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TITLE 3—THE PRESIDENT

PROCLAMATION 3148

ESTABLISHING THE EDISON LABORATORY NATIONAL MONUMENT—NEW JERSEY

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments, recognizing the primary significance in our civilization and industry of the Edison Home (Glenmont) and Laboratory, West Orange, New Jersey, recommended that they be considered eligible for recognition as being the most suitable sites at which to commemorate the outstanding achievements of the great American inventor, Thomas Alva Edison; and

WHEREAS the Edison Home (Glenmont) was designated as a national historic site by order of the Secretary of the Interior of December 6, 1955 (20 F. R. 9347), in furtherance of its preservation for the benefit and inspiration of the American people; and

WHEREAS the Edison Laboratory, used by the great inventor for the last 44 years of his life and the scene of many of his celebrated inventions, has been generously donated to the American people for preservation as a national monument:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, under and by virtue of the authority vested in me by section 2 of the act of June 8, 1906, 34 Stat. 225 (16 U. S. C. 431), do proclaim and declare that the following-described land, with the improvements thereon, situated in the Town of West Orange, County of Essex, State of New Jersey, are hereby established as the Edison Laboratory National Monument, and shall be administered pursuant to the act of August 25, 1916, 39 Stat. 535 (16 U. S. C. 1–3), and acts supplementary thereto and amendatory thereof:

BEGINNING in the southeasterly line of Main Street, formerly known as Valley Road, at a point formed by intersecting same with the northeasterly line of Lakeside Avenue; running thence (1) along the southeasterly line of Main Street north thirty-seven degrees seventeen minutes thirty seconds (37° 17' 30") east fifty-four and three hundredths feet (54.03'); thence (2) still along the said line of Lakeside Avenue north forty-one degrees thirty-three minutes thirty seconds (41° 33' 30") east two hundred seven and fifty-two hundredths feet (207.52'); thence (3) south forty-nine degrees thirty-two minutes twenty seconds (49° 32' 20") east one hundred fifty-six and ninety-one hundredths feet (156.91'); thence (4) south forty-one degrees twenty-two minutes (41° 22') west sixty-two and seventy-five hundredths feet (62.75'); thence (5) south forty-eight degrees thirty-eight minutes (48° 38') east one hundred thirty-six and eighty-three hundredths feet (136.83'); thence (6) south forty-one degrees twenty-two minutes (41° 22') west one hundred twenty-two and twelve hundredths feet (122.12') to a point in the driveway running between the buildings now standing on the premises herein described; thence (7) along said driveway north forty-eight degrees thirty-eight minutes (48° 38') west thirty-four and seventy-six hundredths feet (34.76') to a point in a line drawn northeasterly, parallel with and four inches (4") easterly of the westerly face of a brick partition wall standing within the one-story brick portion of the Thomas A. Edison Laboratory Building; thence (8) along the line described as being within the said wall south forty-one degrees thirty-eight minutes (41° 38') west sixty-four and eighteen hundredths feet (64.18') to the outside or southerly face of the brick Laboratory Building fronting on Lakeside Avenue; thence (9) along the face of the said building north forty-eight degrees thirty-six minutes (48° 36') west two and thirty-three hundredths feet (2.33'); thence (10) south forty-one degrees twenty-four minutes (41° 24') west fifteen feet (15') to the northeasterly line of Lakeside Avenue; and running thence (11) along same north forty-eight degrees thirty-six minutes (48° 36') west two hundred fifty-three and eighteen hundredths feet (253.18') to the place of BEGINNING, containing 1.51 acres more or less, being the same land conveyed by Thomas A. Edison, Incorporated, to the United States of America by deed of donation, dated December 5, 1955, and recorded on December 5, 1955, in Book 3389 at page 67, in the Register's Office, Essex County, New Jersey.

Warning is hereby expressly given to all unauthorized persons not to appropriate, injure, destroy, or remove any feature of this National Monument.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

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FEDERAL REGISTER

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DONE at the City of Washington this 14th day of July in the year of our Lord nineteen hundred and fifty-six, [SEAL] and of the Independence of the United States of America the one hundred and eighty-first.

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 56-5830; Filed, July 17, 1956; 10:19 a. m.]

EXECUTIVE ORDER 10673

FITNESS OF AMERICAN YOUTH

WHEREAS recent studies, both private and public, have revealed disturbing deficiencies in the fitness of American youth; and

WHEREAS, since the youth of our Nation is one of the greatest of our assets, it is imperative that the fitness of our youth be improved and promoted to the greatest possible extent; and

WHEREAS such fitness is the responsibility of the government at all levels, as well as the responsibility of the family, the school, the community, and other groups and organizations; and

WHEREAS it is necessary that the activities of the Federal Government in this area be coordinated and administered so as to assure their maximum effectiveness and to provide guidance and stimulation; and

WHEREAS a comprehensive study and a reevaluation of all governmental and non-governmental programs and activities relating to the fitness of youth are necessary in the interest of achieving and maintaining higher standards of youth fitness:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

PART I. PRESIDENT'S COUNCIL ON YOUTH FITNESS

SECTION 1. There is hereby established the President's Council on Youth Fitness (hereinafter referred to as the Council), which shall be composed of the Vice President of the United States, who shall be the Chairman of the Council, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Labor, and the Secretary of Health, Education, and Welfare.

SEC. 2. The Council shall promote the efficacy of existing programs and the launching of additional programs which will enhance the fitness of American youth. The Council shall seek to coordinate, stimulate, and improve the functions of Federal agencies with respect to the fitness of youth.

SEC. 3. Each executive department the head of which is referred to in section 1 of this order shall, as may be necessary for the purpose of effectuating the provisions of this order, furnish assistance to the Council in accordance with section 214 of the act of May 3, 1945, 59 Stat. 134 (31 U. S. C. 691). Such assistance may include detailing employees to the Council, one of whom may serve as its executive officer, to perform such functions consistent with the purposes of this order as the Council may assign to them.

PART II. PRESIDENT'S CITIZENS ADVISORY COMMITTEE ON THE FITNESS OF AMERICAN YOUTH

SEC. 4. There is hereby established the President's Citizens Advisory Committee on the Fitness of American Youth (hereinafter referred to as the Advisory Committee). The Advisory Committee shall be composed of such members as the President may designate, and each member shall serve at the pleasure of the President. A member of the Advisory Committee shall be designated by the President as the chairman of the Advisory Committee.

SEC. 5. The Advisory Committee shall consider and evaluate existing and prospective governmental and private measures conducive to the achievement of a happier, healthier, and more completely fit American youth.

PART III. GENERAL PROVISIONS

SEC. 6. The Council shall be the President's official link with the Advisory Committee. The Council shall meet with the Advisory Committee at least once a year for the purpose of determining the progress made with respect to the problems relating to the fitness of American youth, and, taking into account the results of such meetings and other factors, shall prepare and present reports on this subject to the President.

SEC. 7. Nothing in this order shall be construed to abrogate, modify, or restrict any function vested by law in, or assigned pursuant to law to, any executive department or other agency of the Government or any officer thereof.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
July 16, 1956.

[F. R. Doc. 56-5829; Filed, July 17, 1956; 9:48 a. m.]

RULES AND REGULATIONS

TITLE 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

Subchapter F—Security Servicing and Liquidations

[Administration Letter 475 (462)]

PART 371—OPERATING LOANS

SUBPART A—GENERAL SECURITY SERVICING

AUTHORITY TO EXECUTE LIEN WAIVERS IN CONNECTION WITH 1956 ACREAGE RESERVE PROGRAM

Part 371 of Title 6, Code of Federal Regulations, is hereby amended to add a new § 371.16 to provide authority for execution of lien waivers by County Office personnel in connection with the 1956 Acreage Reserve Program, and to read as follows:

§ 371.16 *Waiver of liens in connection with the 1956 Acreage Reserve Program.* (a) Waivers of Farmers Home Administration liens on Form CSS-809 (Soil Bank), "Lien Waiver," or other form approved for this purpose, may be made to enable borrowers indebted to the Farmers Home Administration to participate in the Acreage Reserve Program under Public Law 540, 84th Congress, provided:

(1) The County Supervisor and the borrower determine that such participation is in the best interest of both the Government and the borrower, and

(2) The Farmers Home Administration is listed on Form CSS-800, "Soil Bank Acreage Reserve Agreement," or supplement thereto, as a lienholder with the amount to which the Farmers Home Administration is entitled being shown in the appropriate column(s). Compensation to be received under the Acreage Reserve Program will be treated as though it were income from the sale of crops, and will be subject to the provisions of § 371.4 (b) with respect to the release of crop income.

(b) County Supervisors are authorized to execute waivers of Farmers Home Administration liens on crops as provided for in paragraph (a) of this section, and to redelegate such authority to any employee(s) in their offices determined by them to be qualified through training and experience to exercise properly the authority.

(R. S. 161, 5 U. S. C. 22; sec. 41 (1), 60 Stat. 1066, 7 U. S. C. 1015 (1); sec. 6 (3), 50 Stat. 870, 16 U. S. C. 590w (3). Interprets or applies sec. 21, 50 Stat. 524, sec. 4, 60 Stat. 1071, sec. 2, 65 Stat. 197, 7 U. S. C. 1007; sec. 1, 63 Stat. 43, 67 Stat. 558, 12 U. S. C. 1148a-1 (a); sec. 1 (a), 64 Stat. 414, 12 U. S. C. 1148a-1 (a); sec. 2, 63 Stat. 44, sec. 1, 67 Stat. 150, sec. 1, 69 Stat. 263, 12 U. S. C. 1148a-2 (a); sec. 1, 67 Stat. 149, sec. 2, 69 Stat. 263, 12 U. S. C. 1148a-2 (b); sec. 1, 67 Stat. 149, 69 Stat. 366, 12 U. S. C. 1148a-2 (c); sec. 2 (a) (2), 60 Stat. 1062, 7 U. S. C. 1001, note; 68 Stat. 999, 69 Stat. 223, sec. 3, 69 Stat. 263, 12 U. S. C. 1148a-1, note; 62 Stat. 1038, 63 Stat. 82)

Dated: July 12, 1956.

[SEAL] H. C. SMITH,
Acting Administrator,
Farmers Home Administration.

[F. R. Doc. 56-5719; Filed, July 17, 1956; 8:50 a. m.]

TITLE 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

PART 131—HANDLING OF ANTI-HOG-CHOLERA SERUM AND HOG-CHOLERA VIRUS

DETERMINATION RELATIVE TO BUDGET OF EXPENSES AND FIXING RATES OF ASSESSMENT FOR 1956

On June 19, 1956, a notice of proposed rule making was published in the FEDERAL REGISTER (21 F. R. 4293) regarding the budget of expenses and the fixing of the rates of assessment for the calendar year 1956, under the marketing agreement and the marketing order (9 CFR 131.1 et seq.), regulating the handling of anti-hog-cholera serum and hog-cholera virus. This regulatory program is effective pursuant to Public Law No. 320, 74th Congress, approved August 24, 1935 (7 U. S. C. 851 et seq.).

The notice provided a period of 20 days for interested parties to file data, views or arguments with the Hearing Clerk. After consideration of all relevant matters, including the proposals set forth in the aforesaid notice, it is hereby found and determined that:

a. Section 131.156 is added to read as follows:

§ 131.156 *Budget of expenses and rates of assessment for the calendar year 1956*—(a) *Budget of expenses.* The expenses which will necessarily be incurred by the Control Agency, established pursuant to the provisions of the marketing agreement and of the marketing order, for the maintenance and functioning of said Agency during the calendar year 1956, will amount to $40,090.00 under the recommendation of the Control Agency.

(b) *Rates of Assessment.* Of the amount of $40,090.00 to be collected during the calendar year 1956, the sum of $30,789.12 shall be assessed against handlers who are manufacturers, and $9,300.88 shall be assessed against handlers who are wholesalers. The pro rata share of the expenses of the Control Agency to be paid for the calendar year 1956 by each handler who is a manufacturer shall be $18.84 for each ten thousand dollars or fraction thereof of serum and virus sold by such handler during the calendar year 1955 and the pro rata share of such expenses to be paid for the calendar year 1956 by each handler who is a wholesaler shall be $25.00 for the first ten thousand dollars or fraction thereof and $7.95 for each additional ten thousand dollars or fraction thereof of serum and virus sold by such handler. Such assessments shall be paid by each respective handler in accordance with the applicable provisions of the marketing agreement and order.

(c) *Terms.* As used in this section, the terms "handler", "manufacturer", "wholesaler", "virus", and "serum" shall have the same meaning as is given to each such term in said marketing agreement and marketing order.

Findings relative to effective date. It is hereby further found that (1) the fiscal year of the Control Agency established pursuant to the provisions of the marketing agreement and the marketing order corresponds to the calendar year, and the current calendar year 1956 is already well advanced; (2) the expenses of operating this regulatory program since January 1, 1956, have been paid with funds representing assessments collected in excess of expenses incurred during the calendar year 1955 and prepayments of a portion of their 1956 assessments by manufacturer and wholesaler handlers; (3) in order for the administrative assessments to be collected, it is essential that the specification of the assessment rates be effective immediately so as to enable the Control Agency to perform its respective duties and functions under the aforesaid marketing agreement and marketing order; and (4) no preparation with respect to this determination is required of persons regulated which cannot be completed prior to the effective date hereof. Wherefore, it is hereby determined that good cause exists for making this determination effective upon its publication in the FEDERAL REGISTER.

(Sec. 60, 49 Stat. 782; 7 U. S. C. 855)

Done at Washington, D. C. this 13th day of July 1956, to become effective upon publication in the FEDERAL REGISTER.

[SEAL] M. R. CLARKSON,
Acting Administrator,
Agricultural Research Service.

[F. R. Doc. 56-5780; Filed, July 17, 1956; 8:59 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 54137]

PART 1—CUSTOMS DISTRICTS AND PORTS

EXTENSION OF LIMITS OF VARIOUS CUSTOMS PORTS OF ENTRY

JULY 12, 1956.

By virtue of the authority vested in the President by section 1 of the act of August 1, 1914, 38 Stat. 623 (19 U. S. C. 2), which was delegated to the Secretary of the Treasury by the President by Executive Order No. 10289, September 17, 1951 (3 CFR, 1951 Supp., Ch. II), the limits of the customs ports of entry of Port Arthur, Beaumont, Orange and Sabine, Texas, Lake Charles, Louisiana, Chicago, Illinois, and Toledo, Ohio, are hereby extended to include the additional territory described herein, effective upon the date of publication of this Treasury Decision in the FEDERAL REGISTER:

1. The limits of the customs port of entry of Port Arthur, Texas, the headquarters port of Customs Collection District No. 21 (Sabine), comprising the territory within the corporate limits of that city, are extended to include all points on the Neches River between the northerly corporate limits of Port Arthur and the plant of the Texas Company, including the plant and docks of that company; all points on that river between the southerly corporate limits of Port Arthur and the Intracoastal Canal; and the territory embracing the Jefferson County Airport.

2. The limits of the customs port of entry of Beaumont, Texas, in Customs Collection District No. 21 (Sabine), comprising the territory within the corporate limits of that city, are extended to include the territory embracing the Bethlehem Shipyards, and all points on the Neches River between the corporate limits of Beaumont and Port Neches, Texas; also, the territory within the corporate limits of Port Neches, Texas.

3. The limits of the customs port of entry of Orange, Texas, in Customs Collection District No. 21 (Sabine), comprising the territory within the corporate limits of that city, are extended to include all points on the Sabine River betwen the corporate limits of Orange and the Lake Charles Ship Canal.

4. The limits of the customs port of entry of Sabine, Texas, in Customs Collection District No. 21 (Sabine), comprising the territory within that municipality, are extended to include all points on the Neches River between the plant of the Sun Oil Company (including the plant and dock of that company) and the Gulf of Mexico.

5. The limits of the customs port of entry of Lake Charles, Louisiana, in Customs Collection District No. 21 (Sabine), comprising the territory within the corporate limits of that city, are extended to include all points on the Calcasieu River between the corporate limits of Lake Charles and Calcasieu Lake.

6. The limits of the customs port of entry of Chicago, Illinois, the headquarters port of Customs Collection District No. 39 (Chicago), comprising the territory within the corporate limits of that city, are extended to include the territory bounded as follows: Beginning at a point on Devon Avenue where it intersects the corporate limits of Chicago, thence extending westerly along Devon Avenue to the DuPage County (Illinois) line; thence southerly along said county line to 87th Street; thence easterly to Harlem Avenue; thence southerly to 138th Street; thence easterly to the Indiana State line. Also, the territory embracing North Township in Lake County, State of Indiana.

7. The limits of the customs port of entry of Toledo, Ohio, in Customs Collection District No. 41 (Ohio), comprising the territory within the corporate limits

of that city, are extended to include the territory within the corporate limits of Maumee, in Lucas County, and Rossford, in Wood County, and the territory embracing the Townships of Washington, Adams, and Oregon, in Lucas County, State of Ohio.

Section 1.1 (c), Customs Regulations, is amended by inserting "(including territory described in T. D. 54137)" opposite "*FORT ARTHUR, TEX." in the column headed "Ports of entry" in District No. 21 (Sabine); by inserting "(including territory described in T. D. 54137)" after the notation opposite "*Beaumont, Tex." in the column headed "Ports of entry" in District No. 21 (Sabine); by inserting "(including territory described in T. D. 54137)" after the notation opposite "*Lake Charles, La." in the column headed "Ports of entry" in District No. 21 (Sabine); by inserting "(including territory described in T. D. 54137)" after the notation opposite "Orange, Tex." in the column headed "Ports of entry" in District No. 21 (Sabine); by inserting "(including territory described in T. D. 54137)" opposite "Sabine, Tex." in the column headed "Ports of entry" in District No. 21 (Sabine); by inserting "(including territory described in T. D. 54137)" opposite "*CHICAGO, ILL." in the column headed "Ports of entry" in District No. 39 (Chicago); and by inserting "(including territory described in T. D. 54137)" opposite "*Toledo, Ohio," in the column headed "Ports of entry" in District No. 41 (Ohio).

(R. S. 161; 5 U. S. C. 22. Interprets or applies sec. 1, 37 Stat. 434, sec. 1, 38 Stat. 623, as amended; 19 U. S. C. 1, 2)

[SEAL] DAVID W. KENDALL,
Acting Secretary of the Treasury.

[F. R. Doc. 56-5771; Filed, July 17, 1956; 8:57 a. m.]

