTER due to the urgent need on the part of the United States Navy for continuing operations in the existing restricted area and commencing operations in the newly established restricted area at the earliest practicable date, as follows:

§ 204.2 *Atlantic Ocean in vicinity of Duck Island, Maine, Isles of Shoals; naval aircraft bombing target area.*—(a) *The danger zone.* A circular area with a radius of 500 yards having its center on Shag Rock in the vicinity of Duck Island at latitude 43°00'12", longitude 70°36'12".

(b) *The regulations.* (1) No vessel shall enter or remain in the danger zone from 8:00 a. m. to 5:00 p. m. (local time) daily, except as authorized by the enforcing agency.

(2) The regulations in this section shall be enforced by the Commandant, First Naval District, and such agencies as he may designate.

§ 204.4 *Cape Cod Bay south of Wellfleet Harbor, Mass.; naval aircraft bombing target area*—(a) *The danger zone.* A circular area with a radius of 1,000 yards having its center on the aircraft bombing target hulk James Longstreet in Cape Cod Bay at latitude 41°49'46", longitude 70°02'54".

(b) *The regulations.* (1) No vessel shall enter or remain in the danger zone at any time, except as authorized by the enforcing agency.

(2) The regulations in this section shall be enforced by the Commandant, First Naval District, and such agencies as he may designate.

§ 204.12 *Block Island Sound in vicinity of Gardiners Point, N. Y.; naval aircraft bombing target area*—(a) *The danger zone.* A circular area with a radius of 2,000 feet having its center on the Ruin at Gardiners Point, latitude 41°08'30", longitude 72°08'46", which point bears 326° true, 2,700 yards, from the northern end of Gardiners Island.

(b) *The regulations.* (1) No vessel shall enter or remain in the danger zone at any time, except as authorized by the enforcing agency.

(2) The regulations in this section shall be enforced by the Commander, Naval Air Bases, First Naval District, Quonset Point, Rhode Island, and such agencies as he may designate.

§ 204.57 *Waters of the Atlantic Ocean; Army Air Corps, Aerial Gunnery Target Range near Murrells Inlet, South Carolina.* [Revoked.]

§ 204.60 *Charleston Harbor, S. C.; U. S. Military Reservations; Fort Moultrie, Fort Sumter and Marshall Reservation.* [Revoked.]

§ 204.70 *Waters of the Atlantic Ocean; United States Marine Corps firing range between Hilton Head Island and Hunting Island, S. C.* [Revoked.]

§ 204.83 *Waters of the Atlantic Ocean; U. S. Army Air Corps, Aerial Gunnery Target Range between Jupiter Inlet and Fort Pierce, Fla.* [Revoked.]

§ 204.85 *Waters of the Atlantic Ocean (Straits of Fla.); Fort Taylor Military Reservation, Key West, Florida.* [Revoked.]

§ 204.105 *Gulf of Mexico between Anclote Keys and Cedar Keys, Fla.; Air Force aerial gunnery target range and bombing target areas*—(a) *Aerial gunnery target range*—(1) *The danger zone.* A parallelogram off the west coast of Florida between Anclote Keys and Cedar Keys, bounded as follows: Beginning at Anclote Keys light, latitude 28°10'00", longitude 82°50'42"; thence to latitude 28°10'00", longitude 83°31'00"; thence to latitude 28°58'30", longitude 83° 50'00"; thence to Seahorse Reef Light, latitude 28°58'30", longitude 83°09'12"; and thence to the point of beginning.

(2) *The regulations.* (i) The fact that aerial target practice is to take place over the danger zone will be advertised to the public through the usual media for the dissemination of information. Inasmuch as such practice is likely to be conducted throughout the year without regard to season, such advertising of firing will be repeated at frequent intervals not exceeding three months and at more frequent intervals when, in the opinion of the enforcing agency, more frequent repetition is necessary in the interests of public safety.

(ii) Prior to the conducting of each target practice the area will be patrolled by Air Force aircraft to insure that no watercraft are within the danger zone and to warn any such watercraft seen in the vicinity by means of signals that target practice is about to take place. The patrol aircraft will employ the method of warning known as "buzzing" which consists of low flight by the airplane and repeated opening and closing of the throttle.

(iii) Any such watercraft shall, upon being so warned, immediately leave the area designated and, until the conclusion of the practice, shall remain at such a distance that it will be safe from falling projectiles.

(iv) The regulations in this paragraph shall not deny access to or egress from harbors contiguous to the danger zone in the case of regular cargo-carrying vessels proceeding to or from such harbors. In case of the presence of any such vessel in the danger zone the officer in charge shall cause the cessation or postponement of fire until the vessel shall have cleared that part of the area in which it might be endangered by falling projectiles. The vessel shall proceed on its normal course and shall not delay its progress unnecessarily.

(v) All aircraft and watercraft shall be presumed to know their whereabouts by distances and directions from landmarks or other topographical features along the shore.

(vi) The regulations in this paragraph shall be enforced by the Commanding Officer, MacDill Field, Tampa, Florida, and such agencies as he may designate.

(b) *Bombing target areas*—(1) *The danger zones*—(i) *South area.* A rectangular area off the west coast of Florida between Hudson and Bayport bounded on the south by latitude 28°23'; on the west by longitude 82°56'; on the north by latitude 28°33'; and on the east by longitude 82°43'.

(ii) *North area.* A rectangular area off the west coast of Florida between Chassahowitzka Bay and Crystal Bay bounded on the south by latitude 28°43'; on the west by longitude 82°58'; on the north by latitude 28°53'; and on the east by longitude 82°45'.

(2) *The regulations.* (i) Vessels and other watercraft are prohibited from entering the danger zones at all times.

(ii) Advance notice will be given of the date on which bombing practice shall begin. Thereafter, at intervals of not more than three months, notices will be published stating that bombing practice is continuing. Such notices will appear in local newspapers and in "Notice to Mariners" published by the United States Coast Guard.

(iii) The regulations in this paragraph shall be enforced by the Commanding Officer, MacDill Field, Tampa, Florida, and such agencies as he may designate.

NOTE: Section 204.105 was formerly §204.88.

§ 204.110 *Waters of Gulf of Mexico; U. S. Army Air Corps, Aerial Gunnery Target Range between Anclote Keys and Cedar Keys, Fla.* [Revoked.]

NOTE: Section 204.110 was formerly § 204.88a.

§ 204.118 *Hood Canal, Wash.; temporary naval restricted area for deep-water aircraft torpedo drops.* [Revoked effective on the date of publication of this revocation in the FEDERAL REGISTER.]

§ 204.125 *Atlantic Ocean and Caribbean Sea in vicinity of Puerto Rico; practice firing areas, United States Army Forces Antilles.* [Redesignated § 204.228.]

§ 204.140 *Gulf of Mexico in vicinity of Eglin Field, Fla.; guided missiles test operations area, Air Proving Ground Command*—(a) *The danger zone.* An area in the Gulf of Mexico bounded as follows: Beginning at a point on the south shore of Santa Rosa Island at longitude 86°47'20"; thence easterly along the south shore of Santa Rosa Island, across the mouth of Choctawhatchee Bay Entrance, and along the south shore of Moreno Point and the peninsula south of Choctawhatchee Bay to longitude 86°05'10"; thence southeasterly to latitude 28°10'00", longitude 84°30'00"; thence 270° true to longitude 86°47'20"; and thence due north to the point of beginning.

NOTE: Section 204.140 was formerly § 204.90a.

§ 204.222 *Hood Canal and Dabob Bay, Wash.; temporary naval restricted areas for deep-water aircraft torpedo drops*—(a) *The danger zones*—(1) *Hood Canal.* All waters of Hood Canal between latitude 47°46'00" and latitude 47°41'35", exclusive of a navigation lane one-fourth nautical mile wide along the west shore.

(2) *Dabob Bay.* All waters of Dabob Bay, an arm of Hood Canal, between latitude 47°47'00" and latitude 47°42'00", exclusive of a navigation lane along the west side the easterly boundary of which is a line one-fourth nautical mile from the southeast shore of Bolton Peninsula, a line extending from the southernmost point of Bolton Peninsula to Whitney Point, a line one-fourth nautical mile from shore from a point northeast of Whitney Point to a point southwest of Pulali Point, a line tangent to Pulali Point and Wawa Point, and south of Wawa Point a line one-fourth nautical mile from shore or the line of 10-fathom depth whichever is farther from the west shore.

(b) *The regulations.* (1) Naval operations will be conducted within the Hood Canal danger zone between 9:00 a. m., and 2:00 p. m., Pacific standard time, on all days other than Saturdays and Sundays, from September 1, 1949, to September 23, 1949, inclusive. No vessel shall enter or remain in the danger zone during these periods. Operations will be confined so far as practicable to the easterly portion of the waterway.

(2) Naval operations will be conducted within the Dabob Bay danger zone between 8:00 a. m. and 2:00 p. m., Pacific standard time, on all days other than Saturdays and Sundays, from August 29, 1949, to September 9, 1949, inclusive. No vessel shall enter or remain in the danger zone during these periods.

(3) During naval operations, surface and air patrol will be maintained at all times in the danger zones and an escort will be provided for vessels using the navigation lanes described in paragraph (a) of this section.

(4) This section shall be in full force and effect on and after the date of its publication in the FEDERAL REGISTER, and shall be enforced by the Commandant, Thirteenth Naval District, and such agencies as he may designate.

§ 204.228 *Atlantic Ocean and Caribbean Sea in vicinity of Puerto Rico; practice firing areas, United States Army Forces Antilles.* * * *

[Regs. Sept. 6, 1949, 800.2121—ENGWO] (40 Stat. 266, 892; 33 U. S. C. 1, 3)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 49-7363; Filed, Sept. 12, 1949; 8:46 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART C—TRAINING FACILITIES

PROVISIONAL REGULATIONS

Immediately below § 21.671 add the centerhead "Provisional Regulations" and insert new § 21.690.

§ 21.690 *Application of the provisions of Public Law 266, 81st Congress, prohibiting expenditure of Government funds for courses of education or training until certain requirements are met*—(a) *Purpose.* The purpose of the provision contained in Public Law 266, 81st Congress, is to prohibit the Veterans' Administration from expending any Government funds for courses of education or training in educational institutions:

(1) Which have not had at least one year of operating experience in providing the type of training now offered or proposed to be offered to veterans under Public Law 346, 78th Congress, as amended.

(2) Which have no customary cost of tuition until either a fair and reasonable rate has been established or a "customary cost of tuition" has been established through contract with the Veterans' Administration over a two year period.

(b) *Law.* Public Law 266, 81st Congress, by which funds were appropriated for activities of the Veterans' Administration for the fiscal year 1950, contains the following proviso and limitations:

Provided, further, That no part of this appropriation for education and training under Title II of the Servicemen's Readjustment Act, as amended, shall be expended subsequent to the effective date of this act for subsistence allowance or for tuition, fees, or other charges in any of the following situations:

(1) For any veteran for a course in an institution which has been in operation for a period of less than one year immediately prior to the date of enrollment in such course unless such enrollment was prior to the date of this act;

(2) For any course of education or training for which the educational or training institution involved has no customary cost of tuition, until a fair and reasonable rate of payment for tuition, fees, or other charges for such course has been determined. In any case in which one or more contracts providing a rate or rates of tuition have been executed for two successive years, the rate established by the most recent contract shall be considered to be the customary cost of tuition notwithstanding the definition of "customary cost of tuition" as hereinafter set forth. If the Administrator finds that any institution has no customary cost of tuition he shall forthwith fix and pay or cause to be paid a fair and reasonable rate of payment for tuition, fees, and other charges for the courses offered by such institution. Any educational or training institution which is dissatisfied with a determination of a rate of payment for tuition, fees, or other charges under the foregoing provisions of this paragraph shall be entitled, upon application therefor, to a review of such determination (including the determination with respect to whether there is a customary cost of tuition) by a board to be known as the "Veterans' Tuition Appeals Board" consisting of three members, appointed by the Administrator for such purpose. Such board shall be subject, in respect to appointment, hearings, appeals, and all other actions and qualifications, to the provisions of sections 5 to 11, inclusive, of the Administrative Procedure Act, approved June 11, 1946, as amended. The decision of such board with respect to all matters shall constitute the final administrative determination. In no event shall the board fix a rate of payment in excess of the maximum amount allowable under the Servicemen's Readjustment Act as amended. The term "customary cost of tuition," as employed herein and in paragraph 5, part VIII, Veterans' Regulation Numbered 1 (a), as amended, is regarded as that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a "customary cost of tuition" for the course or courses in question in the following circumstances:

(a) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, 78th Congress, as amended; and

(b) One of the following conditions prevails:

1. The institution has been established subsequent to June 22, 1944.

2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 per centum.

4. The course (or a course of substantially the same length and character) was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944: *Provided further*, That nothing in the foregoing proviso shall be construed to affect adversely any legal rights which have accrued prior to the date of enactment of this Act, or to affect payments to educational or training institutions under contracts in effect on such date.

(c) *Policy*—(1) *Institutions in operation less than one year.* (i) Benefits under Title II, part VIII, Public Law 346, as amended, will not be authorized for any veteran who, on or subsequent to August 24, 1949, commences a course in an institution which has been in operation for a period of less than one year.

(ii) For the purpose of Public Law 266, 81st Congress, an institution is defined as a school when it operates in one location. A subsidiary, branch or extension of an existing school in the same or different community will be considered as a separate institution. In determining whether a school has been in operation for a period of less than one year, the effective date of operation will be the date on which a full schedule of instruction was commenced by the school to a minimum of 25 students for which the school collected tuition. The school must have been in continuous operation under substantially the same ownership and management for a full twelve months period including reasonable vacation and holiday periods and must have provided to a minimum of 25 students during that full twelve months period the course or courses of substantially the same length and character as those offered following the twelve months period.

(2) *Courses which do not have a customary cost of tuition.* The following instructions issued pursuant to the provisions of Public Law 266, 81st Congress, are for application in connection with Veterans' Administration contracts for the education and training of veterans under Public Law 346, as amended, where a fair and reasonable cost determination is required except as to contracts for courses of less than 30 weeks, correspondence courses and institutional on-farm training courses which are specifically provided for elsewhere in the statutes. These instructions do not apply where the institution applies for payment of adjusted tuition pursuant to §§ 21.473, 21.474 and 21.475.

(i) *Contract requirements.* Existing regulations in this part requiring contracts on a fair and reasonable basis will continue in full force and effect except that in any case in which one or more contracts providing a rate or rates of tuition under Public Law 346 (not under Public Law 16) have been executed in accordance with regulations in this part for two successive years in calendar time, except as provided in subdivision (ii) of this subparagraph, the rates established by the most recent contract shall be considered to be the customary cost of tuition applicable to eligible veteran enrollees notwithstanding the definition of "customary cost of tuition" as provided in § 21.467. Therefore, no further fair and reasonable cost determination will be required by the Veterans' Administration with respect to contract rates which are considered to be the customary cost of tuition established by the most recent contract where contracts have been executed on a fair and reasonable basis covering a period of two successive years.

(ii) *Special cases involving surplus or deficit.* A contract rate with a nonprofit school where there has been a consideration of surplus or deficit in determining such rate is not considered to be a customary cost of tuition. Where contracts have been or are in the future executed with nonprofit schools covering a period of two or more successive years and the most recent contract rate has been or is adjusted to take into consideration a surplus or deficit, the customary cost of tuition established by such contract will be the fair and reasonable rate without regard to the adjustment for surplus or deficit. For example:

A contract has been negotiated on a fair and reasonable basis for the period September 1, 1947, to August 31, 1948, and a second contract has been negotiated for the period September 1, 1948, to August 31, 1949. The rate provided in the second contract is $15 per student per month, which rate was determined by arriving at a basic fair and reasonable rate of $20 per student per month less an adjustment of $5 per student per month to absorb an accumulated surplus. The customary cost of tuition established by the second contract is the basic rate of $20 per student per month and not the adjusted rate of $15 per student per month. Where the surplus or deficit has not been completely absorbed prior to the termination date of the contract which established or establishes the customary cost of tuition, the succeeding contract rate will provide for a rate based upon the customary cost of tuition increased or decreased to provide for the liquidation of the remaining surplus or deficit during the next ensuing periods except that the institution may arrange for the return of any surplus in a lump sum. Only a surplus accumulated or a deficit incurred prior to the termination date of the contract by which the customary cost of tuition is established will be for consideration in contracts for ensuing periods or for lump-sum recovery. For example:

A contract has been negotiated on a fair and reasonable basis for the period September 1, 1947, to June 30, 1948, and a surplus of $10,000 existed on June 30, 1948. A second contract has been negotiated for the period July 1, 1948, to June 30, 1949, the operation of which has resulted in reducing the $10,000 surplus to a $5,000 surplus on June 30, 1949. A third contract is negotiated for the period July 1, 1949, to June 30, 1950, to absorb the $5,000 surplus and this third contract completes the calendar time for the requirement of the second successive year. On June 30, 1950, the operation of the third contract has resulted in a deficit of $3,000. The third contract rate was $15 per student per month which rate was determined by arriving at a basic fair and reasonable rate of $19 per student per month less an adjustment of $4 per student per month to absorb an accumulated surplus. The $19 fair and reasonable rate will become the customary cost of tuition though an additional allowance will be made in the contract rate to reimburse the institution for the $3,000 deficit as of June 30, 1950.

(iii) *Educational institution's right to appeal to Veterans' Tuition Appeals Board.* Where a mutually satisfactory fair and reasonable rate cannot be agreed upon and the educational or training institution is dissatisfied with a Veterans' Administration determination of a fair and reasonable rate of payment for tuition, fees, or other charges, such educational institution shall be entitled, upon application and the filing of an appeal in accordance with the rules prescribed therefor, to a review of such determination of a fair and reasonable rate (including the determination with respect to whether there is a customary cost of tuition) by the Veterans' Tuition Appeals Board.

(d) *Application of law and policy*—(1) *Determination of contract rate.* For any course of education or training for which the educational or training institution involved has no customary cost of tuition as defined in § 21.467 (except as established by the most recent contract after contracts covering a minimum of two successive years have been executed as set forth in paragraph (c) (2) (i) and (ii) of this section), a fair and reasonable rate of payment for tuition, fees, or other charges for such course will be determined by the regional office after reviewing the cost data as submitted by the educational institution in accordance with regulations in this part and after consulting with the institution to the extent necessary to arrive at the fair and reasonable determination. The Veterans' Administration regional office will then prepare a contract containing the proposed fair and reasonable rate, and such contract together with a copy of the cost data and the regional office analysis thereof, will be submitted, prior to signature either by educational institution or the Veterans' Administration, for approval of the special assistant to director, training facilities service, for the area concerned. Upon notice of approval or upon notice of approval subject to amendment in accordance with regulations in this part by the special assistant to the director, training facilities service, the regional office will submit the proposed approved contract to the educational institution for signature.

(2) *Notice of intent to appeal.* Where the educational institution is dissatisfied with the fair and reasonable determination and a mutually satisfactory rate cannot be negotiated between the Veterans' Administration and the institution, the institution has the right to appeal to the Veterans' Tuition Appeals Board. In the event the institution desires to appeal, it must file with the regional of-

fice a written notice of such intent and a copy of such notice must be forwarded by the institution at the same time to the Veterans' Tuition Appeals Board, Veterans' Administration, Washington 25, D. C. Appeals made by educational institutions which concern either the Veterans' Administration determination of fair and reasonable rates or the determination with respect to whether there is a customary cost of tuition will be regarded as premature unless cost data has been submitted, and a fair and reasonable rate or rates determined in accordance with regulations in this part.

(3) *Renewal of contracts which establish the rate for the customary cost of tuition.* Under the provisions of paragraph (c) (2) (i) of this section, the most recent contract which established or establishes the rate considered to be the customary cost of tuition will be renewed (or new contracts prepared where existing contracts are not on VA Form 7–1903) at the last effective rate.

(4) *Payment authorized pending action of appeals board.* Upon receipt by the regional office of the notice of intent to appeal, the regional office will insert in the proposed contract a clause which is authorized for use in such cases, reading as follows: "The execution of this contract shall be without prejudice to the _____ to appeal to the
(Name of institution)
Veterans' Tuition Appeals Board the question of existence of customary costs or of fair and reasonable rates; and the contract shall be subject to any revision made by said board pursuant to the governing statutes and regulations". The proposed contract will then be submitted immediately to the educational institution for signature and the educational institution will be informed that the Veterans' Administration will make payment under such contract at the determined fair and reasonable rates pending final action by the appeals board. If an institution declines to execute the contract and files an appeal, the rates determined by the Veterans' Administration will be payable subject to action by the board. Where a fair and reasonable rate offered by the Veterans' Administration for the most recent contract period which completes the second successive year is appealed by the educational institution, the rate determined by the Veterans' Tuition Appeals Board will establish the final rate for the contract and such contract rate will become the customary cost of tuition.

(5) *Voucher requirements.* Vouchers submitted by educational institutions under contracts containing the savings clause or under other arrangement for payment without a contract authorized in subparagraph (4) of this paragraph, will be complete regarding names of veterans, C-numbers, etc., in accordance with regulations in this part. In the event that it is determined by the appeals board that the educational institution has a customary cost of tuition or that the fair and reasonable rate or rates are other than the stipulated rate or rates in the contract, the educational institution will be required to submit a second billing showing for each veteran the original amount billed, the adjusted amount per veteran based on the findings of the appeals board and the difference between such amounts in order that proper payment may be effected. Where the decision of the appeals board results in an overpayment to the institution the usual collection procedures will be followed.