TITLE 7—AGRICULTURE

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

[Sugar Reg. 814.23, Amdt. 1]

PART 814—ALLOTMENT OF SUGAR QUOTAS

MAINLAND CANE SUGAR AREA, 1956

Basis and purpose. This allotment order is issued under section 205 (a) of the Sugar Act of 1948, as amended (7 U. S. C. 1100 et seq., hereinafter called the "act") for the purpose of allotting the 1956 sugar quota for the Mainland Cane Sugar Area. The basis and purpose of the order are more fully explained below.

Preliminary statement. Section 205 (a) of the act requires the Secretary to allot a quota whenever he finds that the allotment is necessary, among other things to (1) prevent disorderly marketing of sugar or liquid sugar and (2) afford all interested persons an equitable opportunity to market sugar or liquid sugar. Section 205 (a) also requires that such allotment be made after such hearing and upon such notice as the Secretary may prescribe.

Pursuant to the authority contained in the act and in accordance with applicable rules of practice and procedure (7 CFR 801.1 et seq.) a preliminary finding was made that allotment of the quota is necessary, and a notice was published on December 31, 1955 (20 F. R. 10167), of a public hearing to be held at New Orleans, Louisiana, in the International House on January 19, 1956, at 10:00 a. m., c. s. t., for the purpose of receiving evidence to enable the Secretary, (1) to affirm, modify or revoke the preliminary finding of necessity for allotments, and (2) to establish fair, efficient and equitable allotments of the 1956 quota for the Mainland Cane Sugar Area for the calendar year 1956. The hearing was held at the place and time specified in the notice.

Based upon the record of the hearing and pursuant to the applicable rules of practice and procedure, the Acting Administrator, Commodity Stabilization Service, United States Department of Agriculture, on June 20, 1956, filed a recommended decision and proposed order with respect to the allotment of the 1956 sugar quota for the Mainland Cane Sugar Area with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C. Notice of such filing and opportunity to file exceptions thereto were given to all interested persons in the manner provided in the rules of practice and procedure (21 F. R. 4520). Within the period reserved therefor, interested parties filed exceptions to certain of the findings, conclusions and actions recommended by the Administrator.

In arriving at the findings, conclusions, and regulatory provisions of this order, each of the exceptions filed to the findings, conclusions and actions recommended by the Administrator, and all proposed findings and conclusions were carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that findings, conclusions and actions decided upon herein are at variance with any of the exceptions filed to the recommended decision, such exceptions are overruled. To the extent that findings and conclusions proposed by interested persons are inconsistent with the findings and conclusions contained herein, the specific or implied requests to make such findings and reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions herein set forth.

Basis for findings and conclusions. Section 205 (a) of the act reads in pertinent part as follows:

> * * * Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugar beets or sugarcane to which proportionate shares, determined pursuant to the provisions of subsection (b) of Section 302, pertained; the past marketings or importations of each such person and the ability of such person to market or import that portion of such quota or proration thereof alloted to him * * *.

The record of the hearing indicates that the prospective supply of mainland cane sugar available for marketing in 1956 exceeds the quota for that area to an extent that allotment of the quota is necessary (R. 9, 10).

All three factors specified in the provision of law quoted above have been considered and each is given a percentile weighting by the formula on which this allotment of 500,000 short tons, raw value, of the 1956 Mainland Cane Sugar Area quota is based. That formula follows the proposal made by the Government witness in the record as to the measures and weightings of factors to be used for determining allotments (R. 18, 19).

In addition to the Government proposal two alternative methods for determining allotments were proposed by a representative of 40 of the 46 Louisiana processors (R. 70, 80; Ex. 14), and another method was supported by 3 Florida processors (R. 101, 102; Ex. 18). All proposals were similar in the following respects: (1) An allotment of 100 short tons, raw value, would be made to the Louisiana State University and the balance of the quota would be allotted to the other processors; (2) the factor "processings" would be measured by the total production from 1955-crop cane; (3) the factor "past marketings" would be measured by the 1951–55 average marketings within allotments and weighted 20 percent; (4) the factor "ability to market" would be measured in part by January 1, 1956, effective inventories exclusive of quantities contracted to the Commodity Credit Corporation and, in part, by some other measure and (5) each factor would be expressed, for each processor, as the percentage that his tonnage for the factor represents of the total tonnage for that factor. No testimony in the hearing record was in disagreement with the above and all allottees agreed and recommended for the record that an allotment of 100 short tons, raw value, be made to Louisiana State University (R. 87, 113).

The proposals differed in the following respects: The proposal supported by the Florida processors weighted the factors "processings," 40 percent; "ability to market," 40 percent and "past marketings," 20 percent, the same as proposed by the Government, while the Louisiana processors' proposals would weight the factors "processings," 60 percent; "past marketings," 20 percent and "ability to market," 20 percent. Varied proposals for measuring the factor "ability to market" were made, differing, however, only with respect to the quantities to be added to January 1, 1956, effective inventories (exclusive of quantities contracted to CCC) to complete the measure of "ability to market".

The method of allotment adopted gives recognition to the importance of having allotments in line with recent crop production levels by giving 1955-crop production a weight of 40 percent. A greater weight to this factor is deemed inappropriate under present circumstances in view of the wide variations for individual processors between their 1955-crop production and that for other recent years, and in view of the method proposed for measuring and weighting "ability to market".

The method adopted to measure the factor "ability to market" gives recognition to the extent sugar production of the past four crop-years exceeded mar-

ketings during the past three calendar years (including quantities contracted to CCC). Consequently, it recognizes the increments of current inventories traceable to the restrictions of marketings in the entire sequence of recent years in which quotas have been allotted. The quantity of sugar represented by the measure is substantially the same as the quantity of sugar which, from a supply or availability standpoint, will depend upon allotments for a fair, efficient and equitable opportunity to be marketed in 1956 (R. 21).

Expressed in other terms, but with identical results, this method of measuring the "ability to market" factor represents the quantity of sugar in effective inventory on January 1, 1956 (exclusive of quantities contracted to CCC), plus the quantity of new-crop sugar marketed in 1952. Effective inventories on January 1, 1956, represents the physical quantity of sugar held by processors on that date, plus the quantity of 1955-crop sugar produced in 1956.

Viewing "the ability to market" factor in terms of these two components supports its applicability. For most processors, new-crop marketings in 1952 fairly reflected their capabilities to market sugar in the closing months of that year, the most recent year without marketing restrictions. To the extent some failed to fully demonstrate their potential marketing abilities in late 1952, their January 1, 1953, inventories were increased accordingly. Such inventory increases, except as offset by subsequent marketings, continue to be reflected in January 1, 1956, effective inventories (R. 22). The component January 1, 1956, effective inventories, from a supply standpoint, reflects the entire ability of processors to market sugar in 1956 prior to October when processing of the 1956-crop begins, and the component new-crop marketings, as demonstrated by processors in the most recent period of unrestricted marketings, reflects the relative abilities of processors to market sugar in the last quarter of the year.

In 1956 the processors continue to fall into the same groups as in 1952 based on the percentage of the crop they process in the last quarter of the year and their tendencies to market all of the crop as it is produced or to distribute marketings over a longer period. Consequently, 1952 new-crop marketings, when added to January 1, 1956, effective inventories, provides a measure of ability which recognizes both the current and normal sizes of inventories and the length of time such inventories are normally carried.

Thus, this measure of "ability to market," described initially as the difference between the production of sugar from the four most recent crops and the marketings (including quantities contracted to CCC) for the three most recent years when marketings have been restricted, gives recognition to current inventories, and gives appropriate consideration to differences between processors in their customary marketing and storage patterns and is, therefore, a suitable and acceptable measure of ability.

Comparisons have been made between the allotments resulting from giving consideration to the three statutory factors as proposed herein, and production from crops in various years, inventory and new-crop situations as an aid in gauging whether such allotments result in a fair, efficient and equitable distribution of the quota (R. 26–30; Ex. 9, 10). Such analysis supports the conclusion that the allotments as proposed are fair, efficient and equitable.

All processings of sugar from 1955-crop sugarcane are used as a measure of the factor "processing of sugar or liquid sugar from * * * sugarcane to which proportionate shares * * * pertained," although total processings may include negligible quantities of sugar processed from sugarcane to which proportionate shares did not pertain since such quantities have insignificant effect in the formula used for fixing allotments (R. 19–20). It was proposed that contract quantities of sugar purchased by the Commodity Credit Corporation be used in computing final allotments (R. 18). No exception was taken to such use of total processings and contract quantities, and no evidence to the contrary was offered at the hearing. Final data have been made a part of the record subsequent to and as provided for in the hearing and are reflected in the proposed allotments (R. 16–17).

As the hearing record shows that the Department has received satisfactory evidence that Glenwood Coop., Inc., is the successor in interests to the E. G. Robichaux Company, Ltd., for allotment of quota purposes including pertinent history of production, marketings and inventories, such change has been reflected accordingly in the findings and allotment order (R. 32).

It was proposed in the record that any deficits in allotments of individual allottees, and any increases in quota due to deficits in other areas be allotted without further notice or hearing to such allottees as can supply the additional quantities in proportion to the allotments then in effect made pursuant to the record of this proceeding (R. 33). Written notification to the Sugar Division by an allottee that he is unable to fill a part of his allotment, and any regulations issued by the Secretary which allots deficits in quota of other areas to the 1956 quota for the Mainland Cane Sugar Area are to be considered a part of the record of this hearing for the purpose of official notice to be taken thereof (R. 33).

The findings and the allotment order include provisions similar to those included in the 1955 order (R. S. R. 814.22; 20 F. R. 7126), paragraphs (b) Restrictions on Marketing, and (c) Transfer of Allotment, and also include a provision similar to that included in the 1954 order (S. R. 814.21; 19 F. R. 1337), paragraph (d) Exchanges of Sugar Between Allottees. The need for including these provisions was supported by the Government witness (R. 31) and by a representative of many of the processors (R. 87) and there was no testimony or argument opposed to their inclusion.

Findings and conclusions. On the basis of the record of the hearing, I hereby find and conclude that:

(1) January 1, 1956, effective inventories of mainland cane sugar approximate 400,000 short tons, raw value. New-crop marketings during 1948–1952, the most recent five-year period without marketing restrictions, ranged from a low of about 274,000 tons to a high of about 435,000. Thus, the supply of sugar available for marketing in 1956 is expected to greatly exceed the quota.

(2) Prospects in other domestic areas and Cuba are such that no increase in the Mainland Cane Sugar Area quota through proration of deficits is likely.

(3) The supply situation makes necessary the allotment of the 1956 sugar quota for the Mainland Cane Sugar Area to assure an orderly flow of such sugar in the channels of interstate commerce, to prevent disorderly marketing of sugar, and to afford all interested persons equitable opportunities to market sugar within the quota.

(4) Total processings of all sugar from 1955-crop sugarcane by each processor is a fair, efficient and equitable measure of processings of sugar from the 1955-crop of sugarcane to which proportionate shares pertained.

(5) An allotment of 100 short tons, raw value, shall be established for the Louisiana State University and the balance of the 500,000 ton Mainland Cane Sugar Area quota allotted herein, amounting to 499,900 short tons, raw value, shall be allotted in accordance with the method set forth in (6) and (7), below.

(6) For processors other than the Louisiana State University each of the three factors specified in section 205 (a) of the act shall be measured and weighted, and allotments determined as follows, based on final data in the hearing record:

(a) The factor processings from proportionate shares shall be measured by each processor's production of all sugar from 1955-crop sugarcane, in short tons, raw value, expressed as a percentage of the total of such processings for all processors, and weighted by 40 percent;

(b) The factor past marketings shall be measured by each processor's average annual marketings within his allotment for the years 1951 through 1955, in short tons, raw value, expressed as a percentage of the total of the measure for all processors, and weighted by 20 percent.

(c) The factor ability to market shall be measured for each processor by subtracting (1) his total marketings in the calendar years 1953, 1954 and 1955, plus contract quantities of his sales to the Commodity Credit Corporation from (2) his total production of sugar for the crop years 1952 through 1955. The reresult of subtracting (1) from (2), above, in short tons, raw value, expressed as a percentage of the total of the measure of all processors shall be weighted by 40 percent.

(d) The total of the percentages resulting from (a), (b) and (c), above, for each processor shall be multiplied by 499,900 to determine his allotment in short tons, raw value.

(7) The quantities of sugar and the percentages referred to in paragraph (6), above, based on final data, are set forth in the following table:

Processor	Processings of sugar from 1955-crop cane		Past marketings average within allotments 1951-55		Ability to market					Processor's percentage share of 499,000 tons (column 2 x 40 percent plus column 4 x 20 percent plus column 9 x 40 percent)
					Total processings 1952-55 crop years (tons)	Total marketings 1953-55 calendar years (raw value)	Contract quantities of sales to CCC (tons)	Measure used		
	Tons, raw value	Percent of total	Tons, raw value	Percent of total				Column 5 less columns 6 and 7 (tons)	Percent of total	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Albania Sugar Coop., Inc.	6,634	1.160	5,145	1.010	25,466	15,441	606	9,419	1.137	1.121
Alice C. Ref. & Pintg., Inc.	7,812	1.366	6,080	1.194	29,775	18,164	606	11,005	1.329	1.317
Alma Plantation, Ltd.	7,637	1.335	5,978	1.174	28,521	17,591	613	10,317	1.246	1.267
J. Aron & Co., Inc.	13,016	2.275	10,290	2.020	52,676	32,003	1,553	19,120	2.308	2.237
Billeaud Sugar Factory	7,513	1.313	6,938	1.362	33,133	21,381	617	11,135	1.344	1.335
Breaux Bridge Sugar Coop., Inc.	6,889	1.204	5,838	1.146	28,348	17,048	675	10,625	1.283	1.224
J. M. Burguieres Co., Ltd., The	6,246	1.092	4,716	.926	23,434	13,835	679	8,920	1.077	1.053
Burton-Sutton Oil Co., Inc.	7,593	1.327	5,838	1.146	28,441	19,349	1,517	7,575	.915	1.126
Caire & Graugnard	3,188	.557	3,292	.646	13,549	9,100	260	4,189	.506	.555
Caldwell Sugar Coop., Inc.	11,618	2.031	9,155	1.798	46,928	27,118	1,705	18,044	2.178	2.043
Catherine Sugar Co., Inc.	6,891	1.205	5,488	1.077	27,260	16,798	691	9,771	1.180	1.170
Columbia Sugar Co.	5,192	.908	4,851	.953	21,777	13,896	1,094	7,087	.856	.896
Cora-Texas Manufacturing Co., Inc.	2,372	.415	2,231	.438	10,319	6,627	519	3,173	.383	.407
Dugas & LeBlanc, Ltd.	10,717	1.873	9,673	1.899	46,519	29,413	1,469	15,637	1.888	1.884
Duhe & Bourgeois Sugar Co., Inc.	8,529	1.491	7,321	1.437	33,635	20,978	1,092	11,565	1.396	1.442
Erath Sugar Co., Ltd.	4,699	.806	4,306	.857	20,008	13,020	331	6,657	.804	.816
Evan Hall Sugar Coop., Inc.	21,051	3.680	16,294	3.199	82,981	49,929	2,415	30,637	3.699	3.592
Evangeline Pepper & Food Products, Inc.	4,440	.776	4,005	.786	20,089	12,095	276	7,718	.932	.836
Fellsmere Sugar Producers Association	7,435	1.300	9,019	1.771	38,002	25,412	1,192	11,398	1.376	1.425
Frisco Cane Co., Inc.	932	.163	673	.132	3,401	2,034	106	1,261	.152	.152
Glenwood Coop., Inc.	13,652	2.386	11,977	2.352	60,580	38,280	2,644	19,656	2.373	2.374
Godchaux Sugars, Inc.	34,457	6.023	29,642	5.820	144,030	91,238	5,553	47,239	5.706	5.856
Helvetia Sugar Coop., Inc.	6,937	1.213	5,180	1.017	27,106	16,667	648	9,791	1.182	1.161
Iberia Sugar Coop., Inc.	12,386	2.165	11,572	2.272	54,760	35,130	1,203	18,417	2.224	2.210
LaFourche Sugar Co.	14,227	2.539	11,644	2.286	59,003	35,529	1,826	21,738	2.625	2.523
Harry L. Laws & Co., Inc.	9,875	1.726	7,463	1.465	37,848	23,152	993	13,703	1.654	1.645
Levert-St. John, Inc.	7,861	1.374	7,908	1.553	38,048	24,849	723	12,476	1.506	1.463
Loisel Sugar Co., Inc.	4,889	.855	5,301	1.041	23,198	15,256	523	7,419	.896	.909
Louisiana State Penitentiary	3,722	.651	2,945	.578	12,659	7,066	392	5,171	.624	.626
Lula Factory, Inc.	11,223	1.962	9,547	1.874	46,639	29,423	1,124	16,092	1.943	1.937
Meeker Sugar Coop., Inc.	3,590	.627	3,422	.672	13,383	9,177	164	4,042	.488	.580
Milliken & Farwell, Inc.	12,414	2.170	9,909	1.946	50,208	30,964	2,129	17,115	2.066	2.084
Okeelanta Sugar Refinery, Inc.	10,589	1.851	10,317	2.026	55,941	35,054	2,815	18,072	2.182	2.018
M. A. Patout & Son, Ltd.	7,722	1.350	7,231	1.420	33,216	21,740	720	10,756	1.299	1.344
Poplar Grove Pltg. & Ref. Co.	6,200	1.009	5,112	1.004	24,565	15,193	596	8,776	1.060	1.064
St. James Sugar Coop., Inc.	12,064	2.109	9,296	1.825	48,319	28,987	1,183	18,149	2.191	2.085
St. Mary Sugar Coop., Inc.	11,075	1.936	10,982	2.156	50,522	30,233	401	19,888	2.401	2.166
Slack Bros., Inc.	3,061	.535	2,769	.544	12,857	8,066	299	4,492	.542	.540
Smedes Bros., Inc.	4,191	.733	3,800	.746	18,328	11,226	263	6,839	.826	.773
South Coast Corp.	42,067	7.354	38,148	7.490	168,738	102,344	6,632	59,762	7.215	7.326
Southdown Sugars, Inc.	41,093	7.183	35,803	7.029	166,733	108,287	7,541	50,905	6.146	6.737
Sterling Sugars, Inc.	12,377	2.164	9,651	1.895	40,836	23,666	1,659	15,511	1.873	1.994
J. Supple's Sons Pltg. Co.	4,460	.780	3,553	.698	17,555	10,734	789	6,042	.729	.743
United States Sugar Corp.	99,784	17.443	100,181	19.669	461,424	295,978	13,976	151,470	18.288	18.226
Valentine Sugars, Inc.	11,660	2.038	10,149	1.993	46,982	27,652	1,758	17,572	2.122	2.063
Vermilion Sugar Co., Inc.	1,899	.332	2,309	.453	9,836	6,463	000	3,373	.407	.396
Vida Sugars, Inc.	5,976	.995	3,938	.773	18,804	11,860	275	6,669	.805	.755
A. Wilbert's Sons Lumber & Shingle Co.	8,539	1.493	6,868	1.348	35,003	21,089	1,080	12,834	1.550	1.487
Young's Industries, Inc.	5,358	.937	5,521	1.084	25,952	16,403	539	9,010	1.088	1.027
Total	572,052	100.000	509,330	100.000	2,417,425	1,512,608	76,505	828,252	100.000	100.000

(8) The Glenwood Cooperative, Inc., successor to the interests of E. G. Robichaux Co., Ltd., shall have its 1956 allotment based on its past production, marketings and inventories of sugar combined with those formerly representing the operations of E. G. Robichaux Co., Ltd.