(6) *Effect on current contracts.* Effective immediately the escape clause authorized by the administrator for use in Veterans' Administration contracts affected by litigation between Metropolitan Training Center, Inc. vs. Carl R. Gray, Jr., et al., is not authorized for inclusion in Veterans' Administration contracts for education and training of veterans and will not be included in any contract for any period beginning on or after August 24, 1949. The foregoing will not preclude the inclusion of such escape clause where otherwise authorized in a contract to cover a period up to August 24, 1949. Existing contracts which contain such escape clause are unaffected by Public Law 266 for any period prior to August 24, 1949. On and after such date contracts with cited escape clause are subject to the limitations of Public Law 266 and payments by the Veterans' Administration for services furnished following August 24, 1949, will be made at the fair and reasonable rates stipulated in the contract. Payments for services furnished on and after August 24, 1949, will not be subject to the provisions of the escape clause referred to in this subparagraph.

(Instruction 1, Pub. Law 266, 81st Congress)

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 49–7372; Filed, Sept. 12, 1949; 8:49 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 120—OCEAN MAIL SERVICE

COMPENSATION FOR TRANSPORTATION OF FOREIGN MAILS

In § 120.7 *Compensation for transportation of foreign mails* (13 F. R. 9068; 14 F. R. 2015), amend paragraph (d) (2) by adding "Venezuela" to the list of countries.

(R. S. 4007, 4009, as amended, 44 Stat. 900, as amended; 39 U. S. C. 652, 654)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 49–7351; Filed, Sept. 12, 1949; 8:45 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

MISCELLANEOUS AMENDMENTS

In Part 127 make the following changes:

1. In § 127.78 *Certificates of mailing* (13 F. R. 9096), amend paragraph (a) to read as follows:

§ 127.78 *Certificates of mailing.* (a) Postmasters are instructed on request, at time of mailing, to issue for an ordinary parcel-post package a certificate of mailing (Form 2965 or 3817), or a receipt from a firm mailing book (Form 3877–A, 3881–A, or 3882–A). If desired by the mailer one certificate of mailing may be issued to cover one or more parcels sent at one time to one addressee. A charge of 1 cent will be made for each certificate of mailing issued to the sender, and for each parcel represented if a single certificate covers more than one parcel; that is, if a certificate of mailing is issued for 10 parcels, even though identical, the charge will be 10 cents. When a certificate of mailing is issued for an air parcel, the certificate shall be endorsed "Via air mail".

2. In § 127.101 *Special provisions applicable to international registry service* (13 F. R. 9101), amend paragraph (d) to read as follows:

(d) *Registry receipt.* The usual registry receipt shall be issued for mail matter accepted for registration to foreign countries. In instances in which parcel post is presented for registration to foreign countries under the provisions of the Agreement relative to parcel post of the Postal Union of the Americas and Spain of Rio de Janeiro (see § 127.104), there must be a notation on the receipt showing the exact weight of the parcel and the total amount of postage paid (including transit charges and/or surcharges wherever applicable), in addition to the registration number, amount of fee paid, date of mailing, and the name and address of sender and addressee. The registration receipt and office record covering an air mail article or air parcel shall be endorsed "Via air mail".

3. In § 127.102 *Special provisions applicable to international insurance service* (13 F. R. 9102), amend paragraph (b) (7) to read as follows:

(7) The insurance number shall be legibly written immediately below the endorsement "Insured." Insured parcels may be numbered in the same series and recorded in the same Form 3813–a (sender's receipt for insured mail) as domestic insured mail. However, where advisable, a separate series of numbers may be used for insured parcels for foreign countries (or for each foreign country to which insured parcel-post service is in effect) and they may be recorded on a separate Form 3813, or a firm mailing book. The insurance receipt and office record covering an air mail article or air parcel shall be endorsed "Via air mail."

4. In § 127.103 *Special provisions applicable to international c. o. d. service* (13 F. R. 9103), amend paragraph (a) (7) to read as follows:

(7) The usual registration receipt will be issued for c. o. d. registered parcels for foreign countries. In addition to the data ordinarily placed upon such receipts, there must be added a notation showing the amount of charges to be collected and the amount of the c. o. d. fee paid,

exclusive of postage. The mailing office record must also show such charges and fee. Firm mailing records may be used when desired. The registration receipt and office record covering a c. o. d. airmail Postal Union article or air parcel shall be endorsed "Via air mail."

5. In § 127.104 (13 F. R. 9104), the headnote is amended to read *"Special provisions applicable to ordinary parcel post (surface and air) for Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Haiti, Honduras (Republic of), Mexico, Morocco (Spanish Zone), Nicaragua, Panama, Paraguay, Peru, Salvador (El), Spain, Spanish Guinea, Uruguay, and Venezuela,"* and paragraph (a) (2) is amended to read as follows:

(2) Ordinarily the descriptive registration receipt (Form 3805) should be used by carbon process. It is believed this form would be more advantageous at smaller offices. Each descriptive receipt and its counterpart (mailing office record) shall show date of mailing, name and address of the sender and of the addressee, exact weight of the parcel and total amount of postage paid (including transit charges wherever applicable).

At offices where the mailings of ordinary parcels for the countries named in this section are small, a portion of the window registration book may be set aside for the entries of such parcels. At first- and second-class offices where mailings are more frequent and in larger quantities, Form 2932 (receipts for ordinary Americo-Spanish parcel-post packages) should be used. The receipt and office record covering an air parcel shall be endorsed "Via air mail."

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 49-7352; Filed, Sept. 12, 1949; 8:45 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

POLAND

In § 127.331 *Poland* (13 F. R. 9205), make the following changes:

1. Amend paragraph (a) (5) to read as follows:

(a) *Regular mails.* * * *

(5) *Air mail service.* Postage rates: Letters, letter packages, and post cards, 15 cents per half ounce. Air-letter sheets, 10 cents each. Other regular-mail articles, 46 cents for the first two ounces and 25 cents for each additional two ounces. (See § 127.20.)

2. Amend paragraph (b) (1) by the addition of a new subdivision (ii) to read as follows:

(b) *Parcel post.* * * *
(1) *Table of rates.* * * *
(ii) *Air parcels.*

Lb.	Oz.	Rate	Lb.	Oz.	Rate
0	4	$1.06	22	4	$46.82
0	8	1.58	22	8	47.34
0	12	2.10	22	12	47.86
1	0	2.62	23	0	48.38
1	4	3.14	23	4	48.90
1	8	3.66	23	8	49.42
1	12	4.18	23	12	49.94
2	0	4.70	24	0	50.46
2	4	5.22	24	4	50.98
2	8	5.74	24	8	51.50
2	12	6.26	24	12	52.02
3	0	6.78	25	0	52.54
3	4	7.30	25	4	53.06
3	8	7.82	25	8	53.58
3	12	8.34	25	12	54.10
4	0	8.86	26	0	54.62
4	4	9.38	26	4	55.14
4	8	9.90	26	8	55.66
4	12	10.42	26	12	56.18
5	0	10.94	27	0	56.70
5	4	11.46	27	4	57.22
5	8	11.98	27	8	57.74
5	12	12.50	27	12	58.26
6	0	13.02	28	0	58.78
6	4	13.54	28	4	59.30
6	8	14.06	28	8	59.82
6	12	14.58	28	12	60.34
7	0	15.10	29	0	60.86
7	4	15.62	29	4	61.38
7	8	16.14	29	8	61.90
7	12	16.66	29	12	62.42
8	0	17.18	30	0	62.94
8	4	17.70	30	4	63.46
8	8	18.22	30	8	63.98
8	12	18.74	30	12	64.50
9	0	19.26	31	0	65.02
9	4	19.78	31	4	65.54
9	8	20.30	31	8	66.06
9	12	20.82	31	12	66.58
10	0	21.34	32	0	67.10
10	4	21.86	32	4	67.62
10	8	22.38	32	8	68.14
10	12	22.90	32	12	68.66
11	0	23.42	33	0	69.18
11	4	23.94	33	4	69.70
11	8	24.46	33	8	70.22
11	12	24.98	33	12	70.74
12	0	25.50	34	0	71.26
12	4	26.02	34	4	71.78
12	8	26.54	34	8	72.30
12	12	27.06	34	12	72.82
13	0	27.58	35	0	73.34
13	4	28.10	35	4	73.86
13	8	28.62	35	8	74.38
13	12	29.14	35	12	74.90
14	0	29.66	36	0	75.42
14	4	30.18	36	4	75.94
14	8	30.70	36	8	76.46
14	12	31.22	36	12	76.98
15	0	31.74	37	0	77.50
15	4	32.26	37	4	78.02
15	8	32.78	37	8	78.54
15	12	33.30	37	12	79.06
16	0	33.82	38	0	79.58
16	4	34.34	38	4	80.10
16	8	34.86	38	8	80.62
16	12	35.38	38	12	81.14
17	0	35.90	39	0	81.66
17	4	36.42	39	4	82.18
17	8	36.94	39	8	82.70
17	12	37.46	39	12	83.22
18	0	37.98	40	0	83.74
18	4	38.50	40	4	84.26
18	8	39.02	40	8	84.78
18	12	39.54	40	12	85.30
19	0	40.06	41	0	85.82
19	4	40.58	41	4	86.34
19	8	41.10	41	8	86.86
19	12	41.62	41	12	87.38
20	0	42.14	42	0	87.90
20	4	42.66	42	4	88.42
20	8	43.18	42	8	88.94
20	12	43.70	42	12	89.46
21	0	44.22	43	0	89.98
21	4	44.74	43	4	90.50
21	8	45.26	43	8	91.02
21	12	45.78	43	12	91.54
22	0	46.30	44	0	92.06

3. The foregoing amendments will take effect September 1, 1949.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 49-7353; Filed, Sept. 12, 1949; 8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[Public Land Order 604]

OREGON

WITHDRAWING PUBLIC LANDS FOR USE OF DEPARTMENT OF ARMY FOR FLOOD CONTROL PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Subject to valid existing rights, the following-described public lands in the State of Oregon are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and mineral-leasing laws, and reserved for use in the construction of the Detroit Dam and Reservoir on the North Santiam River, under the supervision of the Department of the Army as authorized by the act of June 28, 1938 (52 Stat. 1215, 1222, Willamette River Basin):

WILLAMETTE MERIDIAN

T. 9 S., R. 5 E.,
Sec. 35, SE¼SE¼;
Sec. 36, S½NE¼, SW¼, N½SE¼;
T. 10 S., R. 5 E.,
Sec. 1, lot 4;
Sec. 2, lot 1, NW¼SE¼, E½SW¼;
Sec. 2, lot 2, SW¼NE¼, W½SW¼, those parts south and east of the southerly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.
Sec. 3, E½SW¼ and SE¼;
Sec. 6, lot 7, that part south and west of the southerly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.
Sec. 7, lot 1, that part east of the center of the North Santiam River.
Sec. 7, lots 2, 4, NE¼, E½NW¼, SE¼SW¼, N½SE¼, SE¼SE¼;
Sec. 10, N½, SW¼;
Sec. 11, NW¼, N½SW¼, and also a fractional part of the N½SE¼SW¼ described as follows: Beginning at a point on the north boundary of the SE¼SW¼, from which the northeast corner of the SE¼SW¼ bears N. 89°51' E., 206.2 feet; thence by metes and bounds, S. 89°51' W., 871.5 feet, S. 33°43' E., 632.6 feet, N. 44°34' E., 741.7 feet to the point of beginning.
Sec. 12, W½NE¼SW¼NE¼, NW¼SW¼NE¼, S½SW¼NE¼, W½SW¼SE¼NE¼, SE¼SW¼SE¼NE¼, SW¼NW¼, NW¼SW¼;
Sec. 14, NW¼NE¼, S½NW¼;
Sec. 15, SE¼SW¼;
Sec. 16, SW¼SE¼; NE¼NE¼, NW¼SE¼, those parts south and east of the easterly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.
Sec. 17, SW¼NW¼, W½SW¼; SE¼SW¼, that part south and west of the southerly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.
Sec. 18, NE¼NW¼, S½NE¼;

Sec. 20, SE¼NE¼; NE¼NE¼, that part south of the southerly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.
Sec. 21, W½W½;
Sec. 22, N½NW¼;
Sec. 27, S½NW¼;
Sec. 28, S½NE¼, SE¼;
T. 10 S., R. 6 E.,
Sec. 7, lot 2, NE¼ lot 3, SW¼SW¼ lot 3; NE¼SW¼, NW¼SE¼, those parts south and west of the southerly right-of-way line of the proposed relocation of the North Santiam National Forest Highway No. 24.

The areas described aggregate approximately 3,400 acres.

This order shall take precedence over but not modify (1) the Executive Orders of September 28, 1893, July 1, 1908, and April 6, 1933 and the Proclamations of January 25, 1907, March 2, 1907, and June 30, 1911, setting aside certain lands for national forest purposes and changing the names or boundaries of national forests, (2) the withdrawals of March 9, 1931 and May 16, 1936, for power purposes made under Federal Power Commission Projects Nos. 1155 and 1375 respectively, and (3) the order of September 9, 1936 of the Secretary of the Interior, Power Site Classification No. 291, so far as such orders affect any of the above-described lands.

J. A. KRUG,
Secretary of the Interior.

SEPTEMBER 3, 1949.

[F. R. Doc. 49-7354; Filed, Sept. 12, 1949; 8:45 a. m.]

[Public Land Order 605]

OREGON

WITHDRAWING PUBLIC LANDS FOR USE OF DEPARTMENT OF ARMY FOR FLOOD CONTROL PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Subject to valid existing rights, the public lands in the following-described areas are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and mineral-leasing laws, and reserved for use in the construction of the Lookout Point Dam Project, Oregon, under the supervision of the Department of the Army, as authorized by the act of June 28, 1938, 52 Stat. 1215:

WILLAMETTE MERIDIAN

T. 20 S., R. 1 E.,
Sec. 1, lots 1, 2, and 3, S½NW¼SW¼, and SE¼SE¼;
Sec. 2, lot 3 and N½NW¼;
Sec. 3, lots 4 and 6, SW¼NW¼ and SW¼SE¼;
Sec. 4, lot 1 and SE¼NE¼;
Sec. 10, E½NE¼, S½SW¼NE¼, and N½SE¼;
Sec. 11, E½SE¼NE¼, NW¼SW¼, and NE¼SE¼;
Sec. 12, S½NW¼, NW¼SW¼, N½SE¼, N½SE¼SE¼, and N½S½SE¼SE¼;
T. 20 S., R. 2 E.,
Sec. 6, SW¼SE¼;
Sec. 7, lots 1, 3, 4, 5, and 6, N½NW¼NE¼, NW¼SW¼NW¼NE¼, E½SE¼NW¼NE¼, NE¼SW¼NE¼, E½NW¼SW¼NE¼, S½SW¼NE¼, N½NE¼NW¼, SW¼NE¼NW¼, N½SE¼NE¼NW¼, SW¼SE¼NE¼NW¼, W½NE¼SE¼NW¼, NW¼SE¼NW¼, that portion of lot 2, and that portion of the SW¼SE¼NW¼ lying within the railroad right-of-way of the Southern Pacific Company, SE¼SE¼NW¼, and W½SE¼.
Sec. 17, lots 1 and 2, S½NE¼SW¼, N½SW¼SE¼, E½SW¼SW¼SE¼ and SE¼SW¼SE¼;
Sec. 18, S½ lot 13, lots 14, 15, 17, 18, 19 to 26 inclusive, that part of lot 27 included within the existing road (Willamette Highway-State Highway No. 58) and lot 28;
Sec. 19, lot 1 and NE¼NW¼;
Sec. 20, lot 4, SW¼NW¼, and NE¼SW¼;
Sec. 21, SE¼SE¼;
Sec. 28, lots 1, 2, and 3, being the fractional N½NE¼.

The areas described including both public and non-public land, aggregate approximately 2,120 acres.

This order shall take precedence over but not modify (1) the Proclamations of January 25, 1907, March 2, 1907, and June 7, 1911, and the Executive Orders of June 30, 1908, July 1, 1908, and April 6, 1933, establishing or changing the boundaries or names of national forests, and (2) the orders of July 19, 1926, and December 9, 1946, of the Secretary of the Interior, Power Site Classifications Nos. 150 and 379 respectively, so far as such proclamations and orders affect any of the above-described lands.

OSCAR L. CHAPMAN,
Acting Secretary of the Interior.

SEPTEMBER 7, 1949.

[F. R. Doc. 49-7370; Filed, Sept. 12, 1949; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 974]

HANDLING OF MILK IN COLUMBUS, OHIO, MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENT TO TENTATIVELY APPROVED MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders (7 CFR, 900.1 et seq.) notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to proposed amendments to the tentatively approved marketing agreement and to the order, as amended, regulating the handling of milk in the Columbus, Ohio, marketing area, to be effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

Interested parties may file exceptions to this recommended decision with the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., not later than the close of business on the 15th day after its publication in the FEDERAL REGISTER.

Preliminary statement. A public hearing was called by the Production and Marketing Administration, United States Department of Agriculture, on the request of a majority of the handlers of milk in the Columbus, Ohio, marketing area. The hearing was held April 18–22 and May 3–4, 1949. Proposed amendments were submitted by the petitioning handlers, the Borden Company, the Ohio Jersey Breeders' Association, The Central Ohio Cooperative Milk Producers, Inc. (hereinafter referred to as the "producers' association"), and the Dairy Branch, Production and Marketing Administration.

The major issues presented on the record of the hearing and covered by this decision were whether the order should be amended to provide for:

(1) Revision of the classification of milk to provide that (a) "Reddi-Wip" topping and similar products be classified as Class III milk; (b) the classification of skim milk used to produce cottage cheese be changed from Class II milk to Class III milk; (c) the classification of condensed milk, condensed skim milk, ice cream, ice cream mix, ice cream novelties, ice sherbets, imitation ice cream and frozen cream be changed from Class III milk to Class II milk; (d) skim milk and butterfat disposed of in bulk for use in commercially manufactured food products be changed from Class I milk and Class II milk, respectively, to Class III milk; (e) the method of allocating "other source milk" be revised; and (f) the plant shrinkage "allowance" in Class IV milk be reduced;

(2) Revision of the class price formulas so as to (a) reduce the price of skim milk dumped or disposed of for animal feed; (b) reduce the price of skim milk and the price of butterfat made into butter in Class IV milk; (c) increase the Class I and Class II price differentials (over the basic formula price) 25 cents per hundredweight in the months of October, November and December; and (d) change the basis for pricing Class III milk and to reduce the level of prices for such class;

(3) Revision of the alternate basic price formula based on the market prices of butter and nonfat dry milk solids re-

ducing the level of prices resulting from such formula;

(4) Adoption of a "contra-seasonal" price provision for Class I, Class II, and Class III milk;

(5) Maintenance of Class I, Class II, and Class III price differentials for a limited period in 1949 at the level which prevailed in March 1949;

(6) Revision of the formula for computing the butterfat differential payable to producers for milk testing above or below 3.5 percent of butterfat;

(7) Elimination of the price credit applicable to excess skim milk disposed of as sweetened condensed skim milk in the months of January, February or March;

(8) Coverage as "producer milk" of Columbus approved milk received at any plant approved by the Columbus health authorities for the receipt of milk for fluid use in any delivery period when any such milk is disposed of from such plant to any other Columbus approved plant, with provision for a plant location price adjustment to the operating handler;

(9) Monthly reports by the market administrator to a cooperative association setting forth (a) the percentage of member milk utilized in each class, and (b) the quantity of milk delivered by each member-producer, the average butterfat test of such milk, the amount of any advance payment made to such producer by a handler, and other information relating to the payment for such milk;

(10) Adoption of provisions requiring payment by handlers to a cooperative association with respect to milk delivered by producer-members of such association, if such association has received written authorization to collect such payment and elects to do so;

(11) Monthly announcements by the market administrator of rates charged by haulers of milk;

(12) Revision of the provision for marketing services to producers not members of a cooperative association performing such marketing services so as to (a) establish the maximum deduction for such purposes at 5 cents per hundredweight of milk in lieu of 4 cents, and (b) require marketing services with respect to a handler's own production of milk;

(13) Adoption of individual-handler pools in substitution for a "market-wide" pool in distributing returns to producers;

(14) Preparation and dissemination by the market administrator of general statistics and information regarding order operations;

(15) Reporting of multiple fluid milk plant operations by a handler as the operation of a single plant; and

(16) Minor modifications of language for clarification and to make the entire order conform with any amendments adopted.

Findings and conclusions. The following findings and conclusions on the issues decided herein are hereby made upon the basis of the record of the hearing:

(1) (a) "Reddi-Wip" topping and similar products should be classified as Class II milk.

Handlers proposed that skim milk and butterfat used to produce a new product, "Reddi-Wip," be classified as Class III milk on the ground that the contents of such product are substantially the same as those of ice cream mix. Producers contended that this product should be included in Class II milk on the basis that it is in competition with whipping cream, that producers should not be required to supply milk for this product at a price sufficiently low to permit sale over a wide area in competition with uninspected milk put to the same use, and that classification as Class III milk would discourage the transfer of milk between handlers for higher-valued uses.