(9) An efficient distribution of the quota requires provision for transfer of allotments in unusual circumstances when deemed necessary to assure the processing of all proportionate shares.

(10) To aid in the efficient movement and storage of sugar, provision shall be made to enable a processor to market a quantity of sugar of his own production in excess of his allotment, equivalent to the quantity of sugar which he holds in storage and which was acquired by him within the allotment of another allottee of the 1956 mainland cane sugar area quota.

(11) The order shall be revised without further notice or hearing, for the purpose of allotting any additional quota resulting from proration of deficits in the quota for other supply areas, or any deficit in the allotment of any allottee under the order, by allotting any such additional quota or deficit to allottees, who are able to supply the additional sugar, in the proportion that their respective allotments bear to the total allotments of such allottees under the order.

(12) Allotments established in the foregoing manner and in the amounts set forth in the order provide a fair, efficient and equitable distribution of the quota as required by section 205 (a) of the act.

(13) Allotments established by this order for some allottees are substantially larger than the allotments established in S. R. 814.23. To afford processors adequate opportunity to market within the time remaining in the calendar year the additional quantities of sugar in an orderly manner, it is imperative that this order be effective as soon as possible. Accordingly, it is hereby found that compliance with the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237) is impracticable and contrary to the public interest and, consequently, this order shall be effective when published in the FEDERAL REGISTER.

Order. Pursuant to the authority vested in the Secretary of Agriculture by section 205 (a) of the act; the section number designation § 815.23 as published in 20 F. R. 9851 is corrected to read § 814.23: *And it is hereby ordered,* That § 814.23 be amended to read as follows:

§ 814.23 *Allotment of the 1956 sugar quota for the Mainland Cane Sugar Area*—(a) *Allotments.* The 1956 sugar quota of 500,000 short tons, raw value for the Mainland Cane Sugar Area is hereby allotted to the following processors in amounts which appear opposite their respective names:

Processor	*Allotments (short tons, raw value)*
Albania Sugar Coop., Inc.	5,604
Alice G. Ref. & Pintg., Inc.	6,584
Alma Plantation, Ltd.	6,334
J. Aron & Co., Inc.	11,183
Billeaud Sugar Factory	6,674
Breaux Bridge Sugar Coop., Inc.	6,119
J. M. Burguieres Co., Ltd.	5,264
Burton-Sutton Oil Co., Inc.	5,629
Caire & Graugnard	2,774
Caldwell Sugar Coop., Inc.	10,213
Catherine Sugar Co., Inc.	5,849
Columbia Sugar Co.	4,479
Cora-Texas Manufacturing Co., Inc.	2,034
Dugas & LeBlanc, Ltd.	9,418
Duhe & Bourgeois Sugar Co., Inc.	7,209
Erath Sugar Co., Ltd.	4,079
Evan Hall Sugar Coop., Inc.	17,956
Evangeline Pepper & Food Products, Inc.	4,179

Processor	Allotments (short tons, raw value)
Pellsmere Sugar Producers Assoc.	7,124
Frisco Cane Co., Inc.	760
Glenwood Coop., Inc.	11,868
Godchaux Sugars, Inc.	29,274
Helvetia Sugar Coop., Inc.	5,804
Iberia Sugar Coop., Inc.	11,048
LaFourche Sugar Co.	12,612
Harry L. Laws & Co., Inc.	8,223
Levert-St. John, Inc.	7,314
Loisel Sugar Co., Inc.	4,544
Louisiana State Penitentiary	3,129
Lula Factory, Inc.	9,683
Meeker Sugar Coop., Inc.	2,899
Milliken & Farwell, Inc.	10,418
Okeelanta Sugar Refinery, Inc.	10,088
M. A. Patout & Son, Ltd.	6,719
Poplar Grove Pltg. & Ref. Co.	5,319
St. James Sugar Coop., Inc.	10,423
St. Mary Sugar Coop., Inc.	10,828
Slack Bros., Inc.	2,699
Smedes Bros., Inc.	3,864
South Coast Corp.	36,623
Southdown Sugars, Inc.	33,678
Sterling Sugars, Inc.	9,968
J. Supple's Sons Pltg. Co.	3,714
United States Sugar Corp.	91,112
Valentine Sugars, Inc.	10,313
Vermilion Sugar Co., Inc.	1,930
Vida Sugars, Inc.	3,774
A. Wilbert's Sons Lbr. & Sh. Co.	7,433
Young's Industries, Inc.	5,134
Louisiana State University	100
All other persons	000
Total	500,000

(b) *Restrictions on marketings.* During the calendar year 1956 each person named in paragraph (a) of this section and any other person is hereby prohibited from marketing in interstate commerce, or in competition with sugar or liquid sugar shipped, transported or marketed in interstate or foreign commerce, any sugar or liquid sugar produced from sugarcane grown in the Mainland Cane Sugar Area in excess of his allotment established in paragraph (a) of this section.

(c) *Transfer of allotment.* When approved in writing by the Director, Sugar Division, Commodity Stabilization Service, of the Department, allotments made in paragraph (a) of this section may be transferred, in whole or in part, to another allottee thereunder upon a showing that the transferee has processed or will process 1956-crop sugarcane because of inability of the transferor, arising subsequent to the processing of the 1955 crop, to process the tonnage of sugarcane which otherwise would be processed by him.

(d) *Exchanges of sugar between allottees.* When approved in writing by the Director of the Sugar Division, or the Chief of the Quota and Allotment Branch thereof, Commodity Stabilization Service of the Department, any allottee holding sugar or liquid sugar acquired by him within the allotment of another person established in paragraph (a) of this section, may ship, transport or market up to an equivalent quantity of sugar processed by him in excess of his allotment established in paragraph (a) of this section. The sugar or liquid sugar held under this paragraph shall be subject to all other provisions of this section as if it had been processed by the allottee who acquired it for the purpose authorized by this paragraph.

(Sec. 403, 61 Stat. 932; 7 U. S. C. 1153. Interprets or applies sec. 205, 61 Stat. 926; 7 U. S. C. 1115)

Done at Washington, D. C., this 13th day of July 1956.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 56-5774; Filed, July 17, 1956; 8:57 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Plum Order 17]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.542 *Plum Order 17*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of, regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information was submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 19, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship any package or container of Sharkey plums unless such plums grade at least U. S. No. 1; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure $1^{9}/_{16}$ inches in diameter and of the remainder of the plums none measures less than $1^{7}/_{16}$ inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than $1^{7}/_{16}$ inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(3) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5818; Filed, July 17, 1956; 8:58 a. m.]

[Plum Order 18]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.543 *Plum Order 18*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, will tend to effectuate the declared policy of the act.

(2) It is hereby 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 19, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship from any shipping point during any day any package or container of Ace plums unless such plums grade at least U. S. No. 1; and, except to the extent otherwise permitted under this paragraph,

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 4 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 6-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 3/16 inches in diameter and of the remainder of the plums none measures less than 1 1/16 inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 1/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) During each day of the aforesaid period, any shipper may ship from any shipping point a quantity of such plums, by number of packages or containers, which are of a size smaller than the size prescribed in subparagraph (1) of this paragraph if said quantity does not exceed twenty-five (25) percent of the number of the same type of packages or containers of plums shipped by such shipper which meet the size requirement of said subparagraph (1) of this paragraph and all such smaller plums meet the applicable one of following requirements:

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 1/16 inches in diameter and of the remainder of the plums none measures less than 1 1/16 inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 1/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(3) If any shipper, during any day of the aforesaid period, ships from any shipping point less than the maximum allowable quantity of such plums that may be of a size smaller than the size prescribed in subparagraph (1) of this paragraph, the quantity of such undershipment may be shipped by such shipper only from such shipping point during the next 2 succeeding calendar days but only after shipment has been made of any other quantities of such smaller-sized plums such shipper is authorized to ship on those 2 succeeding calendar days.

(4) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "6-row standard pack" shall mean that the top layer of the pack contains 39 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(5) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5819; Filed, July 17, 1956; 8:58 a. m.]

[Plum Order 19]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.544 *Plum Order 19*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regu-

lating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956, recommendation as to the need for, and the extent of, regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 19, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship any package or container of President plums unless such plums grade at least U. S. No. 1; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 9/16 inches in diameter and of the remainder of the plums none measures less than 1 7/16 inches in diameter: *Provided,* That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 7/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided,* That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(3) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size, and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5820; Filed, July 17, 1956; 8:58 a. m.]

[Plum Order 20]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.545 *Plum order 20*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of, regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 20, 1956, and this section should be applicable to all such shipments of such plums in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship any package or container of Kelsey plums unless such plums grade at least U. S. No. 1 with a total tolerance of ten (10) percent for defects not considered serious damage in addition to the tolerances permitted for such grade; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 4 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 6-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 9/16 inches in diameter and of the remainder of the plums none measures less than 1 7/16 inches in diameter: *Provided,* That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums

that are smaller than 1 9/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(3) As used in this section, "U. S. No. 1," "serious damage," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; 6-row standard pack" shall mean that the top layer of the pack contains 39 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5822; Filed, July 17, 1956; 8:59 a. m.]

[Plum Order 21]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.546 *Plum Order 21*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of, regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 20, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act, and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship any package or container of Late Santa Rosa plums unless such plums grade at least U. S. No. 1; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 9/16 inches in diameter and of the remainder of the plums none measures less than 1 7/16 inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 7/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(3) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size, and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5821; Filed, July 17, 1956; 8:59 a. m.]

[Plum Order 22]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.547 *Plum Order 22*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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

of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about July 20, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship from any shipping point during any day any package or container of Emily plums unless such plums grade at least U. S. No. 1; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure $1^{10}/_{16}$ inches in diameter and of the remainder of the plums none measures less than $1^{7}/_{16}$ inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than $1^{7}/_{16}$ inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) During each day of the aforesaid period, any shipper may ship from any shipping point a quantity of such plums, by number of packages or containers, which are of a size smaller than the size prescribed in subparagraph (1) of this paragraph if said quantity does not exceed eleven and eleven one-hundredths (11.11) percent of the number of the same type of packages or containers of plums shipped by such shipper which meet the size requirement of said subparagraph (1) of this paragraph and all such smaller plums meet the applicable one of following requirements:

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 5 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7½-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure $1^{5}/_{16}$ inches in diameter and of the remainder of the plums none measures less than $1^{5}/_{16}$ inches in diameter: *Provided*, That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than $1^{5}/_{16}$ inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided*, That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(3) If any shipper, during any day of the aforesaid period, ships from any shipping point less than the maximum allowable quantity of such plums that may be of a size smaller than the size prescribed in subparagraph (1) of this paragraph, the quantity of such undershipment may be shipped by such shipper only from such shipping point during the next 2 succeeding calendar days but only after shipment has been made of any other quantities of such smaller-sized plums such shipper is authorized to ship on those 2 succeeding calendar days.

(4) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; "7½-row standard pack" shall mean that the top layer of the pack contains 56 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(5) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5823; Filed, July 17, 1956; 8:59 a. m.]

[Plum Order 23]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

REGULATION BY GRADES AND SIZES

§ 936.548 *Plum Order 23*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, 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 recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, 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 of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) in that, as hereinafter set forth, 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 act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 19, 1956. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until July 10, 1956; recommendation as to the need for, and the extent of, regulation of shipments of such plums was made at the meeting of said committee on July 10, 1956, after consideration of all available information relative to the supply and demand conditions for such plums, at

which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such plums are expected to begin on or about August 3, 1956; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* (1) During the period beginning at 12:01 a. m., P. s. t., July 19, 1956, and ending at 12:01 a. m., P. s. t., November 1, 1956, no shipper shall ship from any shipping point during any day any package or container of Elephant Heart plums unless such plums grade at least U. S. No. 1; and

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 4 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 6-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 2/16 inches in diameter and of the remainder of the plums none measures less than 1 1/16 inches in diameter: *Provided,* That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 1/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided,* That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) During each day of the aforesaid period, any shipper may ship from any shipping point a quantity of such plums, by number of packages or containers, which are of a size smaller than the size prescribed in subparagraph (1) of this paragraph if said quantity does not exceed twenty-five (25) percent of the number of the same type of packages or containers of plums shipped by such shipper which meet the size requirement of said subparagraph (1) of this paragraph and all such smaller plums meet the applicable one of following requirements:

(i) If the plums are packed in a standard basket, they are of a size not smaller than a size that will pack a 4 x 5 standard pack;

(ii) If the plums are packed in a special plum box, they are of a size not smaller than a size that will pack a 7-row standard pack;

(iii) If the plums are packed in any container other than a standard basket or special plum box, ninety (90) percent, by count, of the plums measure 1 1/16 inches in diameter and of the remainder of the plums none measures less than 1 1/16 inches in diameter: *Provided,* That, no lot of plums shall be considered as failing to meet this requirement if one package of such plums contains not more than one (1) percent, by count, of plums that are smaller than 1 1/16 inches in diameter; and

(iv) The diameters of the smallest and largest plums in the package or container do not vary more than one-fourth inch: *Provided,* That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(3) If any shipper, during any day of the aforesaid period, ships from any shipping point less than the maximum allowable quantity of such plums that may be of a size smaller than the size prescribed in subparagraph (1) of this paragraph, the quantity of such undershipment may be shipped by such shipper only from such shipping point during the next 2 succeeding calendar days but only after shipment has been made of any other quantities of such smaller-sized plums such shipper is authorized to ship on those 2 succeeding calendar days.

(4) As used in this section, "U. S. No. 1," "fairly uniform in size," "diameter," and "standard pack" shall have the same meaning as set forth in the revised United States Standards for plums and prunes (fresh) (§§ 51.1520 to 51.1530 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "special plum box" shall mean the special plum box set forth in section 828.15 of the Agricultural Code of California; "6-row standard pack" shall mean that the top layer of the pack contains 39 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; "7-row standard pack" shall mean that the top layer of the pack contains 52 plums which are fairly uniform in size and the plums in the top layer are not superior in size to those in the remainder of the pack; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(5) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: July 16, 1956.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-5824; Filed, July 17, 1956; 8:59 a.m.]

PART 984—WALNUTS GROWN IN CALIFORNIA, OREGON, AND WASHINGTON

SIZE GRADE SPECIFICATIONS

Notice of proposed rule making with respect to amendment of the administrative rules and regulations, as amended (7 CFR 984.401 et seq.; 20 F. R. 6675), issued pursuant to Marketing Agreement No. 105 and Order No. 84, as amended (7 CFR Part 984; 20 F. R. 5387), regulating the handling of walnuts grown in California, Oregon, and Washington, was published in the FEDERAL REGISTER of June 16, 1956 (21 F. R. 4258). Such proposed amendment relates to pack specifications. In said notice opportunity was afforded interested persons to submit to the Department written data, views, or arguments, for consideration in connection with the proposals. Four such communications were received from walnut packers.

A packer in California opposed the proposed change on the basis that in his opinion it would tend to reduce the sale of inshell walnuts and accelerate the trend toward marketing walnuts in the shelled form. It was argued that this would adversely affect grower returns. Concern was also expressed in regard to expense for sizing screens to effect the proposed changes. Three Oregon packers expressed the view that making the proposed changes at this time would work a hardship on the Oregon industry because of expense of changing sizing equipment and the reduced producer income to be expected from the short 1956 crop.

The proposed changes were fully discussed at the Walnut Control Board meeting on April 17, 1956, and were unanimously recommended. Industry discussion was to the effect that at times it had been difficult to meet the trade demand for Large size, and that the proposed changes would tend to correct this situation by moderately increasing the percentage of walnuts which would classify as Large. Since the price per pound of Large size walnuts is customarily higher than for Medium and Baby sizes the change would tend to improve grower returns. Justification for the proposed size changes was based on statistics of the industry and the California crop and Livestock Reporting Service which indicate a pronounced shift in walnut production away from the round type varieties such as Placentia to the longer or more oval types particularly the Franquette. The content of a Franquette type walnut of a specified diameter will equal that of a round type walnut of slightly greater diameter. A reduction in the diameter requirement for any size does not necessarily mean a reduction in content of individual walnuts in that size classification. The proposed change is intended to result in a higher percentage of Large size walnuts than in some recent years, more in line with the historical sizeout of the crop.

Argument that the changing of screens for the 1956–57 marketing year to comply with the proposal would work a hardship on some packers is believed to have some merit. It is possible that the expense of changing sizing equipment at this time, in the case of some small packers, might tend to decrease grower returns for the 1956–57 marketing year. Use of present sizing equipment would produce packs which meet the minimum size requirements of the proposal but could result for Medium and Baby sizes

in percentages above the proposed maximum size requirements and in excess of the proposed tolerances. Under present size grade specifications, there is an overlapping betwen the top of the range for Baby size ($^{75}/_{64}$ inches) and the lower limit of Medium size ($^{71}/_{64}$ inches). The continuation of a $^{1}/_{64}$ inch overlapping between Baby and Medium sizes and the authorizing of an overlapping of $^{2}/_{64}$ inch between Medium and Large sizes should make it possible for those handlers, who find it impracticable or disadvantageous to change their sizing screens at this time, to meet the new requirements.

In view of the foregoing, it is concluded that the proposed changed provisions as published in the aforesaid notice should be put into effect, except that the top range of Baby size should be $^{71}/_{64}$ inches, instead of $^{73}/_{64}$ inches, and the top range of Medium size should be $^{77}/_{64}$ inches, instead of $^{77}/_{64}$ inches.