The record shows the basic ingredient of "Reddi-Wip" to be fluid cream of approximately 30 percent butterfat content, to which is added nonfat milk solids, sugar, flavoring and a stabilizer. The mixture is placed in a container with a valve opening through which a pressure of gas is applied. The emitted product is highly similar in form to whipping cream. Its butterfat content is substantially higher than that of ice cream mix and approaches (within 2 percent) the butterfat content of whipping cream customarily sold in the market. The stated uses of "Reddi-Wip" place it in competition with whipping cream. The Columbus Board of Health requires that the cream and nonfat milk solids used in the preparation of "Reddi-Wip" for sale in Columbus come from inspected milk. A classification lower than Class II milk would give such product a distinct marketing advantage over whipping cream and unduly lower returns to producers. It may be noted that ice cream and ice cream mix, formerly in Class III milk, have been changed to Class II milk on the basis of another conclusion set forth in this decision. From the above it is concluded that skim milk and butterfat used to produce "Reddi-Wip," and any other product substantially similar in form or use, should be classified as Class II milk.

(b) The classification of skim milk and butterfat used to produce cottage cheese should not be changed from Class II milk to Class III milk.

It was proposed by handlers that the classification of cottage cheese be changed from Class II milk to Class III milk. Proponents stated a belief that more milk solids would be utilized in cottage cheese if the prices of skim milk and butterfat used to produce this product were reduced. It was argued that this change would result in the disposal of less milk solids in uses now covered by Class IV milk. It was estimated that the producers' uniform price would be reduced about 2 cents per hundredweight by such a change in classification, assuming the same quantity of cottage cheese sold. However, assuming the sale of a greater quantity of cottage cheese, resulting in some milk solids being moved from Class IV to Class III milk, it was felt that the producers' uniform price would not be affected appreciably. The further contention was made that if the price of milk used for cottage cheese were reduced, permitting a reduction in the resale price, a greater amount could be supplied to outlets outside of the Columbus marketing area.

Producers opposed a lower classification of milk utilized to produce cottage cheese. They pointed out that inspected milk is required for cottage cheese manufacture. The latter statement was attested to by a representative of the Columbus Board of Health. Producers contended that a lower classification and price would tend to encourage the use of milk for cottage cheese when such milk was needed for a higher class use. They testified further that in the event the uniform price was reduced by such a lower classification, it would be necessary to make price adjustments on other classes of milk to prevent a reduction in the level of uniform prices received by producers.

Cottage cheese is a product handled by Columbus milk handlers on a year around basis. For those producing it its manufacture and sale are a part of regular business operations. It is necessary that a supply of inspected milk be available for this product under local health requirements if the product is to be marketed in Columbus. The record shows that the daily average sales of skim milk and butterfat in the form of cottage cheese in January, February, and March 1949 were 58.5 percent above the corresponding months of 1948. Daily sales during March 1949 were the highest of any previous month for the past three years. These increases in sales occurred while cottage cheese was classified as Class II milk. It is recommended in another part of this decision that a revision of the price formula for Class II milk should be made which, among other things, reduces the price of skim milk used for this product. In view of the above it is concluded that the classification of skim milk and butterfat used to produce cottage cheese should not be changed.

(c) The definitions of the classes of milk should be revised to include in Class II milk all products currently classified as Class II and Class III milk; the price of Class II milk should be lowered 10 cents per hundredweight; and the Class I and Class II butterfat and skim milk prices should be computed by allocating 82 percent of the class price per hundredweight of milk to butterfat and 18 percent of such price to skim milk.

Producers proposed that all products now classified in Class II and Class III milk be combined into a single class to which the present Class II price provisions would apply. The proposal would have the effect of moving ice cream and related products into a higher-priced classification. They pointed out in support that the sanitary requirements of the Columbus Board of Health apply equally to milk used to produce cream for fluid consumption and milk used in the manufacture of ice cream, and do not allow the use of uninspected milk in ice cream, either as cream or nonfat milk solids. Handlers did not object to the proposed revision of class definitions but did object to application of the present Class II price formula to products now in Class III milk. It should be noted in this connection that handlers have proposed that the level of the Class III price be changed from 40 cents under the Class I price to the Class IV price plus 15 cents in April, May, June, and July, 65 cents in October, November, and December, and

40 cents in other months. Under the latter proposal the price of Class III milk would be reduced.

Since sanitary requirements for milk used for fluid cream and for ice cream are identical, most bulk condensed skim milk made is used in ice cream manufacture in plants required to use inspected milk for this purpose, and no uninspected milk or milk products are permitted to be used in ice cream, it is concluded that cream, ice cream and related products, frozen cream, and bulk condensed milk and skim milk should be classified together for pricing purposes as Class II milk. The evidence indicates, however, that certain changes in the method of computing the skim milk and butterfat prices in such class, and in Class I milk, should be made.

Handlers claimed that the cost of butterfat and skim milk used in the manufacture of ice cream and bulk condensed skim milk is too high under the present Class III price formula. The Class III price formula proposed by handlers would have resulted in 1948 in a reduction in the simple monthly average of skim milk prices of 40.7 cents per hundredweight and in butterfat prices of 4.14 cents per pound. The reductions in the 4-month period, April through July, in which about half of the Class III utilization for the year occurs, would have averaged 55 cents and 5.75 cents, respectively. The Class III price of butterfat, together with the skim milk price, resulted for the year 1948 in an average cost of $32.25 to handlers for a ten gallon can of 40 percent cream. At the prices proposed by the handlers this average cost would have been $30.67. The corresponding average market price at Philadelphia for cream approved for Pennsylvania, Newark and Lower Merion Township was $37.28. These prices for the month of March 1949 were $24.92, $23.52 and $28.12, respectively. Even a very liberal allowance for separating cream at Columbus would not offset these differences. This comparison of cream costs based on the Class III price with the Philadelphia market price of cream of inspected quality indicates that the Class III butterfat price is resulting in a relatively low return to producers for Columbus inspected cream and therefore the price of butterfat for fluid cream and ice cream uses should be increased rather than decreased.

The Class III skim milk price, on the other hand, averaged $1.28 per hundredweight for the year 1948 and $0.9921 for March 1949. According to the testimony the market price in March for sweetened condensed skim milk ranged from 6.75 cents to 7.75 cents per pound. It appears that while the Class III butterfat price is below the level necessary to reflect a reasonable market value for butterfat in ice cream, the Class III skim milk price is high in relation to the open market value of nonfat solids, even after making some allowance for the additional value of nonfat solids derived from inspected milk when used locally for ice cream. This condition may be attributed principally to the method of computing Class III butterfat and skim milk prices which allots 73 percent of the hundredweight price to the butterfat and 27 percent to the skim milk. In recent months open market values of butter and nonfat dry milk solids have indicated relative values of butterfat and skim milk in 3.5 percent milk ranging from a ratio of 80–20 to 85–15. Computation of butterfat and skim milk values by use of a 73–27 ratio therefore results in relatively low butterfat and relatively high skim milk prices in relation to current market values. The method of computing the butterfat and skim milk prices in the price formula for Class II milk (as revised) therefore should be revised by substituting for the 73–27 ratio a ratio allotting 82 percent of the hundredweight price for milk to butterfat and 18 percent to skim milk. In order to maintain a similar relationship between butterfat values in Class I and Class II and between the respective skim milk values in these classes, the same method of computation should be applied to the hundredweight price for Class I milk.

The present Class II hundredweight price is 25 cents less than the Class I price and the Class III price is 40 cents less than the Class I price. Since the revised definition of Class II milk will include ice cream, ice cream mix, and condensed skim milk, the price differential below Class I applicable to the new Class II milk should be somewhat wider than now exists between Class I and Class II. In view of the change made in the computation of the butterfat price which will result in increasing the price of Class II butterfat, a differential of 35 cents per hundredweight of milk below the Class I price will result in a Class II price appropriate for the various products to be included in that class under present conditions.

It is concluded, therefore, that all products now classified as Class III milk should be included in Class II milk, that the Class II price per hundredweight of milk should be established at a level 35 cents below the Class I price, and that the butterfat and skim milk prices in Class I and Class II milk should be computed by allotting 82 percent of the hundredweight price to butterfat and 18 percent to skim milk.

(d) The handler should be given a credit at the difference between the Class I and Class II milk prices with respect to skim milk and butterfat disposed of during April, May, June, or July as milk or skim milk in bulk fluid form to a manufacturer of soup, candy, or bakery products for use in such manufacturing operations.

Handlers proposed an amendment to the present Class III milk definition to classify in such class any skim milk and butterfat sold in bulk as milk or skim milk for use in commercially manufactured food products other than dairy products. In support of this amendment it was testified that such classification would permit sales to food processing concerns, particularly local bakeries, candy makers, and soup companies, on a reasonable competitive basis with persons selling uninspected, or manufacturing, milk. Although the proposal was designed to have year-around effect, the problem was represented primarily as one of disposing of seasonal surpluses of producer milk in the flush production months. It was shown that such food concerns located within the marketing area are using condensed skim milk, condensed milk, nonfat dry milk solids and some uninspected whole milk in lieu of Columbus inspected milk, and that they are permitted to use the former products under local health regulations.

The producers' association opposed any lower classification and pricing of milk or skim milk so disposed of on the basis it is not economically sound for producers to furnish these outlets with an inspected milk supply the year around at a price that would allow competition with uninspected milk. It was stated that any reduction below the present level in the producers' uniform price brought about by such a proposal must be offset with a compensating price adjustment on some other classification.

The order should provide for the computation of a credit to the handler in connection with the type of disposition in question in the computation of the total value of his milk. In view of accessible outlets for seasonal surpluses of skim milk and butterfat derived from producer milk in the form of cream and condensed skim milk, the returns to producers from skim milk and butterfat sold to manufacturers of soup, candy, or bakery products should be, however, as high as returns from these alternative uses. Handlers indicated also a desire to dispose of condensed skim milk to such outlets in the flush production months. Although no change in the classification of this product was proposed, a lower level of prices was sought in connection with a suggested revision of the Class III price formula. Such pricing problem is discussed in another part of this decision.

The price credit should apply during April, May, June and July and should be computed at the difference between the Class I prices and the Class II prices for skim milk and butterfat, respectively. Orderly marketing of producer milk in excess of marketing area requirements during the flush production season will be promoted by this change. Such price credit will make it possible for the handler to compete in the surplus season for the type of business sought on the basis of a purchase cost reasonably in line with that of competitors not under the order and not under Columbus health inspection. Provision for a price credit as explained above appears to be a simpler method of achieving the desired objective than that proposed by the handlers.

(e) The method of allocating "other source milk" should not be revised.

Handlers proposed that in the allocation of other source milk there should be subtracted from Class I milk for the months of October through January, inclusive, an amount of other source milk up to the difference in quantity between the total receipts of producer milk by the handler and 115 percent of his Class I milk prior to the subtraction of other source milk in series beginning with the lowest-priced class. The present order provides that all other source milk shall be allocated in series beginning with Class IV milk, the lowest-priced class. Supporting testimony stated that this proposal is needed to encourage a greater production of milk in the months of sea-

sonally low production since handlers desire a supply well in excess of Class I requirements. It was shown that producer receipts were below 115 percent of Class I milk sales in February, October, November, and December 1946, in November and December 1947, and in January 1948.

Producers opposed the suggested change in allocation on the grounds that it would lower prices unduly at a time of the year when production should be encouraged, that market supply statistics do not indicate a need for the provision, and that handlers would be less inclined under such an allocation plan to share milk with other handlers in the short production months.

A similar proposal was heard at a public hearing held March 10–14, 1947, and was denied on the basis of the evidence presented. In the decision made at that time certain facts regarding other source milk eligible for Class I use were set forth. The conditions referred to then with respect to such other source milk still obtain. The present record shows also that handlers desire now as at the time of the March 1947 hearing to encourage a greater production of milk in the months involved in this proposal. We cannot conclude, however, that the proposal would achieve the objective sought. The Columbus market is available to all dairy farmers who can meet the health requirements and is not limited to the producers now supplying the market. The total milk supply is dependent upon the supply responses of all producers now qualified under prevailing health requirements or who may become so qualified. The proper pricing of milk is a more appropriate method of inducing an adequate supply of milk, by stimulating an increase in the production of present producers and by providing an incentive for new producers to come into the market, than the proposal under consideration. The seasonal pattern of prices provided should encourage the production at all seasons of the year of milk needed not only for Class I use but also for all other uses requiring inspected milk. It is shown further in the record that in the most recent season of short production October 1948–January 1949, inclusive, producer milk deliveries were more than 10 percent greater than 115 percent of Class I milk sales. The indications are that producer milk deliveries will be higher in relation to Class I sales in 1949 than in 1948. The type of allocation proposed is not warranted for adoption except in the presence of a short supply condition.

It is concluded, therefore, that the method of allocating other source milk should not be revised.

(f) The plant shrinkage "allowance" in Class III milk (formerly Class IV milk) should be revised.

The producers' association proposed a reduction in the plant shrinkage allowance on producer milk to be classified as Class IV milk from 2½ to 2 percent of the skim milk and butterfat in producer milk receipts. In support of the proposal a table was presented showing monthly shrinkage experience of skim milk and butterfat for the period the order has been in effect (since February 1946). It was shown that the yearly average of butterfat shrinkage is less than 2.0 percent of total butterfat receipts. The February-December 1946 average shrinkage was 1.8 percent, the 1947 average 1.53 percent, and the 1948 average 1.94 percent of such receipts. Shrinkages of skim milk have been slightly greater than butterfat shrinkages during the same period. Skim milk shrinkage amounted to 2.28 percent of total skim milk receipts in 1946 (11 months), 2.19 percent in 1947, and 1.84 percent in 1948. These data represent total amounts and include both shrinkage priced at the Class IV price and that priced at the Class I price.

Handlers opposed the reduction contemplated by the producers' proposal, stating that such reduction would be discriminatory against certain handlers, that milk is handled as economically as possible, that handlers pay a price for the shrinkage in any event, and that shrinkage is a complete loss to the handler. They stated that the 2.5 percent allowance should be continued to allow for accidents in the plant.

The shrinkage data shown in the record indicate that on the average handlers in the Columbus market do not experience a plant shrinkage of skim milk or butterfat exceeding 2.0 percent of total receipts. In the interest of preventing lower prices to producers resulting from excessive shrinkage losses and of maintaining an equitable price plan among all handlers, it is concluded that shrinkage on producer milk allowed to be priced as Class III milk (formerly Class IV milk) should be limited to 2.0 percent of total receipts of producer milk. As a corollary action the order should be modified further to permit all shrinkage prorated to other source milk to remain in Class III milk.

(2) (a) The price for skim milk dumped or used to produce livestock feed should not be reduced.

Handlers proposed that (a) the phrase "having been dumped or disposed of for livestock feeding" be deleted from the Class IV milk definition, and (b) the price of skim milk used for livestock feed or accounted for as dumped be priced by the adoption of a new formula based on the average market price of roller process nonfat dry milk solids for animal feed, f. o. b. Chicago area manufacturing plants.

Proponents indicated that the price of skim milk utilized for animal feed would be reduced approximately 30 cents per hundredweight by this proposal. Such a reduction was stated to be necessary to compensate handlers for losses sustained when skim milk is so utilized. Producers opposed any lower price for skim milk for this purpose on the basis it would reduce the uniform price.

There are no market quotations available for roller process nonfat dry milk solids for animal feed, f. o. b. Chicago area manufacturing plants. The price of Class IV skim milk has been reduced in connection with a revision of the present Class IV price formula. It is concluded for these reasons that the proposal for a special formula for this purpose should not be adopted.

(b) The formulas for determining the price of Class IV butterfat made into butter and the price of skim milk should be revised to increase the manufacturing margins provided.

Handlers proposed that in the formula for pricing Class IV butterfat the manufacturing margin for producing butter be increased from $4.20 to $6.60 per hundredweight of butterfat so used. It was stated that manufacturing costs such as equipment, supplies, fuel, transportation and labor have increased during the past year. Testimony was presented that direct manufacturing costs were 4.32 cents per pound of butter made at a large creamery in New York State during 1948 and indirect costs 1.55 cents per pound, as compared to 4.07 cents and 1.44 cents, respectively, for 1947. Average butter manufacturing costs at 172 cooperative creameries for the year ending April 30, 1948, were given from a survey report to be 4.49 cents per pound.

Producers opposed the proposal on the basis that an increase for manufacturing costs would reduce the uniform price. A Wisconsin manufacturer who operates a milk manufacturing plant, testifying for the producers, estimated that his costs for manufacturing butter have increased about 7 percent in 1949 as compared with 1948. However, no figure representing his current cost per pound of butter was presented.

The various cost data presented may be viewed only as one phase of the question of establishing a proper margin in the formula for pricing surplus butterfat. The main problem is to price surplus butterfat necessarily marketed as butter at a level sufficiently low to provide an incentive for the orderly marketing of such butterfat but not low enough to encourage the disposition of butterfat in this form if it is needed in higher-valued uses. A margin of 5.0 cents per pound of butterfat made into butter should provide sufficient incentive for the orderly marketing of surplus butterfat in uses not requiring inspected milk. A greater incentive for the disposal of butterfat in this manner would not be appropriate in view of the year-around needs of the market for butterfat in other forms. It is concluded, therefore, that the manufacturing margin factor in the formula for pricing butterfat used in making butter should be increased from $4.20 to $5.00 per hundredweight of butterfat.

Handlers proposed further that the manufacturing margin in the formula for pricing Class IV skim milk be increased from 4 cents to 5.5 cents per pound. They offered testimony to indicate that the adoption of the proposal would be helpful in disposing of excessive surpluses. It was pointed out that the principal product use of skim milk in Class IV milk is condensed buttermilk for animal feed. The handler making this product stated his manufacturing cost to be 5.4 cents per pound of condensed buttermilk made, exclusive of container cost, overhead, or selling expense and prices received for the manufactured product were not sufficiently high to pay the price resulting from the Class IV price formula which

is based on the prices of spray and roller process nonfat dry milk solids for human consumption.

Producers contended they were opposed to this, as to other proposed reductions in class prices, because of the effect of lowering the uniform price to producers.

The quantity of skim milk utilized in products ordinarily included in Class IV milk (to become Class III milk) is in excess of that of previous years. The market prices for the principal product manufactured from Class IV skim milk do not appear to justify the returns presently received by producers for skim milk so used. An adjustment in the manufacturing margin would permit more orderly marketing of skim milk in this class. Therefore, it is concluded that the manufacturing margin in the price formula for Class IV skim milk should be increased from 4 cents to 5.5 cents per pound. The revised formulas for pricing skim milk and butterfat should result also in a reasonable alignment of the Class IV price with the general level of manufacturing milk prices.

(c) The Class I and Class II price differentials for the months of October, November and December should not be increased.

Handlers proposed that the differentials to be added to the basic formula price to determine the Class I and Class II prices be increased from $1.00 to $1.25 and from $ .75 to $1.00, respectively, for the months of October, November and December. It was claimed that these increases are desirable to provide a greater incentive for production of milk in the months of short production.

It should be noted that this proposal was made in connection with other proposals which in part would offset its effect. The net result of all handler price proposals applied to the last three months of 1948 would have been an average increase in the uniform price of 11.6 cents per hundredweight. For the 9 months in 1948 other than October, November and December, handler price proposals would have resulted in an average reduction in the uniform price of over 24 cents. It is not clear that an adequate production for all seasons would result from an increase in the uniform price of less than 12 cents for three months of the year together with a decrease of over 24 cents for nine months. It appears from study of the several handler proposals that the proposal here under consideration is intended largely to be a method of offsetting to some extent the proposed price reductions in Class III and Class IV milk as now defined. Without additional reason the proposed increase in Class I and Class II prices is not justified. It may be noted also that the Class I and Class II price differentials are intended to compensate producers for extra costs involved in producing milk under Columbus inspection and for producing in a manner necessary to supply a fluid milk market adequately. The evidence does not show any indication of a change in these costs or in supply trend which requires an increase in the amount of the differentials. The Class II price differential has been reduced as explained in another part of this decision. It is concluded therefore that Class I and Class II price differentials should not be increased for the months of October, November and December as proposed.

(d) The level of prices for Class III milk should be adjusted in connection with a revision of classification involving elimination of Class III milk as now defined.

Handlers proposed changing the basis of pricing Class III milk from a differential over the basic formula price to a differential over the price of Class IV milk. The proposal would result in lower prices for both skim milk and butterfat in Class III milk. This proposal is discussed under paragraph (1) (c) above which deals with a revision of the classification structure and appropriate pricing based thereon. The adjustment of prices in connection with the classification change discussed under paragraph (1) (c) results in a lower price for skim milk used in products presently covered by Class III milk, but a lower price for butterfat used in such products would not be appropriate for the reasons there set forth.

(3) The alternate basic price formula based on the market prices of butter and nonfat dry milk solids should not be revised.

Handlers proposed that in the computation of the butter-nonfat dry milk solids basic formula price the 3.5-cent deduction from the price of butter be increased to 5.5 cents and the 4-cent deduction from the price of nonfat dry milk solids be increased to 5.5 cents. Proponents contended that this change is necessary to reflect increased manufacturing costs of butter and nonfat dry milk solids. It was indicated, however, that the prices of Class I, Class II and Class III milk should not be reduced although no proposals were offered to compensate for any reduction that the above proposal might bring about. They furnished data showing the butter manufacturing cost in a New York creamery to be 5.87 cents per pound during 1948 and a cost of 4.49 cents for 172 cooperative creameries for the year ending April 30, 1948. They also submitted data on the cost of manufacturing nonfat dry milk solids, showing a cost of 5.773 cents per pound for a plant in the Columbus area.

A Wisconsin manufacturer who operates a milk drying plant testified on behalf of producers that he estimated his manufacturing costs (excluding brokerage fee) for 1949 tc be about 7 percent above 1948. This would bring such costs to approximately 3.781 cents per pound of nonfat dry milk solids made. Producers stated in opposition to the handlers' proposal that the butter-nonfat dry milk solids formula price would be lowered to the point where it would no longer serve as an adequate alternative formula to the "paying price" of the 18 midwestern condenseries. It was testified that during the past 38 months the butter-nonfat dry milk solids formula price has been used 11 times as the basis for the Class I, II and III prices. The adoption of this proposal, it was alleged, would make necessary an increase in the class price differentials in order to maintain the producers' price at or near levels which have obtained. They contended also that the purpose of a basic price formula is to measure price changes generally for manufacturing milk.

The principal use of the butter-nonfat milk solids formula has been its application as an alternative basic price formula. If manufacturing margins for butter and nonfat dry milk solids, as presently contained in the formula, were increased without compensatory adjustment to class price differentials it would tend to defeat the main purpose of the formula by causing an unwarranted decrease in the class prices based on such formula. It was made clear by the proponents of the change that reductions in the Class I and Class II prices as currently determined were not contemplated by the proposal and no related proposals were presented to offset any resulting decreases in class prices. No showing was made that such prices are too high. The impact of the proposed change on the class price structure would have been substantial if it had been in effect in the past several months. Changes in the basic formula price provisions should be considered primarily in light of their relation to and effect on the price structure. This record does not approach the problem in such manner and likewise does not indicate that the change suggested would produce a superior alternative basic price formula. Similarly, no attempt was made to show that the subject price formula has not performed its function satisfactorily. It is concluded therefore that the butter-nonfat dry milk solids formula should not be changed in connection with its application as a basic price formula. The proposed change in the formula as it applies to the price of skim milk in Class IV milk is discussed in connection with conclusion (2) (b).

(4) A seasonal price provision to mitigate contra-seasonal movements in Class I and Class II prices should be adopted.

Producers proposed that the prices for Class I, Class II and Class III milk for any of the months of September, October, November and December should not be less than such prices, respectively, for the preceding month, and that for each of the months of January, February and March such prices should not be less than the corresponding prices for the preceding month less 22 cents. They testified that this proposal was necessary to prevent a decline in prices during the fall and winter months when production costs are normally at a high level seasonally. Thereby, the production of milk during the normally short production season of the year would be encouraged.

Handlers contended that the proposal automatically would project prices for milk over too many months into the future, thus creating an undesirable price condition during the present period of decline in retail prices generally.

The utilization of Class I milk and Class II milk has been relatively uniform throughout the seasons of the year, whereas the record indicates substantial variations in the seasonal production pattern, with the lowest level of production generally occurring in the months of October through December and the highest production usually occurring in the

months of May through July. Conversely, the cost of producing milk is considerably higher during the low production period of October through December than during the flush production months of May through July. However, in the months of October through December, 1948 producer prices for Class I and Class II milk were below the prices for such milk during the flush production months of May through July of that year.

In order to encourage the production of milk in those months when it is most needed, it is considered desirable to lessen contraseasonal price movements so as to achieve a closer alignment of prices seasonally with seasonal changes in the cost of production. Therefore, it is concluded that a provision should be adopted under which the minimum prices for Class I and Class II milk in October, November and December shall not be less than the simple average of the minimum prices in effect for such classes, respectively, in the two calendar months immediately preceding the delivery period and the minimum prices for such classes in May, June and July shall not be higher than the simple average of those in effect for the two immediately preceding calendar months. It is felt, however, that such modification of the formula in effect should not determine the price pattern for as long a period as suggested by the producers' proposal. For this reason the contraseasonal price provision would not determine the prices for the month of September or provide for adoption of the proposal that the price of Class I, Class II and Class III milk during each of the months of January, February and March should not be less than the corresponding price for the preceding month less 22 cents.

Under another proposal Class III milk is being combined with present Class II milk, and Class IV milk is being renamed as Class III milk. With these changes in classification inspected milk will not be required for the products to be covered by Class III milk and it is concluded, therefore, that the contraseasonal provision should not apply to Class III milk.

(5) The Class I, Class II and Class III price differentials for the months of April through July 1949 should not have been maintained at the March 1949 levels.

Producers proposed that the price differentials for Class I, Class II and Class III milk for April, May, June and July, 1949, be maintained at the March 1949 levels. The present order provides for a 25-cent seasonal decline in these differentials during the normally high production months of April through July. The proponents offered testimony to indicate that the class price differentials should be maintained in this manner to compensate producers for the decrease in the basic formula price which had taken place in months just prior to the April hearing. It was argued that such change would aid in sustaining production during the fall and winter months of this year, when production will be low seasonally, by encouraging producers to continue in the production of milk rather than to shift to some alternate farm enterprise.

Handlers offered opposition to this proposal. They presented evidence showing an increase in both total deliveries and in deliveries per producer in the first few months of 1949 over the corresponding months of 1948.

The time period involved in the proposed change has expired. Also, records of milk production did not indicate that a seasonal decline in class price differentials during the spring and summer of 1949 would seriously threaten the future supply of milk for the Columbus market. The number of producers supplying the market has shown a fairly steady increase over a long period and producer deliveries for the first 3 months of 1949 were the highest for the months of January, February, and March in any year since the promulgation of the order. In addition, a seasonal pricing plan should be continued for the encouragement of a higher fall production relative to the production level for the spring and summer months. In view of these circumstances, it is concluded that the proposed change in the price differentials of Class I, Class II and Class III milk for the months of April, May, June and July, 1949 would not have been appropriate.

(6) The producer butterfat differential should be computed in accordance with the weighted average value of butterfat in Class II and Class III milk less the weighted average value of skim milk in such classes.

A breed association of producers proposed that the producer butterfat differential be related directly to the weighted average value of butterfat in all classes of milk minus the weighted average value of skim milk in all classes. Presently, the order provides that the producer butterfat differential be computed in direct ratio to the value of butterfat in Class IV milk. The proposed change was supported also in the record by testimony of representatives of two other breed associations. It was stated by the proponents that a butterfat differential determined from the weighted average value of all butterfat would reflect an adequate and proper value of the butterfat component in producer milk and, on the contrary, that a butterfat differential based on the value of Class IV butterfat is not a fair measure of the classified value of the butterfat delivered by producers in their milk. It was contended that producers supplying milk with a butterfat content higher than the average test of the market would receive a higher uniform price and share more equitably in the returns for milk and that the change to a slightly higher butterfat differential would not be sufficient to stimulate the production of milk with an unduly high butterfat content.

The adoption of the proposal was opposed by a third breed association. A representative of the latter association testified that the proposed butterfat differential would decrease the uniform price to producers delivering milk with a butterfat content below the average of the market. This would encourage the production of milk with a higher butterfat content. The present method of distributing returns to producers was claimed to be equitable. It was stated further that the price of producer milk should be more closely related to the caloric content of the component parts contained therein and that a higher butterfat differential would place too high a value on the caloric content of the butterfat in milk as compared to the caloric content of the solids not fat.

The butterfat differential is added to, or subtracted from, the producer's uniform price per hundredweight of milk delivered, for each one-tenth of 1 percent that the butterfat content varies from 3.5 percent. The butterfat differential now provided, based on the value of Class IV butterfat, is lower than the value of the butterfat used in all other classes of milk. Producers delivering milk testing above 3.5 percent therefore receive less for butterfat in excess of 3.5 percent than the price for all butterfat used by handlers, except Class IV butterfat, and the additional value accrues to producers delivering milk of relatively low butterfat content. Returns to producers for high butterfat content milk are less per unit of butterfat than to those delivering milk with a butterfat test below the average of all producer receipts. Since the average butterfat content of Class I milk is between 3.6 percent and 3.7 percent and the average test of producer milk is above 4.1 percent, most butterfat delivered in excess of 3.5 percent is used in classes other than Class I. The market value of such butterfat is greater than that resulting from the present butterfat differential formula. The revised differential formula should not increase the differential sufficiently to encourage the production of milk of unduly high butterfat content. It is not feasible to adopt the proposal to establish the value of butterfat in milk in relation to the value of solids not fat on the basis of the caloric content of each component. In view of the above it is concluded that the producer butterfat differential should be computed in direct ratio to the weighted average price of butterfat in Class II and Class III milk (formerly Classes II, III and IV) less the weighted average price of skim milk in such classes.

(7) The proviso of § 974.6 (a), which allows handlers a price credit with respect to sweetened condensed skim milk disposed of under certain conditions, should be deleted from the order.

Handlers proposed that the amendment made effective October 1, 1948, which allows a credit of the difference between the prices of skim milk in Class III and Class IV milk with respect to excess skim milk disposed of as sweetened condensed skim milk by a handler during January, February, or March to nonhandlers, be deleted from the order. They testified in support of this proposal that during flush production months skim milk is in excess of the total requirements for the market and that their disposal problem occurs at that time rather than after the close of the low production season. It was alleged that the present provision operates against seasonal pricing and requires handlers to pay too high a price for skim milk made into condensed skim milk during the flush production period when skim milk is in excess of the market requirements. It was argued further that it is not profitable to dispose of condensed skim milk processed during

the flush months in the months of January, February or March of the following year.

Producers offered no direct testimony in opposition to the proposal made by the handlers.

The price credit provision was adopted originally to give handlers who had stored sweetened condensed skim milk not subsequently used for ice cream within the Columbus market an opportunity to dispose of such storage stocks in advance of the next storage season on the basis of a price which would permit disposal in the open market without undue hardship. It was adopted to facilitate the orderly marketing of excess skim milk and to remove a price burden to the handlers. Earlier disposition of condensed skim milk on such a price basis was not permitted in order to insure the market of a sufficient supply of inspected milk. However, in connection with another proposal, it is concluded that the method of pricing skim milk so utilized should be revised in a manner which will lower the price of such skim milk. In view of the latter conclusion and testimony which indicates that the intended objective of § 974.6 (a) will not be accomplished under its terms, it is concluded that such provision should be deleted from the order.

(8) Milk received from producers at a fluid milk plant located more than 40 miles from the Ohio State Capitol, Columbus, should be subject to a handler location differential of 17 cents per hundredweight on that portion moved as whole milk to the marketing area, and to a producer location differential of 17 cents per hundredweight in the computation of the uniform price for producers at such plant.

A handler proposed that any Columbus-approved milk received at a plant approved by the Columbus Board of Health for the receipt of milk for fluid use be considered "producer milk" if any portion of such milk is delivered to any other plant similarly approved for the receipt and processing of fluid milk. This would, in effect, require a change in the definition of "fluid milk plant." This handler proposed also that milk received from producers at any such plant located more than 40 miles from the Ohio State Capitol be subject to an "adequate" handler location adjustment. It was proposed in testimony that this adjustment be set at 17 cents per hundredweight of milk actually moved to the marketing area.

The producers' association opposed the proposed change but contended that milk received at any fluid milk plant located some distance from the market should be subject not only to a handler location differential but also to a producer location differential. It was suggested that 25 cents per hundredweight be fixed as the amount of each differential.

The present order provides that any plant engaged in the processing or packaging of milk, all or a portion of which is disposed of from such plant as Class I milk in the marketing area on wholesale or retail routes or through stores, shall be a "fluid milk plant." The operator of such a plant is a "handler" and approved dairy farmers supplying milk to such plant are "producers." Milk so supplied is "producer milk" and is classified and priced under the provisions of the order. All such plants presently covered by the order are located in or close to the marketing area. The present order provides no location differentials.

Discussion of the proposal under consideration centered mainly around the operations of a plant operated by the proponent handler which is located more than 40 miles from Columbus. Such plant receives Columbus inspected milk from dairy farmers and approval of the plant to send milk into the Columbus market is maintained by the operator. Inspection of the Cleveland, Ohio, health authorities also is maintained for milk at this plant. Although the present order provides that any plant may become a fluid milk plant if milk is disposed of from such plant as Class I milk in the marketing area on a wholesale or retail route or through a store, milk from this particular plant customarily has been disposed of directly in the marketing area in several months of the year only through fluid milk plants located in the marketing area. This milk has entered the market as other source milk and has represented only a small proportion of such plant's total receipts. The major portion of the milk supply of such plant has been utilized for the manufacture of plain and sweetened condensed skim milk, nonfat dry milk solids (roller process) and fluid cream, all primarily for sale to outlets other than the Columbus fluid milk plants. The record shows further that until this time the proponent handler has elected to keep milk at this plant from being covered by the order as producer milk. It is evident also from the record that a sufficient supply of milk can be obtained from the general area from which "direct-shipped" milk is now received to remove the necessity for fluid milk plants to depend upon other plants as regular sources of supply. Under these conditions it is not feasible to expand the coverage of the market pool to include any plant, particularly a plant engaged primarily in manufacturing milk products, not having a Columbus fluid milk plant as its primary outlet. Although a substantial amount of testimony was given to show the desirability of having milk delivered to the subject plant included in the market pool and priced under the order in the future it was not indicated why this cannot be readily accomplished under the present terms of the order by qualifying such plant itself as a fluid milk plant.

It was testified further by the proponent handler that the actual cost of transporting whole milk from such plant to the marketing area is 17 cents per hundredweight. Testimony also indicates an average cost to farmers of 30 cents per hundredweight for the hauling of milk from the farm to such country plant and the necessity of a somewhat greater cost to the farmers at such plant if their milk were to be delivered directly from the farm to Columbus. Producers testified that several other plants are in a favorable geographic position to qualify as fluid milk plants for Columbus and that a producer location differential is needed to provide for price equity between producers delivering milk to any such plant in the event of such qualification and producers delivering to fluid milk plants in or near the marketing area. It is not evident from the record, however, that any other plant located at a distance from Columbus is seeking entrance to the market pool. While producers agreed to the proposal for a handler location differential on milk received at an approved plant located more than 40 miles from Columbus, they contended that such differential should apply only to milk actually moved to the marketing area in fluid form. They proposed a differential of 25 cents per hundredweight but presented no evidence to show that this amount would be preferable to 17 cents which was testified to be the actual transportation cost from the plant being given primary consideration at this time.

It is concluded that no change should be made in the definition of a fluid milk plant, but that a handler location differential of 17 cents per hundredweight should be allowed on milk moved as whole milk to the marketing area from a fluid milk plant located more than 40 miles from Columbus and that a producer location differential of 17 cents per hundredweight should be applied to all milk received from producers at a fluid milk plant so located in determining the uniform price applicable at such plant.

(9) (a) The proposal that the market administrator be required to furnish to each cooperative association a monthly report of the percent of each handler's utilization in each class of milk of producers as qualified in accordance with § 974.9 (b) should not be adopted.

Producers proposed that § 974.2 (c) be amended to provide that on or before the 12th day after each delivery period, the market administrator shall report to each cooperative association with respect to each handler the percent of utilization in each class of milk received in the delivery period from producers who are qualified in accordance with § 974.9 (b).

This proposal is similar to proposed amendments offered at two prior hearings on order No. 74 held March 10–14, 1947 and March 8–10, 1948. It was concluded from the record of the March 10–14, 1947 hearing that the adoption of the proposal was not necessary to effectuate the market-wide pool provision of the order or to establish producer prices at proper levels. The evidence presented at that time failed to reveal that producer milk was being used in Class III or Class IV uses in excessive quantities during delivery periods when such milk might be made available for Class I use. It was concluded from the evidence presented at the March 8–10, 1948 hearing that the extent of utilization of milk in the lower-priced classes did not warrant adoption of the proposal for the purpose of facilitating a better allocation of producer milk among handlers by transfers or shifts of producers.

The proponents indicate that the proposal is necessary at this time to facilitate a better allocation of producer milk among handlers to mitigate the possibility of producer milk being replaced with other source milk in the higher-valued

uses. Handlers, on the other hand, contend that since they voluntarily transfer producer milk among themselves to meet the Class I and Class II milk needs of the market, the proposal would not serve any useful purpose.

The statistics of the market show that the bulk of other source milk has been received during the fall and winter months of seasonally short production. For the period of October 1948 through February 1949 there was 32.7 percent less other source milk used as Class I and Class II milk than during the corresponding period of 1947–1948. For the above 1948–1949 period producer receipts increased 15.3 percent above the same period a year earlier while the percentage of all producer milk in Class IV increased only from 6.7 to 13.4 percent. This would indicate that there should be still less need to facilitate the allocation of producer milk among handlers by this means in the fall and winter months this year than was the case a year ago.

In view of the above supply condition, it is concluded that a provision requiring the market administrator to report to a cooperative association each handler's utilization of milk of member producers is not necessary at this time in the interest of orderly marketing.

(b) The time limit within which handlers should furnish producer payroll reports should not be changed; the market administrator should not be required to furnish to cooperative associations certain requested information concerning (i) the amount of milk received by handlers from producers marketing through such association, and (ii) payment for such milk.

The producers' association proposed that § 974.3 of the order be changed to require each handler to submit his producer payroll to the market administrator on or before the 5th day after the end of the delivery period. The present order provides that handlers may submit their producer payroll up to the 20th day after the delivery period.

This proposal was associated with another which, if adopted, would require handlers to make payment to cooperative associations with respect to milk delivered by producers marketing through such association. The question of requiring handlers to pay cooperative associations in this manner is dealt with in connection with conclusion (10) below. In order to carry out the particular provision adopted in connection with conclusion (10) it is not necessary to change the date on which handlers shall file payroll reports. There appears to be no reason why handlers should not continue to file such reports on or before the 5th day after the delivery period as they have by market custom under the more liberal filing date provided by the present order. Therefore, it is concluded that such report should be required to be filed by handlers on or before the 20th day after the end of the delivery period.

The producers' association proposed that § 974.2 of the order be revised to require the market administrator to report, upon request of a cooperative association, on or before the 10th day after the end of the delivery period, each handler's receipts of milk from member-producers and from producers who are not members but who have authorized the association to receive such information. Such report would include also the percentage of butterfat contained in the producers' milk, the amount of any advance payment, and the amount of each deduction or charge made against payment. It may be noted that the order provides at present that on or before the 25th day after the end of the delivery period the market administrator shall supply each association of producers with a record of the amount of member milk received by handlers during the delivery period. Proponents indicated that the requested reports by the market administrator to the cooperative association are essential to the development of an orderly pattern of marketing and to assist the association in the proper fulfillment of its membership agreement with the producers. Such reports were desired also to enable the association to collect payment for milk for which it is authorized to collect and, in turn, pay producers for such milk by the 15th day after the delivery period for milk delivered during the delivery period.

Handlers opposed the reporting of such information to the association principally on the basis that from the standpoint of orderly marketing it is not necessary to modify the order in such manner to enable the producers' association to carry out its contractual obligations with producers.

The record does not indicate any reason why a cooperative association cannot obtain the information through the medium of voluntary negotiation with handlers. Such information is obtained in a number of other markets in this manner in the absence of order enforcement. The record does not show that more orderly marketing conditions would result from adoption of the proposal submitted. It is concluded, therefore, that the market administrator should not be required to make this additional report to cooperative associations.

(10) The producer payment provisions of the order should be revised in regard to payments to be made through a cooperative association.

The producers' association proposed that § 974.7 of the order be changed to require that handlers make payment to a cooperative association with respect to member milk and the milk of producers not members who have authorized the association to collect payment, if the association elects to receive such payments. Such payments would be made on or before the 14th day after the end of the delivery period. In this connection it may be noted that the payment provisions of the order now provide that each handler shall make payment for milk "to each producer" on or before the 15th day after the end of the delivery period. Such provisions are silent in reference to payments to cooperative associations on behalf of producers.

It was argued by the proponents that the inclusion in the order of provisions for paying producers through cooperative associations is essential for the development of an orderly pattern of marketing and to assist the proponent association in fulfilling its membership agreement with producers. It was contended that the proponent association has authority to collect and disburse payments for its member-producers and certain other producers under its contractual arrangements with such producers. Handlers opposed this proposal on the basis that it is not necessary to modify the order to enable the producers' association to carry out its contractual obligations with producers and that orderly marketing would not be promoted necessarily by adoption of the proposal.

A cooperative association may establish its right to collect payment for milk without the requirement in the order that handlers shall make payment to such association. There is not sufficient evidence in the record to show that the latter requirement is necessary to the orderly marketing of milk. The current order, however, is not clear that handlers may make payment for milk to a cooperative association which has established its authority to collect payment in lieu of making payment to the individual producers involved. In order that there may be no doubt that the order permits payment of producers through cooperative associations on this basis, it is concluded that § 974.7 should be revised. The revision made does not make payments in this manner mandatory when a producer has authorized a cooperative association to collect payment, but makes it clear that the order does not prevent payment in this way.

(11) A provision requiring the market administrator to publicly announce hauling rates charged producers should not be adopted.

The producers' association proposed that § 974.2 of the order be amended to require the market administrator to announce the hauling rates charged producers by sending notice thereof to producers who are not members of an association. It was testified that such a provision would assist in mitigating inequalities in the hauling rates now being charged individual producers. It was stated further that such a provision should tend to stabilize hauling rates and to keep them uniform throughout the market.