Therefore, paragraph (a) of § 984.402 is hereby amended to read as follows:

§ 984.402 *Pack specifications for merchantable (unshelled) walnuts, including minimum standards of size, quality and maturity; (part I) for walnuts produced in California*—(a) *Size grade specifications.* To be certified as merchantable, any lot of walnuts must meet the specifications of one of the following size classifications: *Provided*, That any lot of walnuts which the Walnut Control Board finds will be used solely for shelling, and which is subsequently used solely for that purpose, may be certified with respect to size, at the option of the particular handler, without reference to such size classifications, if not over 3 percent, by count, pass through a round opening $^{66}/_{64}$ inch in diameter.

(1) *Mammoth Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{96}/_{64}$ inches in diameter.

(2) *Jumbo Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{80}/_{64}$ inches in diameter.

(3) *Large Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{77}/_{64}$ inches in diameter, except that, for walnuts of the Eureka variety and type, such limiting dimension as to diameter shall be $^{75}/_{64}$ inches.

(4) *Medium Size.* Walnuts of which at least 88 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter and of which not over 12 percent, by count, pass through a round opening $^{77}/_{64}$ inches in diameter.

(5) *Standard Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter.

(6) *Baby Size.* Walnuts of which at least 88 percent, by count, pass through a round opening $^{71}/_{64}$ inches in diameter and of which not over 10 percent, by count, pass through a round opening $^{66}/_{64}$ inch in diameter.

Also, paragraph (a) of § 984.403 is hereby amended to read as follows:

§ 984.403 *Pack specifications for merchantable (unshelled) walnuts, including minimum standards of size, quality and maturity; (part II) for walnuts produced in Oregon and Washington*—(a) *Size grade specifications.* To be certified as merchantable, any lot of walnuts must meet the specifications of one of the following size classifications: *Provided*, That any lot of walnuts which the Walnut Control Board finds will be used solely for shelling, and which is subsequently used solely for that purpose, may be certified with respect to size, at the option of the particular handler, without reference to such size classifications, if not over 3 percent, by count, pass through a round opening $^{66}/_{64}$ inch in diameter.

(1) *Mammoth Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{96}/_{64}$ inches in diameter.

(2) *Jumbo Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{80}/_{64}$ inches in diameter.

(3) *Large Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{77}/_{64}$ inches in diameter.

(4) *Medium Size.* Walnuts of which at least 88 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter and of which not over 12 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter.

(5) *Standard Size.* Walnuts of which not over 12 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter.

(6) *Baby Size.* Walnuts of which at least 88 percent, by count, pass through a round opening $^{71}/_{64}$ inches in diameter and of which not over 10 percent, by count, pass through a round opening $^{66}/_{64}$ inch in diameter.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Issued at Washington, D. C., this 13th day of July 1956, to become effective on the 31st day after publication of this document in the FEDERAL REGISTER.

[SEAL] F. R. BURKE,
Acting Deputy Administrator,
Marketing Service.

[F. R. Doc. 56-5778; Filed, July 17, 1956; 8:58 a. m.]

TITLE 35—PANAMA CANAL

Chapter I—Canal Zone Regulations

PART 12—INSPECTION OF VESSELS

REPORTS; SUPERVISING DIRECTOR

Pursuant to the authority vested in the Governor of the Canal Zone by section 153 of title 2 of the Canal Zone Code §§ 12.8 and 12.9 are hereby amended by deleting therefrom the term "Marine Director" and inserting in lieu thereof the term "Supervising Inspector."

(Sec. 1, 47 Stat. 811; 2 C. Z. Code 153, 48 U. S. C. 1336a)

Issued at Balboa Heights, Canal Zone, July 6, 1956.

[SEAL] W. E. POTTER,
Governor.

[F. R. Doc. 56-5710; Filed, July 17, 1956; 8:48 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

Subchapter A—Armed Services Procurement Regulations

[Amdt. 13]

MISCELLANEOUS AMENDMENTS

The following miscellaneous amendments are made to this subchapter:

PART 1—GENERAL PROVISIONS

SUBPART A—INTRODUCTION

Section 1.108 has been amended to provide that in subject areas not fully covered by this subchapter, the Military Departments shall not adopt policies, procedures or take individual actions involving a major policy question without prior coordination with the other Departments and prior approval of the Assistant Secretary of Defense (Supply and Logistics). Section 1.108 as revised reads as follows:

§ 1.108 *Publications of the Military Departments.* The Military Departments and procuring activities may issue directives and other publications to implement this subchapter and other Department of Defense publications mentioned in § 1.106. Such implementation shall consist of providing for such delegations of authority and assignment of responsibilities and only such other implementing actions as are essential to the respective procurement operations of the Departments. Duplication of this subchapter shall be avoided to the extent feasible. In areas which are not fully covered by this subchapter, each military department may, consistent with the provisions of this subchapter, and other Department of Defense publications mentioned in § 1.106, maintain and issue such policies and procedures as are necessary for the efficient performance of procurement operations; provided, however, that no Department shall adopt any policy or procedure (including methods, systems, instructions, practices and contract clauses) which involves a major policy question without first coordinating with the other military departments through the ASPR Committee and obtaining the approval of the Assistant Secretary of Defense (Supply and Logistics) or, alternatively, at the option of the Materiel Secretary through use of the Materiel Secretaries' Council. Such approval involving Departmental publications shall be secured in advance. Approval of such matters not involving publications, but which relate to a single transaction, shall likewise be secured in advance unless exigency of the situation requires immediate action. Secretaries of the Departments will determine whether a major policy question is involved. One copy of military department publications and directives (including those of procuring activities) will be furnished to the other military departments and to the Assistant Secretary of Defense (Supply and Logistics).

Section 1.109 has been revised so as to define "Deviation." With respect to deviations affecting one contract or a single

transaction, there must be special circumstances justifying a deviation, and written notice must be given to the other Departments and the Assistant Secretary of Defense (Supply and Logistics). Notice shall be given in advance of the effective date unless exigency requires immediate action. Where deviations affect more than one contract or contractor, they must be approved in advance by the Assistant Secretary of Defense (Supply and Logistics). Where proposed deviations do not involve major policy, unanimous approval of the ASPR Committee shall be the equivalent of Secretarial approval.

§ 1.109 *Deviations from this subchapter and Department of Defense publications governing procurement.*

§ 1.109–1 *Applicability.* For the purposes of this section, a deviation shall be considered to be any of the following:

(a) When a prescribed contract clause is set forth verbatim in this subchapter or a Department of Defense Directive, use of a contract clause covering the same subject matter which varies from the subchapter coverage or a Directive constitutes a deviation.

(b) When a Standard, DD, or other form is prescribed by subchapter or a Department of Defense Directive, use of any other form for the same purpose constitutes a deviation.

(c) Alteration of a Standard, DD, or other form (other than Departmental forms), except as authorized by subchapter or a Department of Defense Directive constitutes a deviation.

(d) When limitations are imposed in subchapter or a Department of Defense Directive upon the use of a contract clause, form, procedure, type of contract, or any other procurement action, including but not limited to the making or amendment of a contract, or actions taken in connection with the solicitation of bids or proposals, award, administration or settlement of contracts, the imposition of lesser or greater limitations constitutes a deviation.

(e) When a policy, procedure, method or practice of conducting procurement actions of any kind at any stage of the procurement process is covered by this subchapter, any policy, procedure, method, or practice which is inconsistent with that set forth constitutes a deviation.

§ 1.109–2 *Deviations affecting one contract or transaction.* Deviations from this subchapter or a Department of Defense directive which affect one contract only or a single transaction in connection with one contract, may be made or authorized in accordance with Departmental procedures providing (a) special circumstances justify a deviation and (b) written notice of such deviations is furnished to the Assistant Secretary of Defense (Supply and Logistics) and to the other military departments. Such written notice shall be given in advance of the effective date of such deviations unless exigency of the situation requires immediate action.

§ 1.109–3 *Deviations affecting more than one contract or contractor.* Deviations from this subchapter or Department of Defense directives which affect more than one contract or contractor will not be effected unless approved in advance by the Assistant Secretary of Defense (Supply and Logistics); provided, however, that unanimous approval by the members of the ASPR Committee will constitute approval of the Assistant Secretary of Defense (Supply and Logistics) of all matters except those involving major policy. Written requests for such approval will be submitted to the Assistant Secretary of Defense (Supply and Logistics) through the ASPR Committee as far in advance as exigencies of the situation will permit, or alternatively, at the option of the Materiel Secretary concerned, through use of the Materiel Secretaries' Council.

SUBPART C—BASIC POLICIES

Section 1.309 has been revised to clarify the following points: (1) The requirement for 100 percent use of the United States-flag vessels is limited to the transportation of supplies for the use of the military departments, (2) in the shipment of non-reimbursable contributions under foreign aid programs, shipment by MSTS is not required where the recipient country arranges such transportation at its own expense. Changes appear in § 1.309 (b) (2), (d) (1), and (e), and read as follows:

§ 1.309 *Preference for United States-flag privately owned ocean carriers.* * * *

(b) *General.* * * *

(2) Only United States-flag vessels will be employed for the transportation of the supplies defined in subparagraph (1) (i) of this paragraph when such supplies are for the use of the Military Departments unless such vessels are not available at fair and reasonable United States-flag rates.

* * * * *

(d) *Procedures.* (1) Except for those supplies obtained for non-reimbursable contributions to foreign assistance programs for which the ocean transportation is to be provided by and at the expense of the recipient Government, ocean transportation of supplies owned by the Government and in the possession of either a Military Department, or a contractor, or subcontractor of any tier, of a Military Department, will be provided by the Military Sea Transportation Service. Accordingly, any contract which may involve ocean transportation of property owned by the Government and in the possession of the contractor or any of its sub-contracts (including any contract under which title to property may pass to the Government prior to shipment) shall include a provision requiring the shipment of such property only as directed by the Contracting Officer, who shall be guided by this regulation and applicable Departmental procedures. The Military Sea Transportation Service shall take such action as may be necessary and practicable to assure proper utilization of Government vessels and private United States vessels in accordance with this section, and applicable regulations. The Commander of the Military Sea Transportation Service, or his designated representative is authorized to make any determination as to availability of United States-flag vessels required to assure such proper utilization.

* * * * *

(e) *Responsibilities*—(1) *Military Departments.* (i) Each Military Department will furnish quarterly reports to the Office of the Secretary of Defense, showing the gross tonnage of all supplies owned, procured, contracted for or otherwise obtained (computed separately for dry bulk carriers, dry cargo liners, and tankers) which have been transported by ocean carrier, during the report period. Such report will consist of two parts. Part I shall include all tonnage subject to this paragraph except Mutual Defense Assistance Program tonnage and shall also show the geographic area of origin and of destination and shall separately reflect all such information for:

(*a*) Private United States vessels;

(*b*) Government vessels (showing separately where Government vessels were used due to nonavailability of private United States vessels); and

(*c*) Foreign-flag vessels (showing separately where foreign vessels were used due to nonavailability of United States-flag vessels).

Part II shall show all Mutual Defense Assistance Program tonnage shipped showing the geographic areas of origin and of destination and shall separately identify any shipments in other than foreign-flag vessels. Cargoes transported under arrangements made by the Military Sea Transportation Service will be excluded from the reports made by the Military Departments. Until a Department of Defense report form is announced in Part 16 of this subchapter, the Military Departments will maintain records of required information and prepare reports in accordance with Departmental procedures. After promulgation, the appropriate Department of Defense form will be used by the Military Departments in furnishing the required reports, except that if a Military Department develops, for its own use, reports which meet the requirements of this paragraph, and which are acceptable to the Assistant Secretary of Defense (Supply and Logistics), such reports may be forwarded in lieu of the Department of Defense form.

(ii) The Department of Navy will also furnish quarterly reports in two parts to the Office of the Secretary of Defense showing the gross tonnage of all supplies (computed separately for dry bulk carriers, dry cargo liners, and tankers) for which transportation has been arranged by the Military Sea Transportation Service by geographic areas of origin and destination for:

(*a*) Private United States vessels;

(*b*) Government vessels (showing separately where Government vessels were used due to nonavailability of private United States vessels); and

(*c*) Foreign-flag vessels (showing separately where foreign vessels were used due to nonavailability of United States-flag vessels).

Part I shall include all tonnage subject to this section except Mutual Defense

Assistance Program tonnage, and Part II shall show Mutual Defense Assistance Program tonnage.

(2) *Office of the Secretary of Defense.* The Office of the Secretary of Defense will evaluate the reports submitted under subparagraph (1) of this paragraph. In the event the evaluation of the reports indicates the need for increased utilization of private United States vessels, the Office of the Secretary of Defense shall issue appropriate instructions to the Military Departments.

PART 2—PROCUREMENT BY FORMAL ADVERTISING

SUBPART B—SOLICITATION OF BIDS

Section 2.204 has been revised as follows:

§ 2.204 *Bidders' mailing lists.*

§ 2.204–1 *General.* Bidders' mailing lists shall be established by purchasing offices or activities to insure ready and current sources of supplies, except when the purchasing office or activity is relatively small and sources of supply are readily available in sufficient number to provide adequate competition. All suppliers who appear, from the bidders' mailing list application or other available information, to be qualified and eligible to fill the requirements of a particular procurement shall be placed on the appropriate bidders' mailing list. Such lists shall be maintained on a current basis and subject to continuous review and revision by the head of the purchasing office or activity or his authorized representatives. The Bidders' Mailing List Application (Standard Form 129) shall be used as prescribed in § 16.810 of this subchapter in conjunction with the establishment and maintenance of bidders' mailing lists.

§ 2.204–2 *Suppliers' response to invitations for bids.* Included with or in each invitation for bids or pre-invitation notice there shall be a notice to suppliers that if no bid is to be submitted, the supplier should advise the issuing officer in writing if future invitations for the type of supplies or services covered by the invitation are desired. Where Standard Form 30 (Invitation and Bid) or Standard Form 33 (Invitation, Bid, and Award) are used for the solicitation of bids, such notice is given by paragraph 2 (c) of the terms and conditions of the Invitation for Bids as printed on the reverse side of these forms.

§ 2.204–3 *Removal of names from bidders' mailing lists.* Removal of names from bidders' mailing lists shall be accomplished as provided in this section. Purchasing offices and activities shall provide for periodic review to insure conformance with the provisions of this section.

(a) The name of each supplier who fails to respond to an invitation for bids or pre-invitation notice may be removed from the bidders' mailing list without notice to the supplier, but only for the item or items involved in the invitation or pre-invitation notice. Where a supplier fails to respond to two consecutive invitations for bids or pre-invitation notices, his name shall be removed from the bidders' mailing list to the extent indicated above, except that, in individual cases, suppliers thus failing to respond may be retained on a bidders' mailing list if such retention is determined to be in the best interest of the Government. A response to an invitation for bids or pre-invitation notice shall be deemed to include both actual bids and written requests from nonbidding suppliers for retention on the bidders' mailing list.

(b) The names of suppliers who have been (1) debarred from entering into Government contracts or (2) otherwise determined to be ineligible to receive an award of a Government contract, including ineligibility by reason of suspension or other disqualification, shall be removed from the bidders' mailing lists to the extent required by such debarment or determination of ineligibility.

§ 2.204–4 *Reinstatment on bidders' mailing lists.* Suppliers whose names have been removed from bidders' mailing lists may be reinstated upon their request and, where required, by filing a new application on Standard Form 129: *Provided*, That no supplier who has been debarred or declared to be ineligible shall be reinstated until after termination of the period of his debarment or ineligibility.

§ 2.204–5 *Excessively long bidders' mailing lists.* When the number of names on a bidders' mailing list is deemed to be excessive in relation to a specific procurement, such methods as (a) rotation of bidders' mailing lists, (b) use of pre-invitation notices, or (c) otherwise determined to be advantageous in this respect, may be employed to provide a reduced list of names for use in making the specific procurement. (But see § 1.302–4 (b) (3) with respect to firms located in labor surplus areas.)

§ 2.204–6 *Release of bidders' mailing lists.* Except as provided below, the list of prospective bidders to whom invitations for bids or requests for proposals have been submitted will not be released outside the Department of Defense, and will not be made available for inspection to individuals, firms, or trade organizations. Such lists may be made available to other Government agencies, at their specific written request, and upon the condition that the lists will not be made available for inspection to anyone outside the Government.

§ 2.204–7 *Release of names of prospective bidders on construction contracts.* When invitations for bids for construction contracts have been issued, trade journals, prospective subcontractors, material suppliers, and others having a bonda fide interest in such information, will be supplied, upon request, with a list of names of all prospective bidders who have been furnished copies of the plans and specifications.

Section 2.206.4 is revised as follows:

§ 2.206–4 *Individual procurement action report.* Prior to submitting DD Form 350 for review and approval (see § 16.807 of this subchapter), the contracting officer shall note on the form whether the procurement was publicized in the Department of Commerce Synopsis, and if it was not publicized, shall give the reason therefor by reference to the appropriate exception in § 2.206–1.

PART 3—PROCUREMENT BY NEGOTIATION

SUBPART B—CIRCUMSTANCES PERMITTING NEGOTIATION

Sections 3.201–2 (b) and 3.211 have been revised in order to standardize procedures in connection with the negotiation of contracts for research and development work and supplies related thereto. These revisions have the following effect:

(1) Such contracts with educational institutions, notwithstanding the current state of national emergency and irrespective of amount, shall be negotiated under the authority of section 2 (c) (5) of the Armed Services Procurement Act of 1947, as amended (see § 3.205).

(2) During the current national emergency, such contracts with contractors other than educational institutions, in amounts of $100,000 or less, shall be negotiated under the authority of section 2 (c) (1) of the act (see § 3.201–2 (b) (4)).

(3) Notwithstanding the current national emergency, such contracts with contractors other than educational institutions, in amounts over $100,000 shall be negotiated under section 2 (c) (11) of the act (see § 3.211).

The term "contracts" in connection with the above includes all amendments or supplemental agreements to contracts for new procurement, each of which shall be evaluated in the light of the above. Contract changes resulting from action under the "Changes" Clause shall not require Secretarial determinations and findings. No authorities, other than the above, shall be cited as the authority for experimental, developmental, or research work.

Section 3.201–2, as revised, reads as follows:

§ 3.201–2 *Application.* (a) This authority shall be used only to the extent determined by the Assistant Secretary of Defense (Supply and Logistics) to be necessary in the public interest, and then only in accordance with Departmental procedures consistent with § 3.201.

(b) With respect to procurements initiated on or after January 1, 1956, and for the duration of the national emergency declared pursuant to Presidential Proclamation 2914, dated December 16, 1950, the Assistant Secretary of Defense (Supply and Logistics) has determined that the following procurements only shall be made pursuant to the authority of section 2 (c) (1) of the act:

(1) Procurements made pursuant to labor surplus and disaster area programs. Set asides shall be negotiated in accordance with procedures set forth in § 3.219.