Hauling rates charged members of the producers' association are established by contract of the association with the milk haulers' union. Such contract covers a large proportion of the milk hauled. The record does not reveal a particular problem resulting from any variations in the rates charged individual producers by milk haulers. In the absence of evidence of a definite problem which might be solved by the requested provision, it is concluded that the reporting, compilation, and publication of information on hauling rates for non-member producers would place a burden on the market administrator not justified by the record and that therefore the market administrator should not be required at this time to make public announcement of such hauling rates.

(12) (a) The maximum deduction for marketing services should be increased from 4 to 5 cents per hundredweight of milk.

Producers proposed that the marketing service deduction for producers not members of a cooperative association performing marketing services be increased from 4 to 6 cents per hundredweight of milk.

The producers' association is engaged by the market administrator as an agent to perform butterfat check-testing and milk weighing services for a number of producers who are not members of the association. A representative of the association testified that costs for rendering such services have increased since the inception of the order and that because of such increased costs the association had notified the market administrator that an increase of ½ cent per hundredweight in the rate charged would be necessary. The rate in effect at the time of the hearing was 2 cents per hundredweight of milk. It appears from the evidence that if the association was paid such increased rate by the market administrator the expenditures for marketing services to "non-member" producers would exceed income received for this purpose. In addition to check-testing and weighing services nonmember producers receive releases of market information supported by the marketing services fund. There was further testimony to the effect that according to estimates made marketing service costs as a whole will be up about 25 percent this year. No evidence was presented to show that check-testing and weighing services could be performed at a cost lower than the charge made by the association. Therefore, it is concluded that the maximum deduction allowed for marketing services should be increased from 4 to 5 cents per hundredweight of milk to allow for any increased cost of performing such services.

(b) The marketing service deduction should not be made on milk of a handler's own production.

It was proposed by the producers' association that § 974.9 be revised to provide for marketing services with respect to a handler's own production of milk. It was contended that such change is necessary to provide equality among producers.

On July 1, 1949, the order was amended to provide that a handler's own production shall not be subject to the deduction for marketing services. At that time it was concluded that marketing services were not necessary with respect to a handler's own production since such a handler has full control of the handling of such milk from the point of production to its disposition from his plant. The present record does not indicate that conditions have changed in a manner to warrant the proposed revision of the order. It is concluded, therefore, that the marketing service deduction should not be applied to milk of a handler's own production.

(13) The proposal to replace the "market-wide pool" with individual-handler pools should not be adopted.

The producers' association proposed that the necessary amendments be made to provide for individual-handler pools in lieu of the present market-wide pool. They indicated that handlers had proposed to pool a plant primarily engaged in manufacturing operations and that this proposal is necessary in order to pool such a plant separately in order to prevent an undue dilution of the producer price.

Handlers offered testimony to indicate that individual-handler pools would discourage the utilization of surplus milk by those handlers who have facilities for processing such surpluses and that the determination of uniform prices to producers based upon the individual handler's utilization of milk could result in a different producer price for each handler and thereby could be adverse to orderly marketing.

A similar proposal was presented at a hearing on amendments to the order held March 10–14, 1947. It was concluded from the record of that hearing that individual-handler pools should not be adopted at that time. It was pointed out that individual-handler pools probably would establish as many different uniform prices as there are handlers in the market, tending to create dissatisfaction among producers. It was shown further that the facilities for handling surplus milk are limited to a few plants in the market.

The handlers' proposal to pool a plant that is primarily a manufacturing plant has been discussed herein under conclusion (8). The evidence adduced at this hearing fails to sufficiently establish any other new situation which would warrant a change from the present method of determining the uniform price to producers. It is therefore concluded that the present market-wide pool method of distributing returns for producer milk should be retained.

(14) The order should include a provision in regard to the preparation and dissemination to producers, handlers, and others of such statistics and information as the market administrator may deem advisable and as do not reveal confidential information.

Producers proposed that § 974.2 of the order be amended to provide for the preparation and dissemination, for the benefit of producers, handlers, and consumers, of such statistics and information concerning the operation of the order, as do not reveal confidential information. They indicated that the inclusion of such a provision under the duties of the market administrator would assist in the orderly marketing of milk. The proponents, however, did not outline in definite terms what type of information was in mind.

The market administrator has access to valuable statistical information concerning the market. Much of this material is now regularly compiled and released to the public by his office. The release of such statistics and information as do not reveal confidential information may well be of assistance to producers, handlers, and consumers, in acquainting them with general market conditions, and in promoting the orderly marketing of milk. The inclusion of such a provision would clarify the duties of the market administrator in this respect. However, the preparation of statistics and analytical information without the use of discretion could become burdensome if unusual demands for such information were made by interested parties. It is therefore concluded that specific provision should be made for the preparation and dissemination of such statistics and information as the market administrator may deem advisable and as do not reveal confidential information.

(15) A provision to require a person operating more than one fluid milk plant (as defined in the order) to make a single report of his operations at all such plants should be adopted.

It was proposed by the producers' association that § 974.3 of the order be amended to include a provision that a person operating more than one fluid milk plant be required to report all such operations as those of one plant. Under the present order a person operating more than one fluid milk plant may file a separate report of receipts and utilization for each such plant. Proponents offered testimony to indicate that the submission of one report covering all fluid milk plant operations of a person would be conducive to orderly marketing by overcoming the possibility that producer milk may be replaced by other source milk in the higher-valued use classes at times when such person actually is receiving a total amount of producer milk sufficient to meet the needs of all his fluid milk plants.

Handlers opposed the proposal on the basis that it would discriminate against a person operating more than one fluid milk plant, would be against the principle of the market-wide pool, and would not be conducive to orderly marketing.

The principal supply of other source milk in the Columbus market is controlled by a handler operating two fluid milk plants in the market. It is possible for either producers or the milk of producers to be shifted readily between these two plants. The record indicates that procurement of milk from producers is a joint field operation of the two plants. Therefore it is possible for a person operating two fluid milk plants in the market to concentrate producer milk at one plant to the extent that considerable amounts of other source milk may be received and allocated to the higher-valued uses at his other plant. Such action would tend to lower the classified value of producer milk and would operate against the principle that producers should receive the benefit of the higher class uses.

In view of the above it is concluded that the order should be amended to require a person operating more than one fluid milk plant to file a single report of receipts and uses of milk covering all his fluid milk plant operations.

(16) Minor modifications of order language should be made for clarification and to make the entire order conform with any amendments to be adopted.

In order that the entire order may conform with the amendments resulting from the hearing, it is concluded that certain changes in language in other provisions are necessary and such changes have been made to prevent inconsistencies.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms

and conditions thereof will tend to effectuate the declared policy of the act;

(b) The prices calculated to give milk produced for sale in the said marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to sections 2 and 8e of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for such milk, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which hearings have been held.

Briefs. Briefs were filed on behalf of the producers' association, the majority of the handlers subject to order No. 74, a breed association of producers, a milk haulers' union organization, and two handlers individually. The briefs contained proposed findings of fact, conclusions and argument with respect to the proposals discussed at the hearing. Every point covered in the briefs was carefully considered along with the evidence in the record in making the findings and reaching the conclusions hereinbefore set forth. To the extent that such suggested findings and conclusions contained in the briefs are inconsistent with the findings and conclusions contained herein the request to make such finding or to reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions in this recommended decision.

Recommended marketing agreement and amendments to the order. The following amendments to the order, as amended, are recommended as the detailed and appropriate means by which these conclusions may be carried out. The proposed marketing agreement is not included because the regulatory provisions thereof would be the same as those contained in the order, as amended, and as proposed to be further amended:

1. Add the following as § 974.2 (c) (10):

(10) Prepare and disseminate to the public such statistics and information as he deems advisable and as do not reveal confidential information.

2. At the end of § 974.3 (a) replace the period with a colon and add thereto the following:

Provided, That any person operating more than one fluid milk plant shall make one report covering all such operations for the purposes of subparagraphs (1), (2), and (3) of this paragraph.

3. Delete § 974.4 and substitute therefor the following:

§ 974.4 *Classification*—(a) *Skim Milk and butterfat to be classified.* Skim milk and butterfat contained in (1) all milk, skim milk, cream, and milk products (except in the case of milk products disposed of in the form in which received) received during the delivery period by a handler at a fluid milk plant, and (2) all producer milk received during the delivery period in the manner described in § 974.1 (f) (2), shall be classified by the market administrator in the classes set forth in paragraph (b) of this section.

(b) *Classes of utilization.* Subject to the conditions set forth in paragraphs (c), (d), and (e) of this section, the classes of utilization shall be:

(1) Class I milk shall be all skim milk and butterfat (i) disposed of (except that which has been dumped or disposed of for livestock feed) as milk; skim milk; buttermilk; or flavored milk or flavored milk drinks; and (ii) not specifically accounted for under subdivision (i) of this subparagraph or as Class II milk or Class III milk.

(2) Class II milk shall be all skim milk and butterfat (i) disposed of in fluid form for consumption as sweet or sour cream, frozen cream, or any mixture of cream or milk (or skim milk) including eggnog, containing more than 6 percent of butterfat; (ii) used to produce aerated products containing milk, cream, or any combination thereof (such as "Reddi-Wip," "Instant Whip," etc.), condensed milk and condensed skim milk (except evaporated milk or skim milk in hermetically sealed cans) ice cream, ice cream mix, ice cream novelties, ice sherbets, or imitation ice cream; and (iii) used to produce cottage cheese.

(3) Class III milk shall be all skim milk and butterfat specifically accounted for as (i) having been used to produce any milk product other than as specified in subparagraphs (1) (i) and (2) of this paragraph; (ii) having been dumped or disposed of for livestock feeding; (iii) actual plant shrinkage of skim milk and butterfat in producer milk received but not to exceed 2 percent of such receipts of skim milk and butterfat, respectively; and (iv) actual plant shrinkage of skim milk and butterfat in other source milk received: *Provided,* That if producer milk is utilized as milk, skim milk, or cream in conjunction with other source milk, the shrinkage allocated to each shall be computed pro rata according to the proportions of the volume of skim milk and butterfat, respectively, received from each source to their total.

(c) *Responsibility of handlers and reclassification of milk.* (1) In establishing the classification of skim milk and butterfat as required in paragraphs (b) and (d) of this section, the burden rests upon the first handler who receives such skim milk or butterfat to prove to the market administrator that such skim milk or butterfat should not be classfied as Class I milk.

(2) Any skim milk or butterfat classified in one class shall be reclassified if found by the market administrator to have been used or disposed of (whether in original or other form) by such handler or by any other person in another class in accordance with such use or disposition.

(d) *Transfers.* (1) Subject to the conditions set forth in paragraph (c) of this section and subparagraphs (3) and (4) of this paragraph, skim milk and butterfat when transferred by a handler from a fluid milk plant to any other milk distributing or milk manufacturing plant in the form of milk, skim milk, flavored milk, flavored milk drinks, or buttermilk, shall be classified as follows:

(i) According to the utilization as mutually indicated in writing by both handlers if transferred to another fluid milk plant, except one as referred to in subdivision (ii) of this subparagraph;

(ii) As Class I milk if transferred to the fluid milk plant of a handler who receives no milk from producers or associations of producers other than such handler's own farm production; or

(iii) As Class I milk if transferred to any such plant not a fluid milk plant: *Provided,* That if the transferring handler on or before the 5th day after the end of the delivery period during which such transfer is made furnishes to the market administrator a statement signed also by the receiver that such skim milk and butterfat was used as Class II milk or Class III milk, and that such utilization may be audited at the receiving plant, such skim milk and butterfat shall be classified accordingly.

(2) Subject to the conditions set forth in paragraph (c) of this section and in subparagraphs (3) and (4) of this paragraph, skim milk and butterfat when transferred by a handler from a fluid milk plant to any other milk distributing or milk manufacturing plant in the form of cream shall be classified as follows:

(i) According to the utilization as mutually indicated by both handlers if transferred to another fluid milk plant, except one as referred to in subdivision (ii) of this subparagraph;

(ii) As Class II milk if transferred to the fluid milk plant of a handler who receives no milk from producers or from an association of producers other than such handler's own farm production; or

(iii) As Class II milk if transferred to any such plant not a fluid milk plant: *Provided,* That if the transferring handler on or before the 5th day after the end of the delivery period during which such transfer is made furnishes to the market administrator a statement signed also by the receiver that such skim milk and butterfat was used as Class I milk or Class III milk, and that such utilization may be audited at the receiving plant, such skim milk and butterfat shall be classsified accordingly.

(3) The utilization of all transfers made pursuant to subparagraphs (1) (i), (1) (iii), (2) (i), and (2) (iii) of this paragraph shall be subject to verification by the market administrator.

(4) No statement made relative to transfers as provided for in this paragraph shall operate to deter the prior subtraction of other source milk pursuant to paragraph (f) (2) of this section or the prior subtraction of skim milk or butterfat pursuant to paragraph (f) (3) of this section, or the pro rata subtraction of skim milk or butterfat pursuant to paragraph (f) (5) of this section.

Any quantity reported for allocation to a particular class but not eligible therefor because of paragraph (f) (2), (f) (3), or (f) (5) of this section shall be classified by the market administrator as Class I milk, pending his verification.

(e) *Computation of the classification of all skim milk and butterfat for each handler.* For each delivery period the market administrator shall correct for mathematical and for other obvious errors the delivery period report submitted by each handler and compute separately the respective amounts of skim milk and butterfat in Class I milk, Class II and Class III milk, as follows:

(1) Determine the handler's total receipts by adding together the total pounds of milk, skim milk, and cream received, and the pounds of skim milk and butterfat used to produce all other milk products received (except milk products disposed of in the form in which received without further processing in his fluid milk plant) regardless of source;

(2) Determine the total pounds of butterfat contained in the total receipts computed pursuant to subparagraph (1) of this paragraph;

(3) Determine the total pounds of skim milk contained in the total receipts computed pursuant to subparagraph (1) of this paragraph by subtracting therefrom the total pounds of butterfat computed pursuant to subparagraph (2) of this paragraph;

(4) Determine the total pounds of butterfat in Class I milk by: (i) Computing the aggregate amount of butterfat included in each of the several items of Class I milk; and (ii) adding all other butterfat not specifically accounted for under subdivision (i) of this subparagraph or in Class II milk or Class III milk;

(5) Determine the total pounds of skim milk in Class I milk by: (i) Computing the aggregate amount of skim milk and butterfat included in each of the several items of Class I milk; (ii) subtracting the result obtained in subparagraph (4) (i) of this paragraph; and (iii) adding all other skim milk not specifically accounted for under subdivision (i) of this subparagraph or in Class II milk or Class III milk;

(6) Determine the total pounds of butterfat in Class II milk by computing the aggregate amount of butterfat included in each of the several items of Class II milk;

(7) Determine the total pounds of skim milk in Class II milk by: (i) Computing the aggregate amount of skim milk and butterfat included in (or, in the case of products other than cream or eggnog, used to produce) each of the several items of Class II milk; and (ii) subtracting the result obtained in subparagraph (6) of this paragraph;

(8) Determine the total pounds of butterfat in Class III milk by: (i) Computing the aggregate amount of butterfat used to produce each of the several items of Class III milk; and (ii) adding actual plant shrinkage of butterfat referred to in paragraph (b) (3) (iii) and (iv) of this section; and

(9) Determine the total pounds of skim milk in Class III milk by: (i) Computing the aggregate amount of skim milk and butterfat (in whatever form) used to produce each of the several items of Class III milk; (ii) subtracting the result obtained in subparagraph (8) (i) of this paragraph; and (iii) adding the actual plant shrinkage of skim milk referred to in paragraph (b) (3) (iii) and (iv) of this section.

(f) *Computation of the classification of skim milk and butterfat in producer milk for each handler.* For each delivery period, the market administrator shall compute separately the respective amounts of skim milk and butterfat of producer milk in Class I milk, Class II milk and Class III milk for each handler by making the following computations in the order specified:

(1) Subtracting from Class III milk (other than butterfat used in butter making) the actual plant shrinkage of skim milk and butterfat, respectively, allowed pursuant to paragraph (b) (3) (iii) and (iv) of this section;

(2) Subtracting from the remaining pounds of skim milk and butterfat, in series beginning with the lowest-priced uses, the skim milk and butterfat, respectively, received as other source milk, except that received under an emergency permit in writing issued by the appropriate health authorities in the marketing area;

(3) Subtracting from the remaining pounds of skim milk and butterfat, in series beginning with the lowest-priced uses, the skim milk and butterfat, respectively, received from any other handler who received no milk from producers or from an association of producers other than such handler's own farm production;

(4) Adding to the remaining Class III milk the amount subtracted pursuant to subparagraph (1) of this paragraph;

(5) Subtracting pro rata from the remaining pounds of skim milk and butterfat in each class, the skim milk and butterfat, respectively, received as other source milk under an emergency permit in writing issued by the appropriate health authorities in the marketing area;

(6) Subtracting from the remaining pounds of skim milk and butterfat in each class (not including plant shrinkage on producer milk in Class III milk), the total pounds of skim milk and butterfat, respectively, received from other handlers (except those referred to in subparagraph (3) of this paragraph) and stated by the transferring handler and receiver to have been used in such class, to the extent of the amounts of skim milk and butterfat remaining in such class after making the computation pursuant to subparagraph (5) of this paragraph: *Provided,* That skim milk or butterfat allocated by such statements to Class II milk or Class III milk, in excess of amounts subtracted above pursuant to this subparagraph shall be subtracted from Class I milk; and

(7) If the total amount of skim milk or butterfat in all classes, after the computations made above pursuant to this paragraph, is greater than the skim milk or butterfat in producer milk, decrease the lowest-priced available class, or classes, by such excess.

5. Delete § 974.5 and substitute therefor the following:

§ 974.5 *Minimum prices*—(a) *Basic formula prices for skim milk and butterfat.* The basic formula price per hundredweight of milk shall be the higher of the prices as computed by the market administrator for each delivery period pursuant to subparagraphs (1) and (2) of this paragraph.

(1) Compute the arithmetical average of the basic (or field) prices per hundredweight reported to have been paid, or to be paid, for milk of 3.5 percent butterfat content received from farmers during the delivery period at the following places for which prices are reported to the market administrator or to the Department of Agriculture by the companies listed below:

Companies and Locations

Borden Co., Black Creek, Wis.
Borden Co., Greenville, Wis.
Borden Co., Mt. Pleasant, Mich.
Borden Co., New London, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Berlin, Wis.
Carnation Co., Jefferson, Wis.
Carnation Co., Chilton, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Sparta, Mich.
Pet Milk Co., Belleville, Wis.
Pet Milk Co., Coopersville, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Wayland, Mich.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(2) Compute the price per hundredweight by adding together the amounts resulting under subdivisions (i) and (ii) of this subparagraph:

(i) From the arithmetical average of the daily wholesale prices per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter for the month, as reported by the Department of Agriculture for the Chicago market, subtract 3.5 cents, add 20 percent, and then multiply the resulting amount by 3.5, and

(ii) From the arithmetical average of the weighted averages of the carlot prices per pound of spray and roller process nonfat dry milk solids in barrels for human consumption, f. o. b. Chicago area manufacturing plants, as published for the month by the Department of Agriculture, deduct 4 cents, multiply by 8.5, and multiply by 0.965.

(b) *Class I milk prices.* Subject to the provisions of paragraph (d) of this section, the respective minimum prices per hundredweight to be paid by each handler for skim milk and butterfat in producer milk received at his fluid milk plant and classified as Class I milk shall be as follows as computed by the market administrator:

(1) Add to the basic formula price the following amount for the delivery period indicated: April, May, June and July, $0.75; and all others $1.00; *Provided,* That the price of Class I milk for any of the months of October through December, inclusive, shall not be lower than the arithmetical average of the prices computed for such class pursuant to this subparagraph (prior to this proviso) for the two months immediately

preceding; and the price of Class I milk for any of the months of April through June, inclusive, shall not be higher than the arithmetical average of the prices computed for such class pursuant to this subparagraph (prior to this proviso) for the two months immediately preceding.

(2) The price of butterfat shall be the amount obtained in subparagraph (1) of this paragraph multiplied by 23.43.

(3) The price of skim milk shall be the amount obtained in subparagraph (1) of this paragraph multiplied by 0.1865.

(c) *Class II milk prices.* Subject to the provisions of paragraph (d) of this section, the respective minimum prices per hundredweight to be paid by each handler for skim milk and butterfat in producer milk received at his fluid milk plant and classified as Class II milk shall be as follows as computed by the market administrator:

(1) Add to the basic formula price the following amount for the delivery period indicated: April, May, June and July, $0.40; and all others $0.65; *Provided,* That the price of Class II milk for any of the months of October through December, inclusive, shall not be lower than the arithmetical average of the prices computed for such class pursuant to this subparagraph (prior to this proviso) for the two months immediately preceding; and the price of Class II milk for any of the months of April through June, inclusive, shall not be higher than the arithmetical average of the prices computed for such class pursuant to this subparagraph (prior to this proviso) for the two months immediately preceding.

(2) The price of butterfat shall be the amount obtained in subparagraph (1) of this paragraph multiplied by 23.43.

(3) The price of skim milk shall be the amount obtained in subparagraph (1) of this paragraph multiplied by 0.1865.

(d) *Class III milk prices.* The respective minimum prices to be paid by each handler for skim milk and butterfat in producer milk received at his fluid milk plant and classified as Class III milk shall be as follows as computed by the market administrator:

(1) The price per hundredweight of such skim milk shall be computed as follows: From the arithmetical average of the weighted average of the carlot prices per pound of spray and roller process nonfat dry milk solids in barrels for human consumption f. o. b. manufacturing plants in the Chicago area as published for the month by the Department of Agriculture subtract 5.5, multiply by 8.5 and multiply by 0.965.