(2) Procurements made in keeping with the small business programs.

(3) Nonperishable subsistence (pending resolution of the recommendation on this subject contained in the report of the Commission on Organization of the

Executive Branch of the Government, subject "Food and Clothing").

(4) Procurements which are authorized to be negotiated under the provisions of § 3.211–1 for $100,000 or less from contractors other than educational institutions. Such negotiated procurements from educational institutions shall be negotiated under the authority of section 2 (c) (5) of the act (see § 3.205) irrespective of amount.

(c) Except as authorized in paragraph (b) of this section, procurements may be negotiated only when authorized by subsections (2) through (17) of section 2 (c), and section 2 (e) of the act (§ 3.202 through § 3.218) and § 3.219; determinations and findings shall be made in accordance with section 7 of the act (subpart C of this part); and the appropriate authority shall be cited in each contract.

This amendment is effective with respect to procurements initiated on or after January 1, 1956.

Section 3–211 as revised reads as follows:

§ 3.211 *Experimental, developmental, or research work.*

§ 3.211–1 *Authorization.* Pursuant to the authority of section 2 (c) (11) of the act, purchases and contracts may be negotiated without formal advertising if the Secretary:

determines that the purchase or contract is for expirimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test.

Provided, That during a national emergency negotiated contracts for $100,000 or less shall be negotiated under the authority of section 2 (c) (1) of the act (see § 3.201–2 (b) (4)).

§ 3.211–2 *Application.* The following are illustrative of circumstances with respect to which this authority may be used:

(a) Contracts relating to theoretical analysis, exploratory studies, and experimentation in any field of science or technology;

(b) Developmental contracts calling for the practical application of investigative findings and theories of a scientific or technical nature;

(c) The purchase of such quantities and kinds of equipment, supplies, parts, accessories, or patent rights thereto, and drawings or designs thereof, as are necessary for experimentation, development, research, or test;

(d) Services, tests, and reports necessary or incidental to experimental, developmental, or research work.

This authority shall not be used for negotiated contracts with educational institutions or for quantity production except that such quantities may be purchased hereunder as are necessary to permit complete and adequate experimentation, development, research or test; however, research or development contracts which call for the production of a reasonable number of experimental or test models, or prototypes, shall not be regarded as contracts for quantity production. Negotiated contracts with educational institutions shall be negotiated under the authority of section 2 (c) (5) of the act (see § 3.205) irrespective of amount.

§ 3.211–3 *Limitation.* In order for this authority to be used, the required determination to be made by any Secretary must be made in accordance with the requirements of subpart c of this part.

§ 3.211–4 *Records and reports.* Each Department shall maintain a record of the name of each contractor with whom a contract has been entered into pursuant to the authority of this section, together with the amount of the contract and (with due consideration given to the national security) a description of the work required to be performed thereunder, and shall prepare a report thereon, at the end of the current fiscal year (covering that portion of the current fiscal year during which this subchapter is effective) and at the end of each six-month period thereafter, and in the form and manner to be prescribed by the Department, to be submitted to the Assistant Secretary of Defense (Supply and Logistics) for the preparation of a combined Armed Services report to be submitted semi-annually to the Congress.

PART 7—CONTRACT CLAUSES AND FORMS

SUBPART A—CLAUSES FOR FIXED-PRICE SUPPLY CONTRACTS

Section 7.104–12 has been amended as follows:

§ 7.104–12 *Military security requirements.* Insert the following clause in all contracts which are classified by a Department as "Confidential," including "Confidential—Modified Handling Authorized," or higher and in any other contracts the performance of which will require access to such classified information or material, except that this clause shall not be used in contracts performed outside the continental United States, its territories and possessions. In those cases where the situation so warrants because of the nature of the item, or conditions under which it is to be produced, the contract shall provide and establish by a separate contract provision such additional security safeguards as may be required for the protection of that item. When the "Military Security Requirements" clause is inserted in any contract, the contracting officer or his authorized representative shall prepare and transmit to the contractor and the material inspector a Security Requirements Check List (DD Form 254) in accordance with § 16.811 of this subchapter.

MILITARY SECURITY REQUIREMENTS

(a) The provisions of this clause shall apply to the extent that this contract involves access to information classified "Confidential" including "Confidential—Modified Handling Authorized" or higher.

(b) The Government shall notify the Contractor of the security classification of this contract and the elements thereof, and of any subsequent revisions in such security classification, by the use of a Security Requirements Check List (DD Forms 254 and 254–1).

(c) To the extent the Government has indicated as of the date of this contract or thereafter indicates security classification under this contract as provided in paragraph (b) above, the Contractor shall safeguard all classified elements of this contract and shall provide and maintain a system of security controls within its own organization in accordance with the requirements of (i) the Security Agreement (DD Form 441), including the Department of Defense Industrial Security Manual for Safeguarding Classified Information as in effect on date of this contract, and any modification to the Security Agreement for the purpose of adapting the Manual to the Contractor's business; and (ii) any amendments to said Manual made after the date of this contract, notice of which has been furnished to the Contractor by the Security Office of the Military Department having security cognizance over the facility.

(d) Representatives of the Military Department having security cognizance over the facility and representatives of the contracting Military Department shall have the right to inspect at reasonable intervals the procedures, methods, and facilities utilized by the Contractor in complying with the security requirements under this contract. Should the Government, through these representatives, determine that the Contractor is not complying with the security requirements of this contract the Contractor shall be informed in writing by the Security Office of the cognizant Military Department of the proper action to be taken in order to effect compliance with such requirements.

(e) If subsequent to the date of this contract, the security classifications or security requirements under this contract are changed by the Government as provided in this clause and the security costs under this contract are thereby increased or decreased, the contract price shall be subject to an equitable adjustment by reason of such increased or decreased costs. Any equitable adjustment shall be accomplished in the same manner as if such changes were directed under the "Changes" clause in this contract.

(f) The Contractor agrees to insert, in all subcontracts hereunder which involve access to classified information, provisions which shall conform substantially to the language of this clause, including this paragraph (f) but excluding the last sentence of paragraph (e) of this clause.

(g) The Contractor also agrees that it shall determine that any subcontractor proposed by it for the furnishing of supplies and services which will involve access to classified information in the Contractor's custody has been granted an appropriate facility security clearance, which is still in effect, prior to being accorded access to such classified information.

Section 7.106 has been amended as follows: Price escalation clauses for standard and semi-standard supplies have been revised to permit contractors to furnish required certificates either with each invoice or with the final invoice. The clause for basic steel and other basic metal products has also been revised so as to increase and decrease the unit price, and to limit such changes, by the amount of the fluctuation rather than on a percentage basis; other revisions have also been made to facilitate administration. Section 7.106, as revised, reads as follows:

§ 7.106 *Price escalation clauses (established prices).* This section sets forth uniform clauses for use when it is desired to provide for price escalation in the event of changes in the contractor's

established prices. Each clause is preceded by a statement of the conditions under which it may be used.

§ 7.106–1 *Escalation clause for basic steel, aluminum, brass, bronze or copper mill products.* The following price escalation clause is authorized for use in advertised or negotiated fixed-price supply contracts for basic steel, aluminum, brass, bronze or copper mill products, such as sheets, plates and bars, when:

(a) An established price exists for the particular supply being procured; and

(b) The contract is made with a producer of steel, aluminum, brass bronze or copper, or with an operator of a steel foundry.

The percentage figure to be used in paragraph (d) (3) of the clause shall not exceed 10 percent.

PRICE ESCALATION

(a) The Contractor warrants that the unit prices stated herein, excluding any part of the prices which reflects requirements for preservation, packaging and packing, beyond standard commercial practice, are not in excess of the Contractor's applicable established prices in effect on the date set for opening of bids (or the contract date, if this is a negotiated contract rather than one entered into by means of formal advertising) for like quantities of the supplies covered by this contract.

(b) The Contractor shall promptly notify the Contracting Officer as to the amount and effective date of each decrease in any established price, and each applicable unit price shall be decreased by the amount of the decrease in the applicable established price. Any such decrease in a unit price shall apply to those supplies delivered on and after the effective date of each applicable decrease in the Contractor's established price, and this contract shall be amended accordingly. The Contractor shall certify on each invoice submitted under the contract that each unit price stated therein reflects all decreases, if any, which the Contractor had made in the established price applicable thereto, since the date set for opening of bids (or the contract date, if this is a negotiated contract rather than one entered into by formal advertising), or shall certify on the final invoice that all such decreases have been applied to supplies delivered on and after the effective date of each such decrease in the Contractor's established prices.

(c) The Contractor may from time to time after the date of this contract and during the performance hereof, by written notice to the Contracting Officer, request an upward adjustment in any of the contract unit prices to be effective as of a date to be specified by the Contractor. Such request shall be acted upon in accordance with the following provisions of this clause.

(d) An upward adjustment in a contract unit price may be made under this clause only in accordance with the following conditions.

(1) Such an upward adjustment shall be made only if the Contractor's applicable established price has increased subsequent to the date set for opening of bids (or the contract date, if this is a negotiated contract rather than one entered into by means of formal advertising).

(2) No unit price shall be increased by an amount greater than the amount of the increase in the Contractor's applicable established price.

(3) The aggregate of the increases in any unit price made under this clause shall not exceed _____ percent of the original applicable contract unit price.

(4) No adjusted unit price shall be effective earlier than the effective date of the increase in the applicable established price, but if the Contractor's request for adjustment is received by the Contracting Officer more than 10 days after the effective date of the increase in the Contractor's applicable rate, no adjusted unit price shall be effective earlier than the date of receipt by the Contracting Officer of such request.

(5) No upward adjustment in unit prices hereunder shall apply to supplies which were required by the contract delivery schedule to be delivered prior to the effective date of the related increase in the applicable established price, unless the Contractor's failure to deliver supplies in accordance with the delivery schedule results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of paragraph (b) of the clause of this contract entitled "Default," in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(e) In the event the requested upward adjustment in any contract unit price is acceptable to the Contracting Officer, he shall so notify the Contractor, and the contract shall be amended accordingly. In the event the requested upward adjustment is not acceptable to the Contracting Officer, or if the Contracting Officer does not reach an agreement with the Contractor with respect to a price increase, the Contracting Officer may, within 30 days after receipt of the Contractor's request, cancel without liability to either party the Contractor's right to proceed with performance of that portion of the contract which is undelivered at the time of such cancellation, except that the Contractor may make delivery of all or any of the supplies which a duly authorized officer of the company shall certify were completed or in the process of manufacture at the time of receipt of notice of such cancellation. In such event the Government shall pay for all supplies so delivered at the applicable unit price contained in the Contractor's request, and the contract shall be amended accordingly; provided, that such certification is made within 10 days after receipt of notice of such cancellation, and provided further that such requested increase satisfies all of the conditions and does not exceed the limitations of paragraph (d). In the event this contract is for standard steel supplies, they shall be deemed to be in the process of manufacture when the steel therefor is in any state of processing after the beginning of the furnace melt.

(f) During the period after the Contractor has requested an upward adjustment, and prior to an agreement between the parties with respect to the request or cancellation of the contract pursuant to paragraph (e), the Contractor shall continue deliveries according to the terms of the contract. The Contractor shall be paid for such deliveries at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d), and provided further that if the parties agree on an increase less than that requested, payments previously made at the requested amount shall be adjusted accordingly. If the Contracting Officer neither reaches an agreement with the Contractor on the requested adjustment, nor cancels the contract, the Contractor shall continue deliveries according to the terms of the contract, and the Contractor shall be paid therefor at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d).

§ 7.106–2 *Escalation clause for nonstandard steel items.* The following price escalation clause is authorized for use in negotiated fixed-price supply contracts when—

(a) The contractor is a steel producer and actually manufactures the basic steel item referred to in paragraph (d) of the clause; and

(b) Items being procured are nonstandard steel items made wholly or in major part of steel.

PRICE ESCALATION

(a) The Contractor represents that the unit prices set forth in this contract do not include any contingency allowance to cover the possibility of increased costs of performance resulting from increases in either (i) the Contractor's rates of pay for labor employed by it, or (ii) the prices which the Contractor charges its manufacturing shops for the steel required in the performance of this contract.

(b) Each contract unit price shall be subject to revision, pursuant to the provisions of this clause, to reflect changes in the cost of labor and steel. For the purpose of any such price revision, the proportion of the contract unit price attributable to costs of labor not otherwise included in the price of the steel item identified in paragraph (d) below shall be ____ percent, and the proportion of the contract unit price attributable to the cost of steel shall be ____ percent.

(c) For the purposes of this paragraph, the term "labor index" shall mean the average straight time hourly earnings of the Contractor's employees in the [see Note (1)] shop of the Contractor's [see Note (1)] plant for any particular month. The word "month" as used herein means "calendar month;" provided, however, that if the Contractor's accounting period does not coincide with the calendar month, then such accounting period shall be used throughout the clause in lieu of "month." Unless otherwise specified in this contract, the labor index shall be computed by dividing the total straight time earnings of the Contractor's employees in the particular shop identified above for any given month by the total number of straight time hours worked by such employees in that month. Any revision in a contract unit price to reflect changes in the cost of labor shall be computed solely by reference to the "base labor index," which shall be the average of the labor indices for the three months consisting of the month of [see Note (2)] 19__, the month immediately preceding and the month immediately following, and to the "current labor index," which shall be the average of the labor indices for the month in which delivery of supplies is required to be made in accordance with the terms of this contract and the month preceding.

(d) Any revision in a contract unit price to reflect changes in the cost of steel shall be computed solely by reference to the "base steel index," which shall be the Contractor's established or published price to the public [see Note (3)] including all applicable extras of $____ per ____ (unit) for [see Note (4)] on [see Note (5)], 19__, and the "current steel index," which shall be the Contractor's established or published price to the public [see Note (3)] of said item including all applicable extras in effect [see Note (6)] days prior to the first day of the month in which delivery of supplies is required to be made in accordance with the terms of the contract.

(e) Each contract unit price shall be revised for each month in which, by the terms of this contract, delivery of supplies is required to be made, and such revised contract unit price(s) shall apply to the deliveries of those quantities of supplies required to be made in that month regardless of when actual delivery be made of said quantities of supplies. Each revised contract unit price for any month shall be computed by adding together the following three amounts: (i) the amount (representing the adjusted cost of labor) obtained by multiplying ____ percent

of the contract unit price by a fraction, the numerator of which shall be the current labor index and the denominator of which shall be the base labor index; (ii) the amount (representing the adjusted cost of steel) obtained by multiplying ____ percent of the contract unit price by a fraction, the numerator of which shall be the current steel index and the denominator of which shall be the base steel index; and (iii) the amount equal to ____ percent of the original contract-unit price (representing that portion of such unit price which relates neither to the cost of labor nor to the cost of steel and which is therefore not subject to revision); provided, however, that any revised contract unit price made pursuant to the provisions of this clause shall in no event exceed 110 percent of the original contract unit price. All computations shall be made to the nearest one-hundredth of one cent.

(f) Pending revisions of the contract unit price(s), if any, to be made pursuant to this clause, the Contractor shall be paid the contract unit price(s) for deliveries made. Within thirty days after the final delivery of supplies, or within such further period of time as may be authorized by the Contracting Officer, the Contractor shall furnish a statement signed by the official supervising accounting with respect to this contract setting forth and certifying the correctness of (i) the average straight time hourly earnings of the Contractor's employees in the shop of the Contractor identified in paragraph (c) above which earnings are relevant to the computations of the "base labor index" and the "current labor index," and (ii) the Contractor's established or published prices to the public [see Note (3)] including all applicable extras, for like quantities of the item identified in paragraph (d) above, which prices are relevant to the computation of the "base steel index" and the "current steel index." Upon request of the Contracting Officer or his duly authorized representative, the Contractor shall make available its records used in the computation of the labor indices. After the receipt of such certificate by the Contracting Officer, the revised contract unit price(s) shall be computed in accordance with the provisions of this clause, and this contract shall be amended accordingly.

(g) In the event of any total or partial termination of any item of this contract for the convenience of the Government, the month in which notice of such termination is received by the Contractor, if prior to the month in which delivery is required by this contract, shall be considered the month in which delivery of such terminated or partially terminated item is required for the purpose of determining the current labor and materials indices under paragraphs (c) and (d) hereof; provided, however, that as to the quantity of such item which is not terminated for convenience, the month in which delivery is required by this contract shall continue to apply for determining said indices. In the case of termination of any item for default on the part of the Contractor, any price revision shall be limited to the quantity of each item which has been delivered by the Contractor and accepted by the Government prior to receipt by the Contractor of notice of termination for default.

(h) As used in this clause the phrase "the month in which delivery of supplies is required to be made in accordance with the terms of this contract" shall mean any month in which under the terms of this contract a specific quantity of units of the supplies called for by this contract is required to be delivered; provided, however, that in case the failure of the Contractor to make delivery of such quantity shall have arisen out of causes beyond the control and without the fault or negligence of the Contractor, within the meaning of paragraph (b) of the clause of this contract entitled "Default," the quantity not delivered shall be required to be delivered as promptly as possible after the cessation of the clause of such failure, and the delivery schedule set forth in this contract shall be amended accordingly.

(i) Failure to agree upon any determination to be made under this clause shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

NOTES

(1) Identify the shop and plant in which the standard steel mill item identified in paragraph (d) will be finally fabricated or processed into the contract item.

(2) Insert the month in which the Contractor submitted its quotation.

(3) When there is no established or published price to the public, or when it is not desirable to use such price, this paragraph may refer to another appropriate price basis, such as an established interplant price.

(4) Identify the standard steel mill item used by the Contractor in the manufacture of the contract item.

(5) Insert the date of the Contractor's quotation.

(6) Insert the number of days which represents the Contractor's best estimate of the period of time required for processing the standard steel mill item in the shop identified in paragraph (c).

§ 7.106-3 *Escalation clause for standard supplies.* The following price escalation clause is authorized for use in negotiated fixed-price supply contracts for standard supplies for which established prices exist. The clause may be used only when the total contract price is over $5,000 and delivery is not to be completed within six months after the contract date. The percentage figure to be used in subparagraph (d) (3) of the clause shall not exceed 10 percent. If any standard trade discounts offered by the contractor against its list or catalog price are taken into account in negotiating the contract unit price, the Contracting Officer's file should contain a statement setting forth the list or catalog price and the discounts. The discounts referred to do not include prompt payment or cash discounts.

PRICE ESCALATION

(a) The Contractor warrants that the unit prices stated herein, excluding any part of the prices which reflects requirements for preservation, packaging, and packing beyond standard commercial practice, are not in excess of the Contractor's applicable established prices in effect on the contract date for like quantities of the supplies covered by this contract. The term "established price" as used in this clause is the net price after applying any applicable standard trade discounts offered by the Contractor from its list or catalog price.