(2) The price per hundredweight of such butterfat shall be the arithmetical average of the daily wholesale prices per pound of 92-score butter in the Chicago market as reported by the Department of Agriculture during the delivery period, multiplied by 120: *Provided,* That the price per hundredweight of butterfat made into butter shall be such price per hundredweight less $4.50.

(e) *Prices of Class I milk and Class II milk disposed of outside the marketing area.* The price to be paid by a handler for Class I milk or Class II milk disposed of outside the marketing area shall be the same as the price applicable within the Columbus, Ohio, marketing area: *Provided,* That Class I milk or Class II milk disposed of in another fluid milk marketing area covered by a Federal milk marketing agreement or order, issued pursuant to the act, shall be the price applicable within the Columbus, Ohio, marketing area, pursuant to this section, or the price applicable for milk of similar use or disposition in the other marketing area, whichever is higher.

6. Delete § 974.6 and substitute therefor the following:

§ 974.6 *Determination of uniform price to producers*—(a) *Computation of total value of producer milk for each handler.* Subject to the location adjustment provided in paragraph (b) of this section, the value of producer milk received by each handler during each delivery period shall be a sum of money computed by the market administrator by multiplying by the respective class prices for skim milk and butterfat, the skim milk and butterfat according to classification pursuant to § 974.4 (f), and adding together the resulting amounts: *Provided,* That if such handler, after subtracting all receipts other than producer milk has disposed of skim milk or butterfat in excess of the skim milk or butterfat received in producer milk, there shall be added a further amount equal to the value of such skim milk or butterfat in the class from which subtracted pursuant to § 974.4 (f) (7): *Provided further,* That if in the verification of the reports or payments of such handler for any previous delivery period, the market administrator discovers errors which result in payments due the producer-settlement fund or the handler, there shall be added, or subtracted, as the case may be, the amount necessary to correct such errors: *And provided also,* That such handler shall be credited at the difference between the applicable class prices for skim milk and butterfat and the Class II prices for skim milk and butterfat, respectively, with respect to milk or skim milk disposed of in bulk fluid form during April, May, June, or July, to a manufacturer of soup, candy, or bakery products for use in such manufacturing operations.

(b) *Location adjustment to handlers.* With respect to the actual weight of whole milk which is moved directly to the marketing area from a fluid milk plant located more than 40 miles from the Ohio State Capitol, Columbus, by shortest highway distance as determined by the market administrator, there shall be deducted 17 cents per hundredweight in the computation of the value of producer milk received by the handler operating such plant.

(c) *Notification of handlers.* On or before the 10th day after the end of each delivery period, the market administrator shall notify each handler of (1) the amount and value of his milk in each class as computed pursuant to § 974.4 (f) and paragraph (a) of this section, respectively, and the totals of such amounts and values, including any adjustments thereto; (2) the uniform price computed pursuant to paragraph (d) of this section; (3) the amount due such handler from the producer-settlement fund or the amount to be paid by such handler to the producer-settlement fund, as the case may be; and (4) the total amounts to be paid by such handler pursuant to §§ 974.7, 974.8, and 974.9.

(d) *Computation of uniform price.* For each delivery period, the market administrator shall compute a uniform price per hundredweight for producer milk by:

(1) Combining into one total the values computed pursuant to paragraph (a) of this section for all handlers except those who did not make the payments required pursuant to § 974.7 (c) for the previous delivery period;

(2) Adding an amount representing not less than one-half the unobligated balance in the producer-settlement fund;

(3) Adding the aggregate of the values of all allowable location adjustments computed pursuant to § 974.7 (b);

(4) Subtracting, if the weighted average butterfat test of all pooled milk is greater than 3.5 percent, or adding, if the weighted average butterfat test of such milk is less than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the difference of such weighted average butterfat test from 3.5 percent by the butterfat differential computed pursuant to § 974.7 (g) times 10.

(5) Dividing by the hundredweight of producer milk pooled; and

(6) Subtracting not less than 4 cents nor more than 5 cents. The result shall be known as the "uniform price" per hundredweight for producer milk of 3.5 percent butterfat content.

7. Delete § 974.7 and substitute therefor the following:

§ 974.7 *Payments for milk* (a) *Time and method of payment.* On or before the 15th day after the end of each delivery period, each handler shall make payment to each producer for milk received during the delivery period at not less than the uniform price per hundredweight, subject to the location adjustment pursuant to paragraph (b) of this section and the butterfat differential computed pursuant to paragraph (g) of this section: *Provided,* That payment may be made to a cooperative association qualified under § 974.9 (b) with respect to milk received from any producer who has given such association authorization by contract or other written instrument to collect the proceeds from the sale of his milk and any payment made pursuant to this proviso shall be made on or before the 14th day after the end of each delivery period; *And provided further,* That if by such date such handler has not received full payment for such delivery period pursuant to paragraph (e) of this section, he shall not be deemed to be in violation of this paragraph if he reduces uniformly for all producers his payments per hundredweight by a total amount not in excess of the reduction in payment from the market administrator; however, the handler shall make such balance of payment uniformly to those producers to whom it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of pay-

ment is received from the market administrator.

(b) *Location adjustment to producers.* In making payments pursuant to paragraph (a) of this section a handler may deduct, with respect to producer milk received at a fluid milk plant located more than 40 miles from the Ohio State Capitol, Columbus, by shortest highway distance as determined by the market administrator, not more than 17 cents per hundredweight.

(c) *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to paragraph (d) of this section and out of which he shall make all payments to handlers pursuant to paragraph (e) of this section: *Provided,* That the market administrator shall offset any such payment due any handler against payments due from such handler.

(d) *Payments to the producer-settlement fund.* On or before the 12th day after the end of each delivery period, each handler shall pay to the market administrator the amount by which the total value computed for him pursuant to § 974.6 (a) for such delivery period is greater than the sum required to be paid by such handler pursuant to paragraph (a) of this section.

(e) *Payments out of the producer-settlement fund.* On or before the 14th day after the end of each delivery period, the market administrator shall pay to each handler the amount by which the sum required to be paid producers by such handler pursuant to paragraph (a) of this section is greater than the total value computed for him pursuant to § 974.6 (a) for such delivery period: *Provided,* That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

(f) *Adjustment of errors.* Whenever audit by the market administrator of the payment required to be made by a handler to a producer pursuant to paragraph (a) of this section discloses payment of less than is required, the handler shall make up such payment not later than the time for making payments pursuant to paragraph (a) of this section next following such disclosure.

(g) *Butterfat differential.* For each delivery period, the market administrator shall compute (to the nearest one-tenth cent) a butterfat differential by dividing by 1,000 the weighted average price per hundredweight of all butterfat from producer milk in Class II milk and Class III milk less the weighted average price per hundredweight of all skim milk from producer milk in Class II milk and Class III milk.

8. Delete § 974.9 (a) and substitute therefor the following:

(a) *Deductions.* Except as set forth in paragraph (b) of this section, each handler for each delivery period shall deduct 5 cents per hundredweight, or such amount not to exceed 5 cents as the Secretary may from time to time prescribe, from the payments made to each producer pursuant to § 974.7 (a), and shall pay such deductions to the market administrator on or before the 12th day after the end of such delivery period. Such moneys shall be used by the market administrator to check weights, samples, and tests of producer milk received by handlers and to provide producers with market information, such services to be performed by the market administrator or by an agent engaged by and responsible to him.

Filed at Washington, D. C., this 8th day of September 1949.

[SEAL] JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 49-7391; Filed, Sept. 12, 1949; 8:50 a. m.]

[7 CFR, Part 979]

IRISH POTATOES GROWN IN EASTERN SOUTH DAKOTA PRODUCTION AREA

NOTICE OF PROPOSED BUDGET AND RATE OF ASSESSMENT

Notice is hereby given that the Secretary of Agriculture is considering the approval of the budget of expenses and rate of assessment which are hereinafter set forth and were recommended by the South Dakota Potato Committee, established pursuant to Marketing Agreement No. 103 and Order No. 79 (7 CFR, Part 979), regulating the handling of Irish potatoes grown in Eastern South Dakota production area, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. and Sup. I 601 et seq.).

Consideration will be given to any data, views, or arguments pertaining thereto which are filed in triplicate with the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 15 days following publication of this notice in the FEDERAL REGISTER.

The proposals are as follows:

(1) That the Secretary of Agriculture find that expenses necessary to be incurred by the South Dakota Potato Committee, established pursuant to Marketing Agreement No. 103 and Order No. 79, to enable it to carry out its functions, pursuant to provisions of the aforesaid marketing agreement and order, during the fiscal year ending June 30, 1950, will amount to $2,500; and

(2) That the Secretary of Agriculture fix, as the pro rata share of such expenses which each handler who first handles potatoes shall pay in accordance with the marketing agreement and order, during the aforesaid fiscal year, the rate of assessment at five mills ($0.005) per hundred pounds of potatoes handled by him as the first handler thereof during said fiscal year.

(3) Terms used herein shall have the same meaning as when used in Marketing Agreement No. 103 and Order No. 79.

(48 Stat. 31, as amended; 7 U. S. C. and Sup. I, 601 et seq.; 7 CFR, Part 979)

Done at Washington, D. C., this 7th day of September 1949.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 49-7358; Filed, Sept. 12, 1949; 8:46 a. m.]

FEDERAL POWER COMMISSION

[18 CFR, Part 260]

[Docket No. R-112]

FORM AND FILING OF ANNUAL REPORTS FOR NATURAL GAS COMPANIES (CLASSES A AND B)

NOTICE OF PROPOSED RULE MAKING

SEPTEMBER 7, 1949.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. It is proposed to amend § 260.1 entitled "Form No. 2, Annual report for natural gas companies (Classes A and B)," of Part 260—Statements and Reports (Schedules), Subchapter G—Approved Forms, Natural Gas Act, Chapter I of Title 18, Code of Federal Regulations, to prescribe the accompanying revised schedules [1] for inclusion in the Annual Report Form for Natural Gas Companies (Classes A and B), to be prepared and filed annually with the Commission. The revised schedules here proposed, if adopted will supersede corresponding schedules now contained in FPC Form No. 2, heretofore adopted and prescribed by the Commission's Order No. 113, dated December 21, 1943, which superseded the Commission's Order No. 100, dated November 24, 1942, and readopted former FPC Form No. 133, redesignating said form as FPC Form No. 2.

3. On October 6, 1948, the Commission by its Order No. 142, in Docket No. R-109, adopted a coordinated annual report form for electric utilities and licensees which had been recommended by the Committee on Statistics and Accounts of the National Association of Railroad and Utilities Commissioners and which was designed to provide for interchangeable financial schedules for electric, gas, water, and combination utilities. The revised schedules for natural gas companies here proposed correspond to those adopted for electric utilities and licensees and establish uniformity for electric and natural gas companies in the form of balance sheet, income account and other general financial schedules.

4. It is to be noted that the amendments proposed to be adopted will effect the following deletions and changes in the present FPC Form No. 2:

a. The identity, balance sheet, and income account sections of the present Annual Report FPC Form No. 2, appearing on pages 1 to 43, inclusive, will be deleted, and the balance sheet and other general schedules of the coordinated report form recommended by the NARUC Committee, which appear on pages 3 to 59, inclusive, of FPC Form No. 1 for electric utilities and licensees will be adopted.

[1] Filed as a part of the original document

b. The following schedules in the present Annual Report FPC Form No. 2 which are duplicated by the coordinated general schedules will be deleted:

Page 54:
Schedule 420A, Common Utility Plant.
Schedule 420B, Reserve for Depreciation of Common Utility Plant.
Schedule 420C, Common Utility Plant Expenses.
Page 76:
Schedule 466, Regulatory Commission Expenses.
Schedule 467, Officers' Salaries.
Page 78:
Schedule 470, Taxes Charged During the Year.
Page 84:
Schedule 476, Service Contract Charges by Associated Companies.
Schedule 477, Management and Engineering Contracts with Non-associated Companies.
Page 103:
Schedule 499, Distribution of Salaries and Wages for the Year.

c. The following operating and statistical schedules which have been suspended annually for several years, and which are not duplicated by the coordinated general schedules, will be suspended for 1949:

Page 75:
Schedule 463, Administrative and General Expenses Transferred—Credit.
Schedule 464, Rents Charged to Gas Operating Expenses.
Page 77:
Schedule 468, Joint Expenses—Debit and Credit.
Page 98:
Schedule 493, City Gate and Main Line Industrial Measuring and Regulating Station Plant and Expenses.
Page 102:
Schedule 498, Number of Employees and Their Compensation.

5. The amendments to the Commission's rules herein described and set forth are proposed to be issued under the authority granted the Federal Power Commission by the Natural Gas Act, particularly sections 4 (c), 8 (a), 10 (a), and 16 thereof (52 Stat. 822, 825, 826, 830; 15 U. S. C. 717c (c), 717g (a), 717i (a), 717o).

6. Any interested persons may submit to the Federal Power Commission, Washington 25, D. C., not later than October 10, 1949, data, views and comments in writing concerning the proposed amendments. The Commission will consider these written submittals before acting upon the proposed amendments.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-7356; Filed, Sept. 12, 1949; 8:53 a. m.]

NOTICES

DEPARTMENT OF LABOR

Wage and Hour and Public Contracts Divisions

EMPLOYMENT OF HANDICAPPED CLIENTS BY SHELTERED WORKSHOPS

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES

Notice is hereby given that special certificates authorizing the employment of handicapped clients at hourly wage rates lower than the minimum wage rates applicable under section 6 of the Fair Labor Standards Act of 1938 and section 1 (b) of the Walsh-Healey Public Contracts Act have been issued to the sheltered workshops hereinafter mentioned, under section 14 of the Fair Labor Standards Act of 1938 (sec. 14, 52 Stat. 1068; 29 U. S. C. 214) and Part 525 of the regulations issued thereunder (29 CFR, Cum. Supp., Part 525, amended 11 F. R. 9556), and under sections 4 and 6 of the Walsh-Healey Public Contracts Act (secs. 4, 6, 49 Stat. 2038; 41 U. S. C. 38, 40) and Article 1102 of the regulations issued pursuant thereto (41 CFR, Cum. Supp., 201.1102).

The names and addresses of the sheltered workshops to which certificates were issued, wage rates, and the effective and expiration dates of the certificates are as follows:

Veterans of Foreign Wars of the United States, 406 West 34th Street, Kansas City 2, Missouri; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 10 cents per hour, whichever is higher, and a rate of not less than 5 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective September 1, 1949, and expires August 31, 1950.

Goodwill Industries of Detroit, 6522 Brush Street, Detroit, Michigan; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 30 cents per hour, whichever is higher, and a rate of not less than 25 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective September 1, 1949, and expires August 31, 1950.

Industrial Aid for the Blind, Inc., 2533 Sullivan Avenue, St. Louis, Missouri; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 30 cents per hour, whichever is higher, and a rate of not less than 30 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective September 1, 1949, and expires December 31, 1949.

Alabama Goodwill Industries, Inc., 1715 Avenue F, Ensley, Birmingham 8, Alabama; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 20 cents per hour, whichever is higher, and a rate of not less than 15 cents for each new client during his initial 4-week evaluation period in the workshop; certificate is effective September 5, 1949, and expires August 31, 1950.

The employment of handicapped clients in the above-mentioned sheltered workshops under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 525 of the regulations. These certificates have been issued on the applicants' representations that they are sheltered workshops as defined in the regulations and that special services are provided their handicapped clients. A sheltered workshop is defined as, "A charitable organization or institution conducted not for profit, but for the purpose of carrying out a recognized program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, and to provide such individuals with remunerative employment or other occupational rehabilitating activity of an educational or therapeutic nature."

These certificates may be cancelled in the manner provided by the regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 30th day of August 1949.

RAYMOND G. GARCEAU,
Director,
Field Operations Branch.

[F. R. Doc. 49-7364; Filed, Sept. 12, 1949; 8:46 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OREGON

NOTICE FOR FILING OBJECTIONS TO ORDER WITHDRAWING PUBLIC LANDS FOR USE OF DEPARTMENT OF ARMY FOR FLOOD CONTROL PURPOSES [1]

For a period of 30 days from the date of publication of the above entitled order, persons having cause to object to the terms thereof may present their objections to the Secretary of the Interior. Such objections should be in writing, should be addressed to the Secretary of the Interior, and should be filed in duplicate in the Department of the Interior, Washington 25, D. C. In case any objection is filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time

[1] See F. R. Doc. 49-7354, Title 43, Chapter I, Appendix, *supra*.

and place, which will be announced, where opponents to the order may state their views and where the proponents of the order can explain its purpose, intent, and extent. Should any objection be filed, whether or not a hearing is held, notice of the determination by the Secretary as to whether the order should be rescinded, modified or let stand will be given to all interested parties of record and the general public.

J. A. KRUG,
Secretary of the Interior.

SEPTEMBER 3, 1949.

[F. R. Doc. 49-7355; Filed, Sept. 12, 1949; 8:45 a. m.]

OREGON

NOTICE FOR FILING OBJECTIONS TO ORDER WITHDRAWING PUBLIC LANDS FOR USE OF DEPARTMENT OF ARMY FOR FLOOD CONTROL PURPOSES [1]

For a period of 30 days from the date of publication of the above entitled order, persons having cause to object to the terms thereof may present their objections to the Secretary of the Interior. Such objections should be in writing, should be addressed to the Secretary of the Interior, and should be filed in duplicate in the Department of the Interior, Washington 25, D. C. In case any objection is filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time and place, which will be announced, where opponents to the order may state their views and where the proponents of the order can explain its purpose, intent, and extent. Should any objection be filed, whether or not a hearing is held, notice of the determination by the Secretary as to whether the order should be rescinded, modified or let stand will be given to all interested parties of record and the general public.

OSCAR L. CHAPMAN,
Acting Secretary of the Interior.

SEPTEMBER 7, 1949.

[F. R. Doc. 49-7371; Filed, Sept. 12, 1949; 8:49 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 8842, 9328]

RICHARD FIELD LEWIS, JR. (WINC) AND ALAMANCE BROADCASTING CO. INC. (WBBB)

ORDER CONTINUING HEARING AND AMENDING ISSUES

In re applications of Richard Field Lewis, Jr. (WINC), Winchester, Virginia, Docket No. 8842, File No. BP-6242; for construction permit. Alamance Broadcasting Company, Inc., Burlington, North Carolina (WBBB), Docket No. 9328, File No. BMP-4492; for modification of construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 31st day of August 1949;

The Commission having under consideration the above-entitled application of Richard Field Lewis, Jr., for a construction permit to change frequency and power of Station WINC, Winchester, Virginia, from 1400 kc, 250 w, unlimited time, to 950 kc, 500 w, 1 kw-LS, using a directional antenna at night, unlimited time; and

It appearing, that on March 18, 1948, the said application of Richard Field Lewis, Jr., was designated for hearing in consolidation with the application of Winchester Broadcasting Corporation, File No. BP-6187, Docket No. 8638, requesting a construction permit for a new standard broadcast station to operate on 1270 kc, 1 kw, daytime only, at Winchester, Virginia; that the said application of Winchester Broadcasting Corporation has this day been dismissed without prejudice; that on October 20, 1948 and January 26, 1949, respectively, the applications of Richard Field Lewis, Jr. for renewal of license of Station WRFL-FM, Winchester, Virginia (File No. BRH-54, Docket No. 9174), and of Fredericksburg Broadcasting Corporation for renewal of license of Station WFVA, Fredericksburg, Virginia (File No. BR-1011, Docket No. 9223) were designated for hearing; and that said applications of Richard Field Lewis, Jr. and Fredericksburg Broadcasting Corporation for renewal of license have this day been removed from the hearing docket and granted; and

It further appearing, that on May 18, 1949, the above-entitled application of the Alamance Broadcasting Company, Inc., to modify its construction permit to change frequency, power, and hours of operation of Station WBBB, Burlington, North Carolina, from 920 kc, 5 kw, daytime only, to 950 kc, 1 kw, DA-2, unlimited time, was designated for hearing in consolidation with the application of Greensboro Broadcasting Company, Inc. (File No. BP-6558, Docket No. 9327), for change in facilities of Station WGBG, Greensboro, North Carolina, and the Evening News Association, licensee of Station WWJ, Detroit, Michigan, was made a party to the proceeding; that on August 5, 1949 William Penn Broadcasting Co., licensee of Station WPEN, Philadelphia, Pennsylvania was granted leave to intervene in said proceeding; that on August 19, 1948 the said application of Greensboro Broadcasting Co. was dismissed without prejudice; and that said hearing on the above-entitled application of the Alamance Broadcasting Company, Inc. is presently scheduled to commence September 6, 1949 at Washington, D. C.;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the hearing heretofore ordered on the above-entitled application of Richard Field Lewis, Jr. is consolidated with the hearing heretofore ordered on the above-entitled application of Alamance Broadcasting Company, Inc.; and

It is further ordered, That the issues specified in the said order of March 18, 1948, designating the above-entitled application of Richard Field Lewis, Jr., for hearing are amended to read as follows:

1. To determine the technical, financial and other qualifications of the applicant, Richard Field Lewis, Jr., to construct and operate Station WINC as proposed.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station WINC as proposed, and the character of other broadcast service available to those areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it will meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of Station WINC as proposed would involve objectionable interference with any existing broadcast station, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of Station WINC as proposed would involve objectionable interference with the services proposed in the other application in this consolidated proceeding or in any other pending applications for broadcast facilities and, if so, the nature and extent thereof, the areas and populations affected thereby, the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of Station WINC as proposed would involve objectionable interference with Station CMBF at Havana, Cuba, and, if so, whether such interference would be in contravention of any international agreement or the Commission's rules and Standards of Good Engineering Practice.

7. To determine whether the installation and operation of Station WINC as proposed would be in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations, with particular reference to the relative percentage of the population residing in the area between the normally protected and the interference-free contours and the population in the actual primary service area.

8. To determine upon comparative basis which, if either, of the applications in this consolidated proceeding should be granted.

It is further ordered, That the Commission's order of May 18, 1949, designating the above-entitled application of Alamance Broadcasting Company, Inc., for a consolidated hearing is amended to include the application of Richard Field Lewis, Jr., and Issue No. 8 as set forth above.

It is further ordered, That the hearing in this proceeding is continued to September 26, 1949, at Washington, D. C.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-7390; Filed, Sept. 12, 1949; 8:53 a. m.]

[1] See F. R. Doc. 49-7370, Title 43, Chapter I Appendix, *supra*.

FEDERAL POWER COMMISSION

[Docket Nos. IT-5725, E-6191]

COMPANIA SERVICIOS PUBLICOS FOMENTOS DE REYNOSA, S. A. ET AL

NOTICE OF ORDER AUTHORIZING TRANSMISSION OF ELECTRIC ENERGY TO MEXICO AND RESCINDING PREVIOUS AUTHORIZATION

SEPTEMBER 7, 1949.

In the matters of Compania Servicios Publicos Fomentos de Reynosa, S. A. and Central Power and Light Company, Docket No. IT-5725; Luz y Fuerza de Reynosa, S. A. and Central Power and Light Company, Docket No. E-6191.

Notice is hereby given that, on September 2, 1949, the Federal Power Commission issued its order entered August 30, 1949, in the above-designated matters authorizing transmission of electric energy to Mexico, rescinding previous authorization and releasing Presidential Permit.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-7350; Filed, Sept. 12, 1949; 8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 54-174, 70-1741]

SIOUX CITY GAS AND ELECTRICAL CO. ET AL.

ORDER APPROVING PLAN AND GRANTING AND PERMITTING JOINT APPLICATIONS-DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 7th day of September 1949.

In the matter of Sioux City Gas and Electric Company, Iowa Public Service Company, Nebraska Public Service Company, Penn-Western Service Corporation, File No. 54-174; Sioux City Gas and Electric Company, South Dakota Public Service Company, Yankton Gas Company, File No. 70-1741.

Sioux City Gas and Electric Company ("Sioux City"), a registered holding company and a public utility company, and Iowa Public Service Company ("IPS"), a direct public utility subsidiary of Sioux City and also a registered holding company, having filed an application pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 (the "act"), which was joined in by Nebraska Public Service Company ("Nebraska"), a direct public utility subsidiary of IPS, and Penn-Western Service Corporation, an affiliated service company, for approval of a plan as amended ("Amended Plan") providing, among other things, for the consolidation of all the companies in the Sioux City system into one surviving corporation, namely Sioux City; and

Sioux City and its wholly owned public utility subsidiaries, South Dakota Public Service Company ("South Dakota") and Yankton Gas Company ("Yankton"), having filed joint applications-declarations, pursuant to sections 9 (a) (1), 10 and 12 (b), (c) and (d) of the act and Rules U-42, 43, 44, 45 and 46 thereunder, proposing that South Dakota and Yankton be dissolved and liquidated and all the assets thereof transferred to, and the liabilities thereof assumed by, Sioux City, which proposals are also included in the plan, and the Commission having consolidated said applications-declarations with the aforesaid application filed by Sioux City and IPS pursuant to section 11 (e) of the act; and

The applicants having requested the Commission to enter an order approving the Amended Plan and containing certain recitals in accordance with Supplement R and section 1808 (f) of the Internal Revenue Code;

Sioux City having also requested that such order rescind certain provisions of our order of November 29, 1945 (Holding Company Act Release No. 6256) containing restrictions upon the payment of dividends on the common stock of Sioux City, upon the ground that substantially similar dividend restrictions will be embodied in the charter of the merged company;

The applicants having further requested the Commission, pursuant to section 11 (e) of the act, to apply to an appropriate court, in accordance with the provisions of subsection (f) of section 18 of the act to enforce and carry out the terms and provisions of the Amended Plan; and

Public hearings having been held, after appropriate notice, at which security holders and all other interested persons were afforded an opportunity to be heard and the participants having waived the filing of briefs and oral argument before the Commission;

The Commission having considered the record and having issued its findings and opinion, finding therein that the Amended Plan is necessary to effectuate the provisions of section 11 (b) of the act and fair and equitable to the persons affected thereby, that the requested recitals may appropriately be made, and that said application-declarations meet the applicable standards of the act;

It is ordered, That said Amended Plan be, and the same hereby is, approved, and that the joint applications-declarations of Sioux City, South Dakota and Yankton be, and the same hereby are, granted and permitted to become effective, subject to the terms and conditions contained in Rule U-24 and to the following additional terms and conditions:

(1) That the order herein shall not be operative to authorize the consummation of the transactions proposed in the said Amended Plan until an appropriate United States District Court shall, upon application thereto, enter an order enforcing said Amended Plan.

(2) That jurisdiction is hereby specifically reserved to determine the reasonableness and appropriate allocation of all fees and expenses and other remuneration incurred or to be incurred in connection with the said Amended Plan and the transactions incident thereto;

It is further ordered and recited, That all steps and transactions embraced within the Amended Plan, and all issuances, transfers, exchanges and conveyances made in accordance with the terms and provisions thereof, including but not limited to those referred to below, are necessary or appropriate to the integration or simplification of the Sioux City holding company system and are necessary or appropriate to effectuate the provisions of section 11 (b) of the act and are hereby authorized, approved and directed:

1. The sale and transfer by Sioux City and IPS to Penn-Western Service Corporation of 1,184 shares of capital stock of Penn-Western Service Corporation held by them for $10 per share and the repurchase by Penn-Western Service Corporation of such stock at such price.

2. The merger of IPS into Sioux City in accordance with applicable law and the transfer and conveyance to Sioux City of all of the assets of IPS and the assumption by Sioux City of all of the debts of IPS.

3. The assets of IPS to be transferred and conveyed to Sioux City in accordance with the provisions of the next preceding paragraph hereof include, among other things, 2,300 shares of capital stock of Nebraska and the real and personal property of IPS located or situated in the following Counties in the State of Iowa: Audubon, Black Hawk, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cerro Gordo, Cherokee, Chickasaw, Clay, Crawford, Floyd, Franklin, Grundy, Humboldt, Ida, Kossuth, Lyon, Monona, O'Brien, Osceola, Palo Alto, Plymouth, Pocahontas, Sac, Shelby, Sioux, Tama, Webster, Woodbury and Wright; and all other property of IPS, real or personal, wheresoever situated or located.

4. The liquidation and dissolution of South Dakota, Yankton and Nebraska and the transfer and conveyance of all of the assets of such corporations to, and the assumption of the liabilities thereof by, Sioux City in complete cancellation of all of the stock of South Dakota, Yankton and Nebraska.

5. The assets of South Dakota, Yankton and Nebraska to be transferred and conveyed by them, respectively, to Sioux City in accordance with the provisions of the next preceding paragraph hereof include, among other things, (a) with respect to South Dakota, all of its property, real and personal, located or situated in Lincoln County and Union County in the State of South Dakota and in Lyon County, Plymouth County and Sioux County in the State of Iowa; (b) with respect to Yankton, all of its property, real and personal, located or situated in Yankton County in the State of South Dakota; (c) with respect to Nebraska, all of its property, real and personal, located or situated in Dakota County and Dixon County in the State of Nebraska; and all other property of South Dakota, Yankton and Nebraska, real or personal, wheresoever situated or located.

6. The issuance by Sioux City of "First Mortgage Bonds, 2¾% Series due 1975" in the aggregate principal amount of $7,920,000, pursuant to the Amended Plan, in exchange for the presently outstanding "First Mortgage and Collateral Trust Bonds, 2¾% Series due 1975" of Sioux City in the aggregate principal amount of $7,920,000 and the surrender of such outstanding bonds by the holders thereof for cancellation, and the execution and delivery by Sioux City and

Chemical Bank & Trust Company of the proposed Third Supplemental Indenture.

7. The issuance by Sioux City of "First Mortgage Bonds, 3% Series due 1978" in the aggregate principal amount of $1,000,000, pursuant to the Amended Plan, in exchange for the presently outstanding "First Mortgage and Collateral Trust Bonds, 3% Series due 1978" of Sioux City in the aggregate principal amount of $1,000,000 and the surrender of such outstanding bonds by the holders thereof for cancellation.

8. The issuance by Sioux City of 42,500 shares of cumulative preferred stock designated as "3.75% Cumulative Preferred Stock" ($100 par value), pursuant to the Amended Plan, in exchange for the 42,500 presently outstanding shares of "3.75% Cumulative Preferred Stock" of IPS and the surrender of such presently outstanding shares by the holders thereof for cancellation.

9. The issuance by Sioux City of 941,987.2 shares of common stock ($5 par value), pursuant to the Amended Plan, in exchange for the 428,176 shares of the presently outstanding common stock of Sioux City and the surrender of such presently outstanding common stock of Sioux City by the holders thereof for cancellation.

10. The issuance by Sioux City of 258,995 shares of common stock ($5 par value), pursuant to the Amended Plan, in exchange for the presently outstanding 258,995 shares of common stock of IPS held by persons other than Sioux City and the surrender of such presently outstanding shares of common stock of IPS by the holders thereof for cancellation.

11. The cancellation of the 510,070 shares of the presently outstanding common stock of IPS held by Sioux City.

12. The issuance by Sioux City of scrip certificates in lieu of fractional shares of common stock of Sioux City ($5 par value) and the acquisition of such scrip certificates by the persons entitled to receive the same.

13. The issuance of the shares of stock, the bonds and the scrip certificates to be issued, by Sioux City in accordance with the Amended Plan to exchange agents and the transfer of such shares of stock, bonds and scrip certificates by exchange agents to the persons entitled thereto in accordance with the Amended Plan.

It is further ordered, That the aforementioned condition in the Commission's order dated November 29, 1945, which restricts the payment of dividends on Sioux City's common stock shall cease to be effective upon the taking effect of the proposed dividend restriction in the charter of the merged company.

It is further ordered, That jurisdiction be, and hereby is, specifically reserved to entertain such further proceedings, to make such supplementary findings and to take such further action as may be appropriate in connection with the Amended Plan, the transactions incident thereto and the consummation thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 49-7368; Filed, Sept. 12, 1949; 8:47 a. m.]

[File No. 70-2192]

ARKANSAS NATURAL GAS CORP. AND ARKANSAS LOUISIANA GAS CO.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 6th day of September A. D. 1949.

Arkansas Natural Gas Corporation ("Arkansas Natural"), a registered holding company and its subsidiary, Arkansas Louisiana Gas Company ("Arkansas Louisiana"), having filed a joint declaration, and amendments thereto, with this Commission pursuant to sections 6, 7 and 12 of the Public Utility Holding Company Act of 1935 ("act") and Rule U-45 promulgated thereunder with respect to the following transactions:

Arkansas Louisiana proposes to enter into a Supplemental Loan Agreement with the Guaranty Trust Company of New York ("Bank") pursuant to which it proposes to borrow $9,500,000. This borrowing is to be evidenced by promissory notes to be issued by Arkansas Louisiana bearing interest at the rate of 2¾% per annum payable semi-annually and maturing three years after date of issue. Under the proposed Supplemental Loan Agreement, Arkansas Louisiana will also have the right to borrow from the Bank at any time and from time to time for a period of 12 months from the date of the said Supplemental Loan Agreement, additional amounts to aggregate not exceeding $3,500,000, to be evidenced by a new note or notes bearing interest at the rate of 2¾% per annum and maturing three years from the date of said Supplemental Loan Agreement. Arkansas Louisiana will pay the Bank a commitment fee computed quarterly at the rate of ½ of 1% per annum on the daily average unused amount of the said $3,500,000, the first payment being due October 15, 1949. The Supplemental Loan Agreement makes provisions for the prepayment of all the notes and provides that if the notes are prepaid on or before 12 months from the date of the Supplemental Loan Agreement, that, under specified circumstances, the notes may be prepaid without premium and the interest rate adjusted downward from 2¾% to 2¼% per annum.

It is represented that Arkansas Louisiana will use the proceeds from the proposed borrowings to finance in part, its construction program for the years 1949 and 1950.

Under the original Loan Agreement with the Bank dated as of October 15, 1947, Arkansas Louisiana borrowed $11,500,000 evidenced by 2¼% installment promissory notes, payable semi-annually through April 15, 1957, of which $10,000,000 principal amount was outstanding as at June 30, 1949. There is also outstanding under this original Loan Agreement an additional 2¼% promissory note of Arkansas Louisiana due October 15, 1957, representing $2,500,000 borrowed on October 11, 1948. It is proposed that upon execution of the Supplemental Loan Agreement, Arkansas Natural, Arkansas Louisiana and the Bank will execute an amendment to the Subordination Agreement executed in connection with the original Loan Agreement, providing for the subordination of a 4¼% Sinking Fund Debenture due 1955 of Arkansas Louisiana in the principal amount of $6,500,000 held by Arkansas Natural to the payment of principal and interest on the notes issued pursuant to the Supplemental Loan Agreement.

Declarants having requested that the Commission's order permitting the declaration to become effective issue as promptly as may be praticable and that it become effective upon issuance; and

Said declaration having been filed on August 5, 1949, and notice of filing having been duly given in the form and manner prescribed in Rule U-23 under said act and the Commission not having received a request for hearing with respect to said declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration, as amended, that the applicable provisions of the act and the rules and regulations thereunder have been satisfied and that there is no basis for adverse findings and deeming it appropriate in the public interest and in the interest of investors or consumers to permit said declaration, as amended, to become effective as requested by declarants:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act and subject to the terms and conditions prescribed in Rule U-24, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 49-7369; Filed, Sept. 12, 1949; 8:47 a. m.]

[File No. 70-2206]

UNITED GAS CORP.

NOTICE OF FILING

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 6th day of September A. D. 1949.

Notice is hereby given that United Gas Corporation ("United"), a gas utility subsidiary of Electric Bond and Share Company, a registered holding company, has filed an application-declaration pursuant to the Public Utility Holding Company Act of 1935, particularly sections 9 (a) (1), 10 (a) (1), 10 (b) and 10 (c) with respect to the following proposed transactions:

United proposes to purchase certain securities of Carthage Hydrocol, Inc. ("Hydrocol"). This Commission by orders dated March 14, 1946 and March 8, 1948 (Holding Company Act Release Nos. 6478 and 8022) authorized the purchase by United of certain notes and shares of common stock of Hydrocol. Hydrocol is constructing a plant near Brownsville, Texas, for the purpose of manufacturing gasoline from natural gas by a synthesis

process known as the "Hydrocol Process". It was originally estimated that the cost of the proposed plant would be $14,000,000. It is now estimated, by reason of changes in plans and increased costs, that the aggregate cost, including necessary working capital, will be $38,168,000. Of the total present estimated cost, the Reconstruction Finance Corporation ("RFC") has agreed to loan up to $18,500,000. The balance of the funds, including funds for working capital and other corporate purposes, was proposed to be acquired from certain selected subscribers, including United, through the issuance by Hydrocol of 6% promissory notes and shares of $1 par value common stock, these notes and common stock to be sold in units consisting of one $10,000 note and 75 shares of common stock. The first subscription involved the issuance and sale of $10,000,000 principal amount of notes, due 1960, and 75,000 shares of common stock for an aggregate consideration of $10,075,000, of which United subscribed to 10%, or $1,007,500. At the same time Hydrocol obtained a loan from Reconstruction Finance Corporation in the amount of $9,000,000.

On August 8, 1948, the Commission authorized the subscription and acquisition by United of 35 additional units for a cash consideration of $352,625, this being United's 10% allocation of an over-all subscription of $3,526,250. At the same time Hydrocol obtained a further loan from Reconstruction Finance Corporation of $3,500,000.

Hydrocol is now offering subscriptions to 600 additional units to present holders on the same basis as that on which the initial subscription to 1,000 units were obtained. Of the offering of said 600 additional units 473¾ units are being subscribed for by certain of the initial subscribers on the same basis as the initial subscription, including 60 units being subscribed to by United, that being its allocated portion of the offering. The remainder, or 126¼ units are being offered to subscribers participating in the present offering with the provision that the $1,262,500 principal amount of notes included therein will have preference as to principal and interest over all other outstanding notes of Hydrocol. United proposes to acquire as a result of the subscription and over-subscription 82.725 units for an aggregate cash consideration of $833,454.38, represented by $227,250 principal amount of preferred notes, $600,000 principal amount of subordinated notes, and 6,204.375 shares of $1 par value common stock.

As part of the subscription of the 600 units described, Hydrocol has obtained a loan from Reconstruction Finance Corporation in the amount of $6,000,000.

United, as the holder of $1,350,000 principal amount of Hydrocol's 6% notes, proposes to submit such notes for overstamping or in the alternative to surrender such notes for new notes which will be subordinated to $1,262,500 principal amount of preferred notes heretofore described.

The present holdings of units of Hydrocol and the proposed subscriptions on a unit basis are as follows:

Name of subscriber	Present holdings	Proposed subscriptions	Total
Chicago Corp.	67.500	30.000	97.500
Forest Oil Corp.	168.750	31.250	200.000
LaGloria Corp.	135.000	-------	135.000
Niagara Share Corp.	168.750	75.000	243.750
Stone & Webster, Inc.	118.125	71.475	189.600
The Texas Co.	506.250	309.550	815.800
United Gas Corp.	135.000	82.725	217.725
Western Natural Gas Co.	50.625	-------	50.625
Total	1,350.000	600.000	1,950.000

United and its two wholly owned subsidiaries, United Gas Pipe Line Company and Union Producing Company, are principally engaged in the production, purchasing, transportation, distribution and sale of natural gas, and Union Producing Company is the owner of extensive gas reserves. The application-declaration states that the Hydrocol Process can possibly result in important benefits to the United System, by increasing the value of its gas reserves and widening the market for its products.

Applicant-declarant requests that the Commission issue an order granting the application and permitting the declaration to become effective as soon as practicable and that said order become effective upon the issuance thereof.

Notice is further given that any interested person may, not later than September 15, 1949, at 11:30 a. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest, and the issues of fact or law raised by said application-declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed as follows: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after September 15, 1949, at 11:30 a. m., e. d. s. t., said application-declaration as filed or as amended may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under said act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rule U-100 thereof.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F. R. Doc. 49-7367; Filed, Sept. 12, 1949; 8:47 a. m.]

UNITED STATES MARITIME COMMISSION

[Docket No. 693]

ALCOA STEAMSHIP CO. ET AL.

NOTICE OF HEARING WITH RESPECT TO RATES GRANTED OIL COMPANIES

By order of August 23, 1949, the Commission entered upon a proceeding of inquiry and investigation concerning the lawfulness under the Shipping Act, 1916, of the practices of Alcoa Steamship Company, Inc., Grace Line, Inc., Lykes Bros. Steamship Co., Inc., Royal Netherlands Steamship Co. (Koninklijke Nederlandsche Stoomboot Maatschappij N. V.), Rederiet Vindeggen A/S, Rederiet Besseggen A/S, Skipsaksjeselskapet Essi, Skipsaksjeselskapet Estero, Dampskibsaksjeselskapet Esito, and Bj Ruud-Pedersen, members of steamship conferences engaged in the transportation of freight between United States Atlantic and Gulf ports and ports in Curacao, Aruba, Bonaire, Netherlands West Indies and Venezuela, of establishing and charging rates on commoditie to be delivered to oil companies at their private docks different from those charged other shippers for transportation to regular ports of Netherlands West Indies and Venezuela; and requiring the respondents named in said order to show cause why an order should not be entered disapproving Agreement No. 6870 and Subdivision (c) of Clause 6 of Agreement No. 6190.

The hearing therein ordered will be held before an examiner of the Commission's Office of Trial Examiners, the time and place of said hearing to be announced by written notice to the persons making request to appear and be heard.

The hearing will be conducted pursuant to the Commission's rules of procedure (12 F. R. 6076). A recommended decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) desiring to intervene in this proceeding should notify the Commission accordingly on or before October 3, 1949, and file petitions for intervention in accordance with § 201.81 of the Commission's rules of procedure.

Dated: September 8, 1949.