(b) The Contractor shall promptly notify the Contracting Officer as to amount and effective date of each decrease in any applicable established price, and each applicable contract unit price shall be decreased by the same percentage that the applicable established price is decreased. Any such decrease in a unit price shall apply to those supplies delivered on and after the effective date of each applicable decrease in the Contractor's established price, and this contract shall be amended accordingly. The Contractor shall certify on each invoice submitted under the contract that each unit price stated therein reflects all decreases, if any, which the Contractor had made in the established price applicable thereto, since the date set for opening of bids (or the contract date, if this is a negotiated contract rather than one entered into by formal advertising), or shall certify on the final invoice that all such decreases have been applied to supplies delivered on and after the effective date of each such decrease in the Contractor's established prices.

(c) The Contractor may from time to time after the date of this contract and during the performance hereof, by written notice to the Contracting Officer, request an upward adjustment in any of the contract unit prices to be effective as of a date to be specified by the Contractor. Such request shall be acted upon in accordance with the following provisions of this clause.

(d) An upward adjustment in a contract unit price may be made under this clause only in accordance with the following conditions:

(1) Such an upward adjustment shall be made only if the Contractor's applicable established price has increased subsequent to the contract date.

(2) No unit price shall be increased by a percentage greater than the percentage increase in the Contractor's applicable established price.

(3) The aggregate of the increases in any unit price made under this clause shall not exceed __ percent of the original applicable contract unit price.

(4) No adjusted unit price shall be effective earlier than the effective date of the increase in the applicable established price, or the date of receipt by the Contracting Officer of the Contractor's request for adjustment, whichever is the later.

(5) No upward adjustment in unit prices hereunder shall apply to supplies which were required by the contract delivery schedule to be delivered prior to the effective date of the related increase in the applicable established price, unless the Contractor's failure to deliver supplies in accordance with the delivery schedule results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of paragraph (b) of the clause of this contract entitled "Default," in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(e) In the event the requested upward adjustment in any contract unit price is acceptable to the Contracting Officer, he shall so notify the Contractor, and the contract shall be amended accordingly. In the event the requested upward adjustment is not acceptable to the Contracting Officer, or if the Contracting Officer does not reach an agreement with the Contractor with respect to a price increase, the Contracting Officer may, within 30 days after receipt of the Contractor's request, cancel without liability to either party the Contractor's right to proceed with performance of that portion of the contract which is undelivered at the time of such cancellation.

(f) During the period after the Contractor has requested an upward adjustment, and prior to an agreement between the parties with respect to the request, or cancellation of the contract pursuant to paragraph (e), the Contractor shall continue deliveries according to the terms of the contract. The Contractor shall be paid for such deliveries at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d), and provided further that, if the parties agree on an increase less than that requested, payments previously made at the requested amount shall be adjusted accordingly. If the Contracting Officer neither reaches an agreement with the Contractor on the requested adjustment, nor cancels the contract, the Contractor shall continue deliveries according to the terms of the contract, and the Contractor shall be paid therefor at the

applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d).

§ 7.106–4 *Escalation clause for semistandard supplies.* The following price escalation clause is authorized for use in negotiated fixed-pric supply contracts for semistandard supplies, the prices of which can be reasonably related to the prices of nearly equivalent standard supplies for which established prices exist. The clause may be used only when the total contract price is over $5,000 and delivery is not to be completed within six months after the contract date. A clear understanding should be set forth in writing prior to making the contract as to the identity of the standard supply items which are applicable. The percentage figure to be used in subparagraph (d) (3) of the clause shall not exceed 10 percent. If any standard trade discounts offered by the Contractor against its list or catalog price are taken into account in negotiating the contract unit price, the Contracting Officer's file should contain a statement setting forth the list or catalog price and the discounts. The discounts referred to do not include prompt payment or cash discounts. When the supplies being purchased are standard supplies in all respects except for preservation, packaging, and packing requirements, the following clause should not be used; in such cases the Escalation Clause for Standard Supplies, in § 7.106–3, is the appropriate clause.

PRICE ESCALATION

(a) The Contractor warrants that the supplies covered by this contract are supplies which the Contractor customarily offers for sale commercially, except for modifications in accordance with the specifications of this contract, and that as of the contract date any differences between the unit prices stated herein and the Contractor's established prices for like quantities of the supplies which are the nearest commercial equivalents of the supplies covered by this contract (herein referred to as "the established prices") are due to compliance with such specifications, and to compliance with any requirements which this contract may contain for preservation, packaging, and packing beyond standard commercial practice. The term "established price" as used in this clause is the net price after applying any applicable standard trade discounts offered by the Contractor from its list or catalog price.

(b) The Contractor shall promptly notify the Contracting Officer as to the amount and effective date of each decrease in any applicable established price, and each applicable contract unit price shall be decreased by the same percentage that the applicable established price is decreased. Any such decrease in a unit price shall apply to those supplies delivered on and after the effective date of each applicable decrease in the Contractor's established price, and this contract shall be amended accordingly. The Contractor shall certify on each invoice submitted under the contract that each unit price stated therein reflects all decreases, if any, which the Contractor had made in the established price applicable thereto, since the date set for opening of bids (or the contract date, if this is a negotiated contract rather than one entered into by formal advertising), or shall certify on the final invoice that all such decreases have been applied to supplies delivered on and after the effective date of each such decrease in the Contractor's established prices.

(c) The Contractor may from time to time after the date of this contract and during the performance hereof, by written notice to the Contracting Officer, request an upward adjustment in any of the contract unit prices to be effective as of a date to be specified by the Contractor. Such request shall be acted upon in accordance with the following provisions of this clause.

(d) An upward adjustment in a contract unit price may be made under this clause only in accordance with the following conditions:

(1) Such an upward adjustment shall be made only if the Contractor's applicable established price has increased subsequent to the contract date.

(2) No unit price shall be increased by a percentage greater than the percentage increase in the Contractor's applicable established price.

(3) The aggregate of the increases in any unit price made under this clause shall not exceed ____ percent of the original applicable contract unit price.

(4) No adjusted unit price shall be effective earlier than the effective date of the increase in the applicable established price, or the date of receipt by the Contracting Officer of the Contractor's request for adjustment, whichever is the later.

(5) No upward adjustment in unit prices hereunder shall apply to supplies which were required by the contract delivery schedule to be delivered prior to the effective date of the related increase in the applicable established price, unless the Contractor's failure to deliver supplies in accordance with the delivery schedule results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of paragraph (b) of the clause of this contract entitled "Default," in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(e) In the event the requested upward adjustment in any contract unit price is acceptable to the Contracting Officer, he shall so notify the Contractor, and the contract shall be amended accordingly. In the event the requested upward adjustment is not acceptable to the Contracting Officer, or if the Contracting Officer does not reach an agreement with the Contractor with respect to a price increase, the Contracting Officer may, pursuant to the clause of the contract entitled "Termination for Convenience of the Government," terminate the Contractor's right to proceed with performance of that portion of the contract which is undelivered at the time of such termination.

(f) During the period after the Contractor has requested an upward adjustment, and prior to an agreement between the parties with respect to the request, or termination of the contract pursuant to paragraph (e), the Contractor shall continue deliveries according to the terms of the contract. The Contractor shall be paid for such deliveries at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d), and provided further that if the parties agree on an increase less than that requested, payments previously made at the requested amount shall be adjusted accordingly. If the Contracting Officer neither reaches an agreement with the Contractor on the requested adjustment, nor terminates the contract, the Contractor shall continue deliveries according to the terms of the contract, and the Contractor shall be paid therefor at the applicable increased unit prices as requested, provided that such requested increases satisfy all the conditions and do not exceed the limitations of paragraph (d).

PART 8—TERMINATION OF CONTRACTS

SUBPART F—TERMINATION INVENTORY

Section 8.609 has been revised to integrate Defense procedures with the programs for donation of surplus termination inventory for educational and public health purposes, including research. Files reflecting donable property will be established at military installations and made available to the Department of Health, Education, and Welfare for screening. Such property will not be disposed of until that Department has an opportunity to request donations in accordance with the procedures set forth in this section, as revised. Section 8.609 now reads as follows:

§ 8.609 *Donations for educational and public health programs.* (a) Termination inventory which is to be sold or otherwise disposed of in accordance with § 8.608 may be donated for educational or public health purposes, including research, upon allocation by the Department of Health, Education, and Welfare, subject to approval by the General Services Administration, as authorized by the Federal Property and Administrative Services Act of 1949, as amended. To assist the Department of Health, Education, and Welfare in locating property which is available for donation, each military department will furnish that Department with a directory of activities where donable property files are maintained and may be examined.

(b) Schedules of termination inventory available for donation shall be maintained in a donable property file for a period of 10 days from the date of the decision to dispose of the property in accordance with § 8.608. Within that time the Department of Health, Education, and Welfare has the responsibility (1) to notify the Contracting Officer of the items selected for donation and (2) to initiate a request to the appropriate General Services Administration regional office for approval of the donation. Disposition of the property selected shall be postponed pending action by the General Services Adminstration; otherwise, the property shall be disposed of in accordance with § 8.608. Notification to the contracting officer by the General Services Administration of the action on the request shall constitute authority for the contracting officer to hold the property for a period not to exceed 40 days from the date of subparagraph (1) of this paragraph or to take such action as the General Services Adminstration may direct. If shipping instructions are not received for the property within the 40-day period, together with provision for payment of costs of care, handling and transportation incurred incident to donation, the Contracting Officer shall dispose of the property in accordance with § 8.608.

(c) Property required for use by the Department of Defense may be withdrawn from the items available for donation at any time prior to shipment or removal.

Section 8.613–2 (d) has been amended as follows:

§ 8.613–2 *Required review.* * * *

(d) A determination to destroy or abandon material in accordance with § 8.610, if the original acquisition cost of the material exceeds $1,000.

PART 16—PROCUREMENT FORMS

SUBPART C—PURCHASE AND DELIVERY ORDER FORMS

Section 16.301 has been revised as follows:

§ 16.301 *Receipt for cash—subvoucher (Standard Form 1165).* Standard Form 1165 may be used in connection with procurements by the imprest fund (petty cash) method in accordance with § 3.604 of this subchapter.

SUBPART E—SPECIAL CONTRACT AND ORDER FORMS

Forms and procedures for novation agreements are included in a new § 16.505, as follows:

§ 16.505 *Novation agreements.*

§ 16.505–1 *Scope of section.* This section prescribes the policy and procedures for recognition of (a) a successor in interest to Government contracts when such interests are acquired incidental to a transfer of all the assets of a contractor or such part of its assets as is involved in the performance of the contracts or (b) a change of name of a contractor.

§ 16.505–2 *Agreement to recognize a successor in interest.* (a) The transfer of a Government contract is prohibited by law (41 U. S. C. 15). However, the Government may recognize a third party as the successor in interest to a Government contract where the third party's interest is incidental to the transfer of all the assets of the contractor, or all that part of the contractor's assets involved in the performance of the contract. Examples include, but are not limited to:

(1) Sale of such assets;

(2) Transfer of such assets pursuant to merger or consolidation of corporations; and

(3) Incorporation of a proprietorship or partnership.

(b) Where it is consistent with the Government's interest to recognize a successor in interest to a Government contract, the Department concerned shall execute an agreement with the transferor and the transferee, which shall ordinarily provide in part that:

(1) The transferee assumes all the transferor's obligations under the contract;

(2) The transferor waives all rights under the contract as against the Government;

(3) The transferor guarantees performance of the contract by the transferee (a satisfactory performance bond may be accepted in lieu of such guarantee); and

(4) Nothing in the agreement shall relieve the transferor or the transferee from compliance with any Federal law.

A form for such an agreement for use when the transferor and transferee are corporations, and all the assets of the transferor are transferred, is set forth below. This form may be adapted to fit specific cases, and may be used as a guide in preparing similar agreements for use in other situations.

AGREEMENT

This agreement, entered into as of _____, 19__, by and between the ABC Corporation, a corporation duly organized and existing under the laws of the State of _____ with its principal office in the City of _____ (hereinafter referred to as the "Transferor"); the XYZ Corporation [formerly known as the LMN Corporation], a corporation duly organized and existing under the laws of the State of _____ with its principal office in the City of _____ (hereinafter referred to as the "Transferee"); and the United States of America (hereinafter referred to as the "Government").

WITNESSETH:

Whereas the Government, represented by various Contracting Officers of the Department of the _____, has entered into certain contracts, letter contracts and purchase orders with the Transferor, [namely: _____] or [as set forth in the attached list marked "Exhibit A" to this Agreement and herein incorporated by reference;] and the term "the contracts" as hereinafter used means the above contracts, letter contracts, and purchase orders, and all other contracts, letter contracts and purchase orders, including amendments and change orders thereto, heretofore made between the Government, represented by various Contracting Officers of the Department of the _____, and the Transferor (whether or not performance and payment have been completed and releases executed, if the Government or the Transferor has any remaining rights, duties, or obligations thereunder), and including amendments and change orders thereto hereafter made between the Government and the Transferee;

Whereas as of _____, 19__, the Transferor assigned, conveyed and transferred to the Transferee all the assets of the Transferor by virtue of a [term descriptive of the legal transaction involved] between the Transferor and the Transferee;

Whereas the Transferee, by virtue of said assignment, conveyance and transfer, has acquired all the assets of the Transferor;

Whereas by virtue of said assignment, conveyance and transfer, the Transferee has assumed all the duties, obligations and liabilities of the Transferor under the Contracts;

Whereas the Transferee is in a position fully to perform the Contracts, and such duties and obligations as may exist under the Contracts;

Whereas it is consistent with the Government's interest to recognize the Transferee as the successor party to the Contracts;

Whereas there has been filed with the Government evidence of said assignment, conveyance or transfer [add if desired, "in the form of a certified copy of the (list the documents required by paragraph (c) of this section)"];

[Where a change of name is also involved, such as a prior or concurrent change of name of the transferee, an appropriate recital shall be used; for example:

Whereas there has been filed with the Government a certificate dated _____, 19__, signed by the Secretary of State of the State of _____, to the effect that the corporate name of LMN Corporation was changed to XYZ Corporation on _____, 19__];

Now therefore, in consideration of the premises, the parties hereto agree as follows:

1. The Transferor hereby confirms said assignment, conveyance and transfer to the Transferee, and does hereby release and discharge the Government from, and does hereby waive, any and all claims, demands, and rights against the Government which it now has or may hereafter have in connection with the Contracts.

2. The Transferee hereby assumes, agrees to be bound by, and undertakes to perform each and every one of the terms, covenants, and conditions contained in the Contracts. The Transferee further assumes all obligations and liabilities of, and all claims and demands against, the Transferor under the Contracts, in all respects as if the Transferee were the original party to the Contracts.

3. The Transferee hereby ratifies and confirms all actions heretofore taken by the Transferor with respect to the Contracts with the same force and effect as if the action had been taken by the Transferee.

4. The Government hereby recognizes the Transferee as the Transferor's successor in interest in and to the Contracts. The Transferee hereby becomes entitled to all right, title, and interest of the Transferor in and to the Contracts in all respects as if the Transferee were the original party to the Contracts. The term "Contractor" as used in the Contracts shall be deemed to refer to the Transferee rather than to the Transferor.

5. Except as expressly provided herein, nothing in this Agreement shall be construed as a waiver of any rights of the Government against the Transferor.

6. Notwithstanding the foregoing provisions, all payments and reimbursements heretofore made by the Government to the Transferor and all other action heretofore taken by the Government, pursuant to its obligations under any of the Contracts, shall be deemed to have discharged pro tanto the Government's obligations under the Contracts. All payments and reimbursements made by the Government after the date of this Agreement in the name of or to the Transferor shall have the same force and effect as if made to said Transferee and shall constitute a complete discharge of the Government's obligations under the Contracts, to the extent of the amounts so paid or reimbursed.

7. The Transferor and the Transferee hereby agree that no claim for payment by or reimbursement from the Government shall be made by either of them with respect to any costs, increased taxes or other expenses arising out of or attributable to (i) said assignment, conveyance and transfer, or (ii) this Agreement, other than those which the Government would have been obligated to pay or reimburse under the terms of the Contracts in effect prior to the execution of this Agreement.

8. The Transferor hereby guarantees payment of all liabilities and the performance of all obligations which the Transferee (i) assumes under this Agreement, or (ii) may hereafter undertake under the Contracts as they may hereafter be amended or modified; and the Transferor hereby waives notice of and consent to any such amendment or modification.

9. Except as herein modified, the Contracts shall remain in full force and effect.

In Witness whereof, each of the parties hereto has executed this Agreement as of the day and year first above written.

UNITED STATES OF AMERICA
By _____
Title _____
(Corporate Seal)

ABC CORPORATION
By _____
Title _____
(Corporate Seal)

XYZ CORPORATION
By _____
Title _____

CERTIFICATE

I, _____, certify that I am the Secretary of ABC Corporation, named above; that _____, who signed this Agreement on behalf of said corporation, was then _____ of said corporation; and that this Agreement was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

Witness my hand and seal of said corporation this _____ day of _____, 19__.

By _____

(Corporate Seal)

CERTIFICATE

I, _____, certify that I am the Secretary of XYZ Corporation, named above; that _____, who signed this Agreement on behalf of said corporation, was then _____ of said corporation; and that this Agreement was duly signed for and in behalf of said corporation by authority of its governing body and within the scope of its corporate powers.

Witness my hand and the seal of said corporation this _____ day of _____, 19__.

By _____

(Corporate Seal)

(c) Prior to the execution of such agreement one copy of each of the following, as applicable, shall be deposited by the contractor with the Department concerned:

(1) A properly authenticated copy of the instrument by which the transfer of assets was effected, as for example, a bill of sale, certificate of merger, indenture of transfer, or decree of court;

(2) A list of all contracts, letter contracts, and purchase orders, which have not been finally settled between the Department concerned and the transferor, showing the contract number, the name and address of the respective procuring activities involved; and, if determined necessary, the total dollar value of each contract as amended, the type of contract involved, and the balance remaining unpaid;

(3) A certified copy of the resolutions of the Boards of Directors of the corporate parties authorizing the transfer of assets;

(4) A certified copy of the minutes of any stockholders meetings of the corporate parties necessary to approve the transfer of assets;

(5) A properly authenticated copy of the certificate and articles of incorporation of the transferee if such corporation was formed for the purpose of receiving the assets involved in the performance of the Government contracts;

(6) An opinion of counsel for the contractor parties that the transfer was properly effected in accordance with applicable law; and to the extent necessary;

(7) Evidence of the capability of the transferee to perform the contracts;

(8) Balance sheets of the transferor and the transferee as of dates immediately prior to and after the transfer of assets; and

(9) Evidence of security clearance requirements.