By order of the United States Maritime Commission.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 49-7362; Filed, Sept. 12, 1949; 8:46 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 13688]

JOHANN HENRY M. MICHAELSEN

In re: Estate of Johann Henry M. Michaelsen, deceased. File No. D-66-575; E. T. sec. 4342.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Elfriede Michaelsen Hoffman, whose last known address was, on June 22, 1949, Germany, was on such date a resident of Germany and a national of a designated enemy country (Germany);

2. That Kasse Der Evangelical Lutheran Kirchengemeinde and Von Pius Hospital, whose last known address was,

on June 22, 1949, Germany, were on such date corporations, partnerships, associations or other organizations, organized under the laws of Germany, which had their principal places of business in Germany and were nationals of a designated enemy country (Germany);

3. That the sum of $368.92 was paid to the Attorney General of the United States by Joseph A. Reiman, surviving executor of the estate of Johann Henry M. Michaelsen, deceased;

4. That the said sum of $368.92 was accepted by the Attorney General of the United States on June 22, 1949, pursuant to the Trading with the Enemy Act, as amended;

5. That the said sum of $368.92 is presently in the possession of the Attorney General of the United States and was property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which was evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

6. That to the extent that the persons named in subparagraph 1 hereof and Kasse Der Evangelical Lutheran Kirchengemeinde and Von Pius Hospital were not within a designated enemy country on June 22, 1949, the national interest of the United States required that such persons be treated as nationals of a designated enemy country (Germany) on such date.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

This vesting order is issued nunc pro tunc to confirm the vesting of the said property by acceptance as aforesaid.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 18, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7374; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13671]

FRITZ ALBERT KESTNER

In re: Bank account and securities owned by Fritz Albert Kestner. F-28-5289-T-1; E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Fritz Albert Kestner, whose last known address is Shinjuku-Ku, Shinan Omachi 26/2, Tokyo, Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the property described as follows:

a. That certain debt or other obligation of The National City Bank of New York, 55 Wall Street, New York 15, New York, arising out of a clean credit deposit account, account numbered 6723-BB, entitled Hermann Bosch as Guardian of Fritz Albert Kestner, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

b. Those certain bonds described in Exhibit A, attached hereto and by reference made a part hereof, presently in the custody of The National City Bank of New York, 55 Wall Street, New York 15, New York, in a safekeeping account, account numbered B24188, entitled Hermann Bosch as Guardian of Fritz Albert Kestner, together with any and all rights thereunder and thereto, and

c. One (1) Certificate of Deposit for Chicago Rapid Transit Co., 1st and Refunding Mortgage, Series A 6% Bond, of $1000 face value, said certificate of deposit bearing the number NA322, registered in the name of Hurley & Co., and presently in the custody of The National City Bank of New York, 55 Wall Street, New York 15, New York, together with any and all rights therein and thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 17, 1949.

For the Attorney General.

[SEAL] MALCOLM S. MASON,
Acting Deputy Director,
Office of Alien Property.

EXHIBIT A

Description of issue	Bond No.	Face value
Kingdom of Belgium S/F	018685	1,000.00
Do	00071	500.00
Konversionskasse Fur Deutche Auslandsschulden Berlin, Germany, Ctfs. of Indbt. Series E	NR 3622832	RM 5
Konversionskasse Fur Deutche Auslandsschulden Berlin, Germany, Ctfs. of Indebt. Series C, 1934	NY 0378986	RM 50
Konversionskasse Fur Deutche Auslandsschulden 3%, Series C	060266	20.00
	060267	20.00
	060268	20.00
	0883441	100.00
	006103	2.50
Free State of Prussia S/F 6½% pf. 1926	01062	1,000.00

[F. R. Doc. 49-7373; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13731]

MRS. HERMANN WILTS

In re: Bank account and certificate of deposit owned by Mrs. Hermann Wilts. F-28-715-A-1, E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mrs. Hermann Wilts, whose last known address is Grosse Rossbergstrasse 27, Leer/Ostfriesland, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation of the Farmers State Bank of Benson, Benson, Illinois, arising out of a savings account, entitled Herman Wilts, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same, and

b. One (1) Deferred Certificate of Deposit of the Farmers State Bank of Benson, Benson, Illinois, of the original face value of $537.00, bearing the number 87, registered in the name of Herman Wilts, and presently in the custody of Mrs. Anna Wilts, Washburn, Illinois, and those seven (7) checks drawn in payment thereof by the aforesaid Farmers State Bank of Benson, payable to Herman Wilts, dated and in the amounts as set forth below:

Number	Date	Amount
7	Dec. 5, 1941	$26.85
8	Oct. 8, 1942	26.85
9	Aug. 6, 1943	26.85
10	Apr. 28, 1944	53.70
11	June 23, 1945	53.70
12	Jan. 25, 1946	53.70
13	Oct. 19, 1946	107.40

said checks presently in the custody of said Farmers State Bank of Benson, together with any and all rights in, to and under the aforesaid Deferred Certificate of Deposit and any and all rights in, to and under the aforesaid checks, including particularly the right to possession and to present for payment,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Mrs. Hermann Wilts, surviving spouse of Herman Wilts, deceased, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 25, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7375; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13736]

ERNST STINNES

In re: Silverware and household effects and mixed personal property owned by Ernst Stinnes. F-28-627-C-2/3.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ernst Stinnes, whose last known address is Mulheim-Ruhr, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. Those certain articles of silverware and household effects, including particularly but not limited to those articles described on Exhibit A, attached hereto and by reference made a part hereof, presently in the custody of Mrs. Bertha L. Kelly, 7921 West Drive, North Bay Village, Miami Beach 41, Florida, subject, however, to any and all lawful liens of said Mrs. Bertha L. Kelly against the aforesaid articles of silverware and household effects, and

b. Those certain articles of mixed personal property, including particularly but not limited to those articles described on Exhibit B, attached hereto and by reference made a part hereof, presently in the custody of the Gilbert Storage Co., Inc., 250 West 65th Street, New York 23, New York, for account of Mrs. Bertha L. Kelly, 1236 Marseilles Drive, Miami Beach 41, Florida, subject, however, to any and all lawful liens of said Gilbert Storage Co., Inc., and said Mrs. Bertha L. Kelly against the aforesaid property,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

EXHIBIT A—SILVERWARE AND HOUSEHOLD EFFECTS IN CUSTODY OF MRS. BERTHA L. KELLY

Number of Items; Description

23 Fish forks, with monogram "E. St."
25 Fish knives, with monogram "E. St."
24 Lunch forks, with monogram "E. St."
24 Lunch knives, with monogram "E. St."
24 Dinner forks, with monogram "E. St."
24 Dinner knives, with monogram "E. St."
24 Soup spoons, with monogram "E. St."
24 Tea spoons, with monogram "E. St."
12 Lunch forks.
12 Lunch knives.
12 Dinner forks.
12 Dinner knives.
12 Salad forks.
12 Fruit knives.
12 Butter forks.
1 Knife.
1 Fork.
12 Large soup spoons.
12 Small soup spoons.
11 Teaspoons.
18 Small coffee spoons.
6 Lemon pressers.
1 Soup ladle.
5 Small salt spoons.
3 Sugar tongs.
1 Nutcracker.
1 Tea sieve, with holder.
1 Bell.
1 Sugar tong.
8 Salt shakers.
2 Salt bowls.
1 Pepper and salt bowl.
2 Porcelain ashtrays.
6 Small ashtrays.
2 Sets ashtrays, 6 each.
3 Match holders.
3 Cigarette holders.
3 Cigarette boxes.
2 Cigarette cases.
1 Mustard barrel.
2 Candlesticks with four (4) arms.
2 Candlesticks (for single candle).
1 Playing card box.
1 Ice bowl.
1 Glass jam dish.
3 Small nut bowls.
3 Picture frames.
2 Napkin rings inscribed "Ernst".
1 Napkin ring inscribed "Anne Sofie".
1 Cocktail shaker, inscribed "A. S. E. St."
2 Baby cups.
1 Baby set, knife, fork and spoon.
6 Cocktail sticks with holders.
1 Set knife, fork and spoon.
1 Small plate.
4 Bottles with silver neck.
1 Flower vase.
3 Large platters, inscribed "E. St."
2 Round platters, one inscribed "E. St."
2 Gravy bowls.
1 Gravy bowl with handle.
1 Coffee pot.
1 Teapot.
1 Sugar bowl.
1 Cream pitcher.
1 Cream pitcher.
2 Cocktail cups.
4 Bottle holders.
1 Small basket with angel.
2 Oval trays.
5 Candy dishes.
1 Baby dish.
1 Sugar bowl.
1 Small pitcher.
1 Barrel (wood).
2 Ornamental cups.
1 Crystal perfume bottle.
1 Pill box.
1 Salad dish.
1 Small bottle with porcelain top.
1 Base for serving dish.
1 Small ornament.
2 Round serving bowls.
3 Large oval bowls.
1 Fruit dish.
1 Small cup.
1 Silver bottle top.
1 Vinegar bottle.
1 Small nut dish.
2 Round bowls.
1 Nut dish with porcelain top.
1 Baby cup, inscribed.
1 Egg cup, inscribed.
2 Cocktail cups, inscribed.
1 Small teapot.
1 Sugar bowl.
1 Oval dish, inscribed.
1 Small box, baby toys, rattles, etc.

EXHIBIT B—MIXED PERSONAL PROPERTY IN CUSTODY OF GILBERT STORAGE CO., INC.

Number of Items; Description

2 Bookcases.
6 Pictures.
2 Golf bags.
2 Paintings.
1 Bundle Skiis.
2 Bundles bookshelves.
1 Glass desk top.
1 Top of desk (flat top).
2 Ends of desk (flat top).
4 Pictures.
2 Chairs.
7 Oriental rugs (used).

[F. R. Doc. 49-7376; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13740]

GEORGE HIGASHIDA ET AL.

In re: Debts owing to George Higashida and others. D-39-970, D-39-15261, D-39-17663.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That George Higashida, Kyutaro Asakawa and S. Nekomoto, also known as Shunichi Nekomoto, each of whose last known address is Japan, are residents of Japan and nationals of a designated enemy country (Japan);

2. That the property described as follows: The sum of $332.99, presently in the possession of the Attorney General of the United States in a Collection Account, Symbol 896-027, representing amounts owed to the persons named in subparagraph 1 hereof by Frank Nichols, Limited, 119 Merchant Street, Honolulu 4, T. H., arising out of collections by said Frank Nichols, Limited, of accounts payable to the aforesaid persons in the amounts set forth below opposite the names of said persons:

Names:	*Amounts*
George Higashida	$30.77
Kyutaro Asakawa	11.95
S. Nekomoto, also knows as Shunichi Nekomoto	290.27

together with all rights to demand and collect the same,

is property within the United States, owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7377; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13744]

MINNA NEUMANN

In re: Bank account and securities owned by Minna Neumann. F-28-8174-E-1; D-1; A-1; C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Minna Neumann, whose last known address is Zeithainerst 1, 10 a Dresden—No. 23, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation of the Lincoln National Bank, Fourth and Vine Streets, Cincinnati, Ohio, arising out of a savings account, account number 17273, entitled Mrs. W. M. Gray, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same.

b. Twenty (20) shares of $25.00 par value common capital stock of The Cincinnati Street Railway Company, 809 Dixie Terminal Building, Cincinnati 2, Ohio, a corporation organized under the laws of the State of Ohio, evidenced by a certificate numbered 110870, registered in the name of Minna Neumann, and presently in the custody of Mrs. Wallace M. Gray, 1828 Dexter Avenue, Cincinnati 6, Ohio, together with all declared and unpaid dividends thereon, and

c. One hundred (100) shares of North American Trust Shares 1956, of $1.00 par value, evidenced by a certificate numbered DD32228, in bearer form, and presently in the custody of Mrs. Wallace M. Gray, 1828 Dexter Avenue, Cincinnati 6, Ohio, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Minna Neumann, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7379; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13741]

MARGARETE KILGUS

In re: Bank acount owned by and debt owing to Margarete Kilgus, also known as Margarete A. Kilgus. F-28-3187-E-1, E-2, D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Margarete Kilgus, also known as Margarete A. Kilgus, whose last known address is London Saarpfolz-Horst, Wesselstrasse, No. 27, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Margarete Kilgus, also known as Margarete A. Kilgus, by The Manufacturers Trust Company of New York, 1511 3d Avenue, New York 28, New York, arising out of a special interest account, numbered 189247 Y, entitled Margarete Kilgus, maintained with the aforesaid company and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation of Clinton Trust Company (in dissolution), Trustees for holders of participation certificates of Clinton Title and Mortgage Guaranty Company, c/o Riker, Emery and Danzig, 744 Broad Street, Newark, New Jersey, in the amount of $1,800.00 as of December 31, 1945, representing the proceeds allocable to a certificate issued by the aforesaid Clinton Title and Mortgage Guaranty Company, said certificate numbered 1-Series, M 756, registered in the name of Margarete Kilgus, together with any and all accruals to the aforesaid debt or other obligation and any and all rights to demand, enforce and collect the same, and any and all rights in, to and under the aforesaid certificate,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Margarete Kilgus, also known as Margarete A. Kilgus, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have

the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7378; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13745]

KARL SCHEIBLE

In re: Postal savings account owned by Karl Scheible. F-28-30416-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Karl Scheible, whose last known address is Marktplatz 6, Wasseralfingen, Wuerttemburg, Germany, is a resident of Germany, and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation arising out of a postal savings account, Account Number 116098, maintained in the name of Karl Scheible, with the United States Post Office at Detroit, Michigan, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7380; Filed, Sept. 12, 1949; 8:51 a. m.]

[Vesting Order 13752]

MRS. ROSA EDELMAN

In re: Stock owned by Mrs. Rosa Edelman. F-28-30451-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mrs. Rosa Edelman, whose last known address is Wiederholdstr. 10B, Stuttgart-N., Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: Eleven (11) shares of no par value common capital stock of Tampa Electric Company, c/o Stone & Webster Service Corporation, 49 Federal Street, Boston 7, Massachusetts, a corporation organized under the laws of the State of Florida, evidenced by certificate numbered 22913, for ten (10) shares and certificate numbered 52893, for one (1) share, registered in the name of Mrs. Rosa Edelman, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7381; Filed, Sept. 12, 1949; 8:52 a. m.]

[Vesting Order 13759]

YOSHIHARU NOMURA

In re: Debt owing to Yoshiharu Nomura. F-39-5572-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Yoshiharu Nomura, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the property described as follows: That certain debt or other obligation of The Yokohama Specie Bank, Ltd., Los Angeles Office, Los Angeles, California, and/or Superintendent of Banks of the State of California and Liquidator of The Yokohama Specie Bank, Ltd., Los Angeles Office, c/o State Banking Department, 111 Sutter Street, San Francisco, California, arising out of a fixed deposit account, Account Number 67824 entitled Kosuye Nomura, Trustee for Yoshiharu Nomura (a minor), maintained at the aforesaid Los Angeles Office, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Yoshiharu Nomura, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7382; Filed, Sept. 12, 1949; 8:52 a. m.]

[Vesting Order 13761]

HERBERT REICHLE

In re: Bank account and personal property owned by Herbert Reichle also known as Herbert S. Reichle. D-28-6431-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Herbert Reichle also known as Herbert S. Reichle, whose last known ad-

dress is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Herbert Reichle also known as Herbert S. Reichle, by Central National Bank of Cleveland, 509 Euclid Avenue, Cleveland, Ohio, arising out of a Corporate Trust Department Account, account number C 2895, entitled Herbert S. Reichle, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same, and

b. One (1) sealed envelope from National City Bank of New York, Mexico City Branch, addressed to Mr. Herbert Reichle, M. D., c/o Central National Bank of Cleveland, postmarked July 23, 1941, presently in the custody of Central National Bank of Cleveland, 509 Euclid Avenue, Cleveland, Ohio, and all rights of Herbert Reichle also known as Herbert S. Reichle in and to the contents thereof,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Herbert Reichle also known as Herbert S. Reichle, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7383; Filed, Sept. 12, 1949; 8:52 a. m.]

[Vesting Order 13758]

MARIA MUNGERSDORF

In re: Bank account owned by Maria Mungersdorf. F-28-7879-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Maria Mungersdorf, whose last known address is Coln, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of United States Trust Company of Paterson, New Jersey, 126 Market Street, Paterson, New Jersey, arising out of a Savings Account, account number 75910, entitled William A. Merz or Maria Mungersdorf or to the survivor, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Maria Mungersdorf, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7339; Filed, Sept. 9, 1949; 8:50 a. m.]

[Vesting Order 13762]

ANNIE Z. SCHINEIS

In re: Bank account owned by Annie Z. Schineis. F-28-30436-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Annie Z. Schineis, whose last known address is 191 Duerrwangen bei Dinkelsbuehl, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Annie Z. Schineis, by The Franklin Savings Bank in the City of New York, 656 8th Avenue, New York, New York, arising out of a Savings Account, account number 410052, entitled Annie Z. Schineis, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7340; Filed, Sept. 9, 1949; 8:50 a. m.]

[Vesting Order 13765]

UNKNOWN PERSONS

In re: Debts owing to persons whose names are unknown. D-29-98-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That United Fruit Company holds rebates aggregating $7,589.09, resulting from through freight charges collected by said United Fruit Company on shipments moving from Germany and shipped by various German firms.

2. That the owners of the property referred to in subparagraph 1, hereof who, if individuals, there is reasonable cause to believe are residents of Germany, and who, if partnerships, corporations, associations or other business organizations, there is reasonable cause to believe are organized under the laws of Germany, and which have or, since the effective date of Executive Order 8389, as amended, have had their principal places of business in Germany and are nationals of a designated enemy country (Germany);

3. That the property described as follows: Those certain debts or other obli-

gations of United Fruit Company, 1 Federal Street, Boston, Massachusetts, in the aggregate amount of $7,589.09, as of December 31, 1945, constituting rebates resulting from through freight charges collected by said United Fruit Company on shipments moving from Germany and shipped by various German firms, together with any and all accruals to the aforesaid debts or other obligations and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the persons referred to in subparagraph 2 hereof, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7343; Filed, Sept. 9, 1949; 8:51 a. m.]

[Vesting Order 13319, Amdt.]

DRESDNER BANK AND ALLGEMEINE WAREN-FINANZIERUNGS GESELLSCHAFT M. B. H.

In re: Bank accounts owned by Dresdner Bank and bank accounts, stock and bonds owned by Allgemeine Waren-Finanzierungs Gesellschaft m. b. H.

Vesting Order 13319, dated May 31, 1949, is hereby amended as follows and not otherwise:

a. By deleting from subparagraph 3 (c) of said Vesting Order 13319, the certificate number TD8037 set forth with respect to St. Louis-San Francisco Railway Company, 4% 1st Mtge. A, Temporary Bearer Certificate, of $500.00 face value and substituting therefor the number D542.

b. By deleting from subparagraph 3 (e) of said Vesting Order 13319, the certificate numbers TRD4455, TRC6304 set forth with respect to St. Louis-San Francisco Railway Company 4½% Second Mtge. Income A Bonds of $500 and $100 face value respectively and substituting therefor the numbers RD463 and RC707 respectively.

c. By deleting from subparagraph 3 (g) of said Vesting Order 13319, the certificate number TVD14321 set forth with respect to St. Louis-San Francisco Railway Company Voting Trust Certificate for nine (9) shares of $100.00 par value 5% preferred A stock of the aforesaid company and substituting therefor the numbers TVO14321, and

d. By deleting from subparagraph 3 (i) of said Vesting Order 13319 the certificate number TVD13803 set forth with respect to St. Louis-San Francisco Railway Company Voting Trust Certificate for twenty (20) shares of no par value common stock of the aforesaid company and substituting therefor the number TVO13803.

All other provisions of said Vesting Order 13319 and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 25, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General
Director, Office of Alien Property.

[F. R. Doc. 49-7384; Filed, Sept. 12, 1949; 8:52 a. m.]

[Vesting Order 13353, Amdt.]

MARGARETHA BOYLE

In re: Stock and certificates of indebtedness owned by and debts owing to Margaretha Boyle.

Vesting Order 13353, dated June 1, 1949, is hereby amended as follows and not otherwise:

By deleting therefrom subparagraph 2 (c) in its entirety, and substituting therefor the following:

One (1) United States Treasury 1¼% Certificate of Indebtedness, Series E, due June 1, 1950, of $1,000.00 face value, bearing the number 7078, together with any and all rights thereunder and thereto.

All other provisions of said Vesting Order 13353 and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 26, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-7385; Filed, Sept. 12, 1949; 8:52 a. m.]

[Return Order 417]

CHARLES LOUIS KLINGELHOFER

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the determination, be returned, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Charles Louis Klingelhofer, Hyattsville, Md.; Claim No. 41068, July 15, 1949 (14 F. R. 3972); one-hundred and twenty (120) shares of the no par value common stock of The Commonwealth and Southern Corporation, a Delaware corporation, evidenced by stock certificate No. 430927 representing 100 shares and stock certificate No. 548205 representing 20 shares, both certificates registered in the name of the Attorney General of the United States, Account No. 28-31482, presently in the custody of the Safekeeping Department of the Federal Reserve Bank of New York.

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on September 8, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7386; Filed, Sept. 12, 1949; 8:52 a. m.]

DR. ALDO CASTELLANI

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property and Location

Dr. Aldo Castellani, New Orleans, La.; 30961; $19,401.83 in the Treasury of the United States.

The following securities in the possession of the Office of Alien Property, 120 Broadway, New York, New York: 22 $1000.00 face-value Laundry & Dry Cleaning Service, Inc. (a Maine corporation) First Mortgage 7% Serial Gold Bonds, with April 1, 1933, and subsequent coupons attached. Bonds stamped "the sum of $928.95 has been paid on account of each bond." April 1, 1933, coupons marked "Paid."

Executed at Washington, D. C., on September 8, 1949.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 49-7387; Filed, Sept. 12, 1949; 8:53 a. m.]