§ 16.505–3 *Agreement to recognize change of name of contractor.* (a) Where only a change of name is involved, so that the rights and obligations of the parties remain unaffected, an agreement between the Department concerned and the contractor shall be executed effecting the amendment of all existing contracts between the parties so as to reflect the contractor's change of name. A form for such an agreement, which shall be adapted for specific cases, is set forth below.

AGREEMENT

This agreement, entered into as of _____, 19__, by and between the ABC Corporation [formerly the XYZ Corporation and hereinafter sometimes referred to as the "Contractor"], a corporation duly organized and existing under the laws of the State of _____, and the United States of America, represented by the Department of the _____, (hereinafter referred to as the "Government").

WITNESSETH:

Whereas the Government, represented by various Contracting Officers of the Department of the _____, has entered into certain contracts, letter contracts and purchase orders with the XYZ Corporation, [namely:]

or [as set forth in the attached list marked "Exhibit A" to this Agreement and herein incorporated by reference;] and the term "the Contracts" as hereinafter used means the above contracts, letter contracts, and purchase orders, and all other contracts, letter contracts, and purchase orders, including amendments and change orders thereto, entered into between the Government, represented by various Contracting Officers of the Department of the _____, and the Contractor (whether or not performance and payment have been completed and releases executed, if the Government or the Contractor has any remaining rights, duties, or obligations thereunder);

Whereas the XYZ Corporation, by an amendment to its certificate of incorporation, dated _____, 19__, has changed its corporate name to the ABC Corporation;

Whereas a change of corporate name only is accomplished by said amendment, so that rights and obligations of the Government and of the Contractor under the Contracts are unaffected by said change; and

Whereas there has been filed with the Government documentary evidence of said change in corporate name;

Now therefore, in consideration of the premises, the parties hereto agree that the Contracts covered by this Agreement are hereby amended by deleting therefrom the name "XYZ Corporation" wherever it appears in the Contracts and substituting therefor the name "ABC Corporation."

In witness whereof, each of the parties hereto has executed this Agreement as of the day and year first above written.

UNITED STATES OF AMERICA

By _____

Title _____

(Corporate Seal)

ABC CORPORATION

By _____

Title _____

CERTIFICATE

I, _____, certify that I am the Secretary of ABC Corporation, named above; that _____, who signed this Agreement on behalf of said corporation, was then _____ of said corporation; and that this Agreement was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

Witness my hand and the seal of said corporation this _____ day of _____, 19__.

By _____

(Corporate Seal)

(b) Prior to the execution of such agreement, one copy of each of the following shall be deposited by the contractor with the Department concerned:

(1) A copy of the instrument by which the change of name was effected, authenticated by a proper official of the State having jurisdiction;

(2) An opinion of counsel for the contractor that the change of name was properly effected in accordance with applicable law; and

(3) A list of all contracts, letter contracts, and purchase orders, which have not been finally settled between the Department concerned and the contractor, showing contract number, and the name and address of the respective procuring activities involved.

Section 16.506 is added as follows:

§ 16.506 *Communication Service Authorization (DD Form 428).* DD Form 428 shall be used in accordance with Departmental procedures as an order for facilities and services under contracts for telephone and telegraph communications facilities and services.

Section 16.803–1 (c) has been amended to provide for issuance and distribution of DD Form 879, "Contractor's Weekly Payroll Affidavit;" however, contractors are authorized to reproduce this form or to submit a combined payroll-affidavit form. Part 16 now also includes information regarding DD Form 350 (Individual Procurement Action Report); Standard Form 129 (Bidders' Mailing List Application); and DD Form 254 (Security Requirements Check List). Section 16.803–1 (c) reads as follows:

§ 16.803–1 *Construction contracts.*

* * *

(c) When required by § 12.404–6 (a) and the contract clauses prescribed by § 12.403–1 of this subchapter or § 12.403–4 of this subchapter, a "Contractor's Weekly Payroll Affidavit" (DD Form 879) shall be submitted by the contractor. When the contract clauses prescribed by § 12.403–2 of this subchapter are applicable, DD Form 879 likewise shall be used but with paragraphs (2) and (3) deleted or omitted from the affidavit. A supply of DD Form 879 may be furnished to contractors for their use. However, the existence of the DD Form shall not preclude any contractor from submitting the affidavit on a contractor's combined payroll-affidavit form or from reproducing the DD Form as a separate contractor's form, provided that in either instance there is a certification on the contractor's form that the affidavit is reproduced in the exact language of the DD Form.

Sections 16.807 through 16.811 have been added as follows:

§ 16.807 *Individual Procurement Action Report (DD Form 350).*

§ 16.807–1 *General.* DD Form 350 is designed to provide essential manage-

ment statistics on a uniform basis. This report also provides the Department of Labor with data required in connection with the administration of the Walsh-Healey Act.

§ 16.807–2 *Conditions for use.* DD Form 350 will be prepared in all Military Departments and Joint Procuring Agencies for all debit or credit procurement actions where the amount involved is $10,000 or more, and, regardless of amount for:

(a) All procurements negotiated pursuant to § 3.211 or § 3.216 of this subchapter, and all other contracts for research and development;

(b) All letter contracts; and

(c) All definitive contracts superseding letter contracts.

This requirement applies to procurement actions against appropriated funds, contract authorizations, and stock or other revolving funds which are replenished from appropriated funds. Military Interdepartmental Purchase Requests, and procurement actions citing non-appropriated funds, are excluded.

§ 16.807–3 *Preparation of forms.* DD Form 350 will be prepared at the time of the procurement action, or as soon afterward as possible, in accordance with Departmental procedures.

§ 16.808 *Duty Free Entry Certificate (Customs Form 7501).* [Reserved]

§ 16.809 *Report of Inventions and Subcontracts (DD Form 882).* Form 882 is approved for optional use by contractors in reporting information required by paragraph (c) (ii), (c) (iii), and (h) of the Patent Rights clause set forth in § 9.107–1 of this subchapter.

§ 16.810 *Bidders' Mailing List Application (Standard Form 129).*

§ 16.810–1 *General.* Standard Form 129 shall be used in connection with the establishment and maintenance of bidders' lists as prescribed in § 2.204 of this subchapter. Supplemental information, where required, may be obtained by using DD Form 558–1 (Bidders' Mailing List Application Supplement).

§ 16.810–2 *Conditions for use.* Additions to the bidders' mailing list of a purchasing activity shall be made only after considering a properly completed application on Standard Form 129. The application shall be submitted and signed by the supplier (the manufacturer or regular dealer), as distinguished from an agent of the supplier. However, suppliers are not precluded from designating, in the Standard Form 129, their agents to receive Invitations for Bids.

§ 16.810–3 *Item listings for information of bidders.* In order to enable suppliers to indicate readily the items on which they will generally desire to submit bids or proposals, there shall be attached to Standard Form 129 forwarded to suppliers for completion, a list of items, or item groups, or an index to such listing of the items, procured by the purchasing activity maintaining the list, which are considered applicable to the supplier's type of business.

§ 16.811 *Security Requirements Check List (DD Form 254).* The "Military Security Requirements" clause (§§ 7.104–12 and 7.204–12 of this subchapter) is included in all contracts which are classified "Confidential" including "Confidential—Modified Handling Authorized" or higher and in any other contracts the performance of which will require access to such classified information or material. Contracting officers shall inform contractors of the security classifications assigned to the various documents, materials, tasks, subcontracts, and components of classified contracts by using DD Form 254 and, when components from subcontractors are involved, DD Form 254–1 (Appendage to Security Requirements Check List). Instructions for preparation are included in the form. The Contracting Officer is responsible for preparation of the form and shall insure that it is physically attached to the copies of the contract forwarded to the contractor and the material inspector.

(R. S. 161; 5 U. S. C. 22)

R. C. LANPHIER, Jr.,
Deputy Assistant Secretary of Defense (Supply and Logistics).

[F. R. Doc. 56–5700; Filed, July 17, 1956; 8:46 a. m.]

Subchapter M—Miscellaneous

PART 141—SOLICITATION OF COMMERCIAL LIFE INSURANCE ON MILITARY INSTALLATIONS

USE OF ALLOTMENT SYSTEM

Section 141.6 *Use of the allotment system* has been amended by deletion of paragraph (e) therefrom.

(Sec. 202, 61 Stat. 500.00, as amended; 5 U. S. C. 171a)

CARTER L. BURGESS,
Assistant Secretary of Defense (Manpower, Personnel and Reserve).

[F. R. Doc. 56–5699; Filed, July 17, 1956; 8:46 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 11374; FCC 56–648]

[Rules Amdts. 7–11 and 8–17]

PART 7—STATIONS ON LAND IN THE MARITIME SERVICES

PART 8—STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

MISCELLANEOUS AMENDMENTS

In the matter of amendment of Parts 7 and 8 of the Commission's rules to delete the frequencies 6240 kc and 6455 kc and to make the frequency 4372.4 kc available on a full-time basis for ship and coast stations using radiotelephony on the Mississippi River and connecting inland waterways (except the Great Lakes).

1. This proceeding was instituted on April 27, 1955, by the Commission's notice of proposed rule making which would amend Parts 7 and 8 of the Commission's rules to delete the frequencies 6240 kc and 6455 kc and make the frequency 4372.4 kc available on a full-time basis for ship and coast stations using radiotelephony on the Mississippi River and connecting inland waters (except the Great Lakes). This proposal was instituted as one in a progressive series of actions since 1951, involving changes in various parts of the Commission's rules as necessary to achieve conformity with the Table of Frequency Allocations and related provisions of the Radio Regulations of Atlantic City, 1947. Such actions are in accordance with the program set forth in the Agreement concluded by the Extraordinary Administrative Radio Conference (Geneva, 1951), hereinafter referred to as the Agreement.[1]

2. The proposed rule changes contemplated establishment of "the internationally protected Rivers frequencies" (including 4067 kc and 4372.4 kc but not 6240 kc and 6455 kc) "on a firm active basis", inasmuch as it appeared that this would serve public interest and necessity pursuant to sections 303 (f) and (r) of the Communications Act. The proposal designated August 5, 1955, as the final date for the submission of original comments in written form by interested persons. In response to petitions from certain interested persons, the date for submission of original comments was extended to October 31, 1955.

3. Comments were filed by American Waterways Operators, Inc., the Central Committee on Radio Facilities of the American Petroleum Institute, Radiomarine Corporation of America, and Warner & Tamble Radio Service, Inc., hereinafter referred to as Waterways Operators, Petroleum Institute, RMCA, and Warner & Tamble, respectively. The comments submitted by RMCA and Warner & Tamble also incorporated by reference their respective comments previously filed in closed Dockets 10377 and 10724 concerning Commission Notices of Proposed Rule Making, likewise pertaining to changes in radiotelephone frequencies assignable for use by coast and ship stations of the Mississippi River System. In addition to direct comment filed by Petroleum Institute, the latter expressed full concurrence with the comments filed by RMCA and Waterways Operators. To the extent that comments submitted in closed Dockets 10377 and 10724 by RMCA and Warner & Tamble have a bearing upon matters covered by the proposals in this proceeding, such comments have been considered in the action taken in this Docket.

4. All of the commenting parties objected to the proposed rule making essentially on the ground that the loss of frequencies in the 6 Mc band would deprive the Mississippi River commercial transportation system of a means of communication which is essential to the efficient operation of the system.[2] The

[1] See Subpart G, Appendix A to Part 2, FCC rules and regulations for more detailed information regarding these and all other applicable international agreements mentioned in this Report and Order.

[2] Various parties pointed out that the commercial transportation system of these inland waters is important in the national economy. According to Petroleum Institute, River traffic has increased more than 520 percent

present radio communication system is substantially as follows: Public coast stations at five primary locations are licensed for radiotelephone communication with ship stations on the Rivers:

Call sign	Location	Licensee
WAY	Lake Bluff and Chicago, Ill.	Illinois Bell Telephone Co.
WFN	Louisville, Ky.	Warner & Tamble.
WGK	St. Louis, Mo.	RMCA.
WCM	Pittsburgh, Pa.	RMCA.
WBN and WJG	Memphis, Tenn.	Warner & Tamble.

There are approximately 500 vessels engaged in commerce on the Rivers which are licensed for ship-shore public telephone service through these coast stations.

5. During each period of several weeks, in which typical towboats with barges in tow are engaged in hauling freight on the Rivers over round-trip distances of some 500 to 1,500 miles, it is necessary to report the position of the ships daily and to carry on telephone conversations with the home office at least several times each day. According to RMCA in a previous comment filed in preceding Docket No. 10377, it is important to the barge lines, the largest commercial users of the river radio-communication service, that their home offices can reach all their vessels "through the nearest land station at a given time—from two to four times a day during daylight hours—and to the greatest possible extent on the same frequency". Further, RMCA advised that the barge line arranges with "the land station in its port" to call all its tows on schedules prescribed in advance. Each tow knows of these schedules and is waiting for its call on a pre-selected frequency. In this manner each ship knows in advance when it is to be called, and the time wasted in effecting contact is reduced to an absolute minimum. Another comment (Ashland Oil and Refining Company) in Docket No. 10377 explained that the radiotelephone service consisted of reporting service and message service, as well as telephone contact. "Reporting Service" consists of receiving the positions from a group of boats at a predetermined scheduled time, and transmission of all positions to the Home Office by telephone, telegraph or teletype. "Message Service" consists of the coast station receiving and delivering, to or from the boat or Home Office, telephone calls, telegrams, or teletype on matters other than position reports. The frequencies now available under the Commission's Rules for this ship-shore radiotelephone service, as contrasted with those which would be available under the instant proposal, are as follows:

Presently available	*Proposed to be available*
2782 kc	2782 kc
4067	4067
4372.4	4372.4
6240	8205.5
6455	
8205.5	

Thus, the primary effect of the proposal is to delete from the present complement of frequencies the frequencies 6240 and 6455 kc.

6. In this proceeding the Commission has proposed to delete the frequencies 6240 kc and 6455 kc because the Atlantic City Table of Frequency Allocations does not provide for the use of these frequencies, or indeed any frequencies in the 6 Mc band, by the maritime mobile radiotelephone service anywhere in the world, including the Mississippi River. As a signatory to the Radio Regulations and the Agreement, the United States, along with other signatories, is obligated to bring its assignments into conformity with the Table of Frequency Allocations contained in the Radio Regulations. But the Radio Regulations provided in Paragraphs 86 and 88 as follows:

86. SEC. 1. The countries, members of the Union, adhering to these regulations, agree that in assigning frequencies to stations which, by their very nature, are capable of causing harmful interference to the services rendered by the stations of another country, they will make such assignments in accordance with the table of frequency allocations and other provisions of this chapter.

88. SEC. 3. A country, member of the Union, shall not assign to a station any frequency in derogation of either the table of frequency allocations given in this chapter or the other provisions of these regulations, except on the express condition that harmful interference shall not be caused to services carried on by stations operating in accordance with the provisions of the Convention and of these regulations.

7. Therefore, under some conditions the authorization of station operation at variance with either the Atlantic City Table of Frequency Allocations or other provisions of the related Radio Regulations, but in accordance with paragraph 88 of these regulations, would be not inconsistent with law. On the other hand, we do not find in these provisions a justification for disregard of the established international use of frequencies unless both the provisions of international agreement are met and there exists some compelling domestic need for such derogation. The effective functioning of the vast and complicated communication systems of the United States is dependent in substantial measure upon continued international protection. As a matter of general policy, therefore, the communication interests of the United States are clearly best served by "in-band" operation of the stations of all countries consistent with the table of frequency allocations and related provisions of the international radio regulations.[3] We cannot take the position that others should operate in this manner if we are not ourselves prepared to do likewise. Accordingly, the initial issue in this proceeding is whether the compelling circumstances exist which would warrant taking advantage of the exceptional provisions of Paragraph 88 of Atlantic City or, stating the issue more definitively, whether the important communication system now provided on the Mississippi River will, if frequencies in the 6 Mc band are not provided, be substantially impaired and if so, whether such circumstances would warrant derogation of the Atlantic City Table of Frequency Allocations. For the reasons hereinafter set forth, we conclude that there is not a sufficient basis for such a finding of compelling necessity. In view of this conclusion, we do not in this decision reach the second portion of the question just stated, i. e. whether, from a technical and legal standpoint, derogation under other circumstances would be feasible.[4]

8. Our judgment here turns primarily upon a detailed consideration of the effect of withdrawing 6240 kc and 6455 kc from use by the telephone communication system of the Rivers and not providing for the use of any frequency for this purpose in the 6 Mc band. According to the comments, the use of presently available frequencies is as follows. The 4 Mc frequency seems in general to be capable of rendering service to areas between 30 and 250 miles during the day, and to areas between 60 and 800 miles at night. Its noise level, however, is comparatively high and this disadvantage coupled with its short daytime range makes it of limited utility during the day, when traffic is heaviest. The 6 Mc frequencies are the preferable frequencies for daytime communication. They have a low noise level and seem capable of rendering service to areas between about 50 to 800 miles or more during the day and to areas between 500 and 1,200 miles

since 1931, and a large portion of this traffic involves the transportation of petroleum products over great distances. Waterways Operators reported frequent round-trip hauls of lumber, coal, petroleum, automobiles, sand, grain, steel and other commodities over distances of some 500 to 1,500 miles by barge tows each consisting of 10 to 12 barges hauled by a towboat. Waterways Operators stated that since 1941, freight transportation on the Mississippi River System had increased in volume from 17,100 to 37,000 billion ton miles, and that the average miles per ton transported was steadily increasing. Comment of Mississippi Barge Line Co. submitted under date of February 24, 1953, in related preceding Docket 10377 reported that during 1950 commercial transportation on the Rivers System was conducted by about 1,500 self-propelled towboats and 7,000 barges and scows; that in 1951 there were 154,637,041 tons of freight transported over this waterway system; and that this volume comprised more than two-thirds of the amount transported on all the inland waterways of the United States combined, other than the Great Lakes. In its comments submitted in the current proceeding, Petroleum Institute advised that during World War II, 4,031 vessels built at ship yards on the Great Lakes were navigated through the Illinois Waterway and thence down the Mississippi River to the Gulf of Mexico. The Commission accepts all of these comments as authentic information and recognizes the national value and importance of commercial transportation on the Mississippi River System. The Commission also concurs in the opinion expressed by various of the parties that an effective ship-shore radiotelephone system contributes substantially to the efficiency and safety of this commercial transportation.

[3] See Appendix 1, a list of stations other than ship stations known to have used frequencies in the Cairo ship bands prior to clearance of Atlantic City service allocations. Appendices 1, 2, and 3, filed as part of the original document.

[4] The Commission has, however, examined the feasibility of continued operation on the frequencies 6240 kc and 6455 kc. For the information of interested parties the results of this examination are contained in Appendix 2 to this Report and Order.

or more at night. The 8 Mc frequency seems capable of rendering service during the day to areas beginning about 350 to 500 miles, and extending over 1,300 miles. Its noise level is exceptionally low. This makes it particularly valuable for long-range daytime calls from stations which are not centrally located. Because it cannot be relied upon to cover calls closer to the transmitter than 350 to 500 miles, however, it does not have the advantage of the 6 Mc frequency during the day for meeting communication needs over relatively short distances.

9. The "principal advantage" of the communication service of the Mississippi System as it presently exists is the ability of each ship station to communicate with each of the five coast stations under normal conditions from any location on the Rivers. "The 6 Mc frequencies are necessary to preserve this advantage" because "a 6 Mc frequency is the only frequency which has the desired daytime effective range" to complete the complement of frequencies necessary to enable each coast station to communicate with a vessel at any location on the Rivers. The hardship and injury which would result from the deletion of the 6 Mc frequencies would derive from the existence of 6 Mc "dead areas," i. e., gaps of no communication between two given stations because of the absence of 6 Mc frequencies.

10. In support of the conclusion concerning the existence of 6 Mc "dead areas," RMCA submitted the results of a propagation study of the effective range of the 2, 4, 5, 6 and 8 Mc bands under specified typical operating conditions of the Rivers system. From this RMCA concluded that there would be 6 Mc "dead areas" in certain localities up to 215 kilometers (133 miles) in length during the summer months at the height of the eleven-year sunspot cycle, which may mean a "dead" area of over 1,350 miles of navigable waterways. Because of the 6 Mc "dead" areas, these disadvantages would allegedly accrue:

(1) Inability of vessels to contact directly at all times the coast station nearest the home office;

(2) Inability of each coast station to communicate at all times with a vessel at any location on the rivers system;

In turn, it is asserted that the following adverse effects would be engendered by the above.

(3) At these times when a coast station could not reach a particular ship, it would have to make connection to other coast stations which in turn would attempt to contact the ship.

(4) The "scheduling technique" method of operation whereby a ship company places all of its daily ship calls through a particular single coast station would be crippled and may well have to be abandoned. The numerous advantages of this scheduled reporting service, with its attendant economies and benefits to freight transportation and the public, would be lost.

(5) The use of the 4 Mc and 8 Mc frequencies to handle calls and message traffic normally handled on a 6 Mc frequency would "overcrowd" these frequencies, would double the amount of interference, and would double the amount of time required to handle the same communications; resulting in a degradation of service.

(6) There would be necessarily an increased use of and dependence upon landwire lines for relaying messages to and from coast stations. This would be time consuming, would increase operating expenses, and might be highly dangerous to the safety of life and property.

11. The Commission has carefully examined the propagation data submitted by RMCA. A detailed analysis of that data is contained in Appendix 3. On the basis of that analysis, the Commission has noted the following:

(a) The RMCA comments referred to localities which constitute only a minor portion of the waterways, i. e., localities south of 32 degrees north latitude (approximately midway between Vicksburg, Mississippi and Natchez, Mississippi). In these localities, the limiting atmospheric "noise grade" is 3.5. But in localities constituting a major portion of the waterways, i. e., north of 32 degrees north latitude, the atmospheric "noise grade" is only 3. As a result, at localities north of 32 degrees, the 6 Mc "dead" area under the same conditions except for the lower noise grade, will be less, i. e., up to 135 kilometers (84 miles).

(b) For all practical purposes, the only time a 6 Mc communications gap exceeding about 6 miles will occur on the major portion of these waterways (north of 32 degrees) will be during the summer under conditions of maximum sunspot activity, reaching a maximum of about 83 miles at noon local time.

(c) There will be an additional "dead" area in summer daytime which will not be served by any frequency in the 2, 4, 6 or 8 Mc band; this area is beyond the extreme daytime range of the 8 Mc frequency under the same condition of sunspot maximum. With respect to the entire Mississippi Waterways System, the two "dead" areas (6 Mc and beyond 8 Mc maximum range) in terms of "river miles" will be of comparable size in respect to the coast stations at Louisville and St. Louis, but when considered in reference to the remaining coast stations (Chicago, Memphis and Pittsburgh) the "dead" area beyond 8 Mc maximum range which is not covered by any available frequency will be considerably larger in the same terms of "river miles".[5]

(d) The gap areas, in respect to specific geographic locations in relation to station locations, are different at different times of the day. A ship located in one of the gap areas at a given time, and thus prevented at that time from reaching a particular coast station, would be able to reach that coast station at some other time of the day. At no time would the ship, because of existing 6 Mc gap areas, be unable to communicate with one or more of the other coast stations on the rivers system.

12. Further as a result of the study set forth in detail in Appendix 3 the Commission finds that when 6 Mc "dead" areas are present in the ship-shore telephone system during daylight hours, as represented by the comments of RMCA referenced to its engineering study:

(a) A ship station on the Rivers System using either a 2, 4 or 8 Mc frequency can effectively contact the nearest coast station as often as it can effectively contact the coast station nearest the home office of the ship when a 6 Mc frequency also is available. This change in operating practice should not cause an increase in interference.

(b) Since there is no factual showing otherwise, it is appropriate to assume that the ship's home office should know with sufficient accuracy the location of the ship being called, so as to permit placing a call to that ship via the coast station nearest the ship. If this procedure is followed, there appears to be no acceptable reason why the valued "scheduling technique" could not be continued, inasmuch as a particular ship company could place its daily ship calls with one or more appropriately located coast stations instead of limiting this placement to one selected coast station only. This change in procedure should not result in a larger number of calls or increased interference.

(c) With reference to calls to ships originating during the day with persons on land who do not know the approximate location of the ship being called, a moderate amount of increase in calling and relaying by wire-line facilities would probably occur at certain times in the absence of an available 6 Mc channel. It would appear that this type of communication would not originate with commercial ship companies and would not have any significant relation to operation of commercial transportation on these waterways. (In any event, the availability of a 6 Mc channel would not alleviate the same kind of condition in regard to ships located in any of the coexistent "dead" areas beyond the maximum daytime range of the 8 Mc frequency.)

(d) In the absence of a factual showing, there is no reason to regard as valid the general assertion that common-carrier wire-line systems serving industry in the Mississippi Valley area are any less reliable, less efficient, or more susceptible to interruption and delay than are such systems in other industrial areas of the United States with which there are no complaints of this kind from industry users in general; certainly not of the kind which would be expected to jeopardize the safety or substantially reduce the efficiency of commercial river transportation.

(e) With reference to increased operating expenses to be caused by an anticipated increased use of land-line facilities, there is no showing in comments of interested persons, other than general statements, not supported by facts, that this would have any significant adverse effect upon the operation of Rivers radiocommunications. We find no basis in this general assertion, unsupported

[5] The existence of 8 Mc "dead areas" (of the order of magnitude which occurs at the same time as the involved 6 Mc "dead areas" occur) would appear to have an adverse effect upon the rivers telephone system of no less an impact than the effect of the 6 Mc "dead areas". It is worth noting in this regard that no reference is made by any of the parties to this fact.

by specific data concerning the cost referred to, the assumptions made by those who commented with respect to the applicable rate structure, etc., for concluding that any change in operating costs would be of such significance that we would be warranted in using this as a basis for failure to comply with the basic frequency allocations in the Radio Regulations.

13. On the basis of these findings, the Commission concludes that the proposed rule changes, if adopted at this time, should:

(a) Not necessarily compel abandonment of the valued "scheduling technique" as used by particular coast stations in behalf of Rivers shipping companies;

(b) Not increase the volume of calls nor the amount of interference, assuming that operation of the involved stations will be in accordance with applicable rules of the Commission;

(c) Not overload the available 2, 4 and 8 Mc ship-shore frequencies used by stations of the Rivers communication system in accordance with applicable rules of the Commission;

(d) Not cause any significant delays in River communication nor any substantial increase in operating costs by reason of increased use of public service land-line facilities to relay communications to and from public coast stations serving the Rivers;

(e) Result in less interference within the Rivers ship-shore public radiotelephone service.

14. In summary, the Commission concludes that the principal effect of the loss of the 6 Mc frequencies to the Rivers communication system will be the necessity from time to time for communications to be conducted through a coast station other than the one which might have been used if the 6 Mc frequencies were available; that as against the apparently insubstantial reduction in communication efficiency which might result therefrom, there must be weighed the general importance to the overall communication interests of the United States in adhering wherever feasible to the established international uses of frequencies. On balance of these considerations, the Commission is of the opinion that derogation of the international frequency allocations in order to provide 6 Mc frequencies for the Rivers communication system is not warranted.

15. In the light of the foregoing conclusion, it does not appear to be necessary to consider in detail comments filed by the parties relating to other aspects of this proceeding. Brief reference to some of these comments may, however, prove helpful.

16. Thus, RMCA compared (in Docket No. 10377) the proposed frequency assignments in the 4 Mc and 8 Mc bands for the Mississippi River area to those provided for the Great Lakes area and pointed out that the Mississippi River area is of comparable importance and "should not be slighted". However, so far as availability of 6 Mc frequencies is concerned, both areas have been subjected to the same criteria regarding derogation and these frequencies are not being provided for the respective communication systems in either area. To meet the frequency needs of each of the areas while not utilizing the 6 Mc frequencies, the Commission has sought to provide for each area the best possible complement of frequencies in the 4 Mc and 8 Mc bands consistent with the Commission's international obligations and the facts of frequency availability. If users in the Rivers area believe that an improvement can feasily be effected in their frequency complement in the 4 Mc and 8 Mc bands, they may, of course, by petition, make proposals specifically directed to that objective and, thus, institute a separate proceeding for this purpose. The same is true with regard to the comment of Warner & Tamble in preceding Docket No. 10724 asserting that "the need of the Rivers for more frequencies is admitted * * *. Giving to the Rivers no more than they had before * * * does not meet that need."

17. The comments of Waterways Operators concerning possible use of the Rivers communication system to transmit messages concerning civil defense have also been noted and are not considered to be sufficiently significant to justify continuance of the availability of 6 Mc frequencies for the system. As indicated above, the Commission believes that the efficiency of the system will not be substantially impaired by the deletion of the 6 Mc frequencies and in any event, as the Commission has indicated on previous occasions in connection with civil defense planning, assumptions as to the availability of any particular frequencies for the civil defense function during war or emergency are not warranted unless the Commission has made a specific announcement ensuring such availability. As yet no such announcement has been made in reference to these particular frequencies.

18. There remains for consideration the request of Petroleum Institute and Waterways Operators that this matter be designated for public hearing pursuant to section 303 (f) and other provisions of the Communications Act of 1934, in the event the Commission decides not to abandon its proposed rule amendment which would delete availability of the frequencies 6240 kc and 6455 kc for the Rivers communication service and not to hold informal conferences with interested parties to consider other 6 Mc possibilities.

19. In this respect the Commission observes that a hearing was held in an earlier Docket 6651 with respect to the post-war allocation of all radio frequencies between 10 kc and 30,000,000 kc, for all radio services, and that the final recommendation of the Commission,* based on that proceeding, was that no spectrum space be allocated to the maritime mobile (telephone) service in the 6 Mc band (6000 to 7000 kc). All persons interested in the Mississippi River Communication System had an opportunity to participate in that hearing. Moreover, there is no showing whatever that facts might be developed through hearing or conference which could not have been provided by the process of filing pertinent comments, a process which in due course has been concluded. There is no provision of law or Commission rules which requires a hearing in this proceeding, since changes to involved radio station licenses in force are not affected by Commission action in this proceeding during their current license period. Accordingly, and in view of the considerations mentioned above, the said requests for conferences or hearing are denied.

20. If and when interested persons reach the conclusion that, in their opinion, factual information is available for presentation to the Commission which is not available at this time (in particular the results of adequate experience obtained by operation of the Rivers communication system without the use of a 6 Mc frequency) and which reflects a need for the use of a 6 Mc frequency sufficiently compelling to support assignment of such frequency in derogation of the established international use of the particular frequency or frequency band involved, they may then formally petition the Commission in a new proceeding to amend its rules accordingly. This procedure would be appropriate, however, only if a specific frequency can be selected for effective use under the conditions and limitations of the treaty which apply to the assignment of a frequency in derogation of the established international use of frequencies or frequency bands.

21. To provide for an orderly transition period in which licensed stations on the rivers can make the necessary arrangements for discontinuance of operation on 6240 kc and 6455 kc and for operation on 4067 kc, 4372.4 kc or such other available frequency or frequencies as may be appropriate, beginning February 1, 1957, no new or renewal ship or coast station authorizations will be issued for telephony on 6240 kc and/or 6455 kc, and as of that date these latter two frequencies will be deleted from availability for maritime telephony under Parts 7 and 8 of the Commission's rules. Coast and ship stations of the Rivers telephone system authorized prior to February 1, 1957, to transmit on either or both of these frequencies may, at their discretion, continue to do so for the remainder of their respective license periods under the same conditions that now apply to the use of these frequencies under existing rules, or they may apply for modification of license to delete 6240 kc and/or 6455 kc. As a practical matter, however, the ability of stations of the Rivers system to carry on ship-shore communication on these two frequencies will cease when the existing licenses of the coast stations expire on February 1, 1957. In regard to such ship stations as may receive new or renewed licenses between the date of adoption of the instant rule amendments and February 1, 1957, their authority to transmit on 6240 kc and/or 6455 kc (obtained by reason of such licensing) will, by the terms of such licenses issued pursuant to the rules as amended herein, expire on February 1, 1957. The frequencies 4067 kc and 4372.4 kc are available for assignment under conditions set forth in the existing rules, and application for authority to operate on them may be filed at any time. Additionally, it should be noted that effective August 14, 1956, the day-

* Public Notice, Mimeo 4803, February 18, 1947, "Frequency Service—Allocations."

time limitation currently in effect on Rivers use of 4372.4 kc will be deleted. That frequency will then be available for use by the Rivers on a full time basis, at a date earlier than that set for deletion of 6240 and 6455 kc from the rules, to facilitate the transition from 6 Mc to 4 Mc.

It appearing that the public interest, convenience, and necessity will be served by the amendments herein ordered, the authority for which is contained in section 303 (c), (f) and (r) of the Communications Act of 1934, as amended;

It is ordered, That effective August 14, 1956, Parts 7 and 8 of the Commission's rules are amended as set forth below and that effective February 1, 1957, Parts 7 and 8 of the Commission's rules are amended as set forth below.

It is further ordered, Herewith, that the requests for hearing and informal conferences in this proceeding are denied and that the proceedings in Docket 11374 are terminated.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Adopted: July 6, 1956.

Released: July 11, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

A. Part 7 is amended as follows effective August 14, 1956:

Section 7.304 (d) (3) and (5) is amended to read as follows:

(3) The frequencies 4067 and 4372.4 kc are authorized for use by coast stations serving vessels on the Mississippi River and connecting inland waters only (except the Great Lakes); such use of these frequencies is authorized upon the express condition that interference shall not be caused to the service of any station which, in the discretion of the Commission, may have priority on the frequency or frequencies used for the service to which interference is caused.

* * * * *

(5) The frequency 8205.5 kc is authorized for use by coast stations serving vessels on the Mississippi River and connecting inland waters only (except the Great Lakes) upon the express condition that transmission on this frequency during the period 8:00 p. m. until 5:00 a. m., c. s. t., is prohibited.

B. Part 8 is amended as follows effective August 14, 1956:

1. Section 8.351 (d) (8) is amended to read as follows:

(8) Use of the frequencies 4067 and 4372.4 kc in the Mississippi River system is authorized upon the express condition that interference shall not be caused to the service of any station which may have priority on the frequency or frequencies used for the service to which interference is caused.

2. In § 8.351 (d), the text of subparagraph (10) is deleted in its entirety and the word "Reserved" is substituted therefor. As amended, the subparagraph reads as follows:

(10) [Reserved.]

3. Section 8.351 (d) (11) is amended to read as follows:

(11) The frequency 8025.5 kc is authorized for use on the Mississippi River and connecting inland waters (except the Great Lakes), upon the express condition that transmission on this frequency during the period from 8:00 p. m. until 5:00 a. m., c. s. t., is prohibited.

C. Part 7 is amended as follows, effective February 1, 1957.

1. In § 7.304 (a), the table in this paragraph is amended by deleting the following two lines:

6240—Mississippi River system only.
6455—Mississippi River system only.

2. In § 7.304 (d), the text of this subparagraph (4) is deleted in its entirety and the word "Reserved" is substituted therefor. As amended, the subparagraph reads:

(4) [Reserved.]

3. In § 7.306 (c), the table is amended as follows:

a. In the second column headed "Carrier frequency (kc)'" delete the frequencies 6240 and 6455.

b. In the third column headed "Specific limitations imposed upon availability for use" delete the word "DO" opposite 6240 and opposite 6455.

D. Part 8 is amended as follows, effective February 1, 1957:

1. In § 8.351 (a), the table is amended by deleting footnote designator ' opposite the frequency 6240 and opposite 6455 and by deleting the frequencies 6240 and 6455.

2. In § 8.351 (d) (9), the text of this subparagraph is deleted in its entirety and the word "Reserved" is substituted therefor. As amended, the subparagraph reads as follows:

(9) [Reserved.]

3. Section 8.355 (a) (3) is amended to read as follows:

(3) The following frequency is authorized for use by ship stations on board vessels while navigated on the Mississippi River and connecting inland waters (other than the Great Lakes); exclusively for communication with coast stations located in the vicinity of any harbor, port, or place on the Mississippi River and connecting inland waters (other than the Great Lakes), when the ship station and the coast stations transmit alternately on the same radiochannel:

8205.5 kc.

[F. R. Doc. 56-5691; Filed, July 17, 1956; 8:45 a. m.]

[Rules Amdts. 12-20 and 20-1]

PART 12—AMATEUR RADIO SERVICE

PART 20—DISASTER COMMUNICATIONS SERVICE

CONSTRUCTION, MARKING AND LIGHTING OF ANTENNA STRUCTURES

The Commission having under consideration the amendment of Parts 12 and 20 of its rules governing the Amateur Radio Service and the Disaster Communications Service, respectively, to conform with changes recently effected in Part 17 of its rules;

It appearing that the existing provisions of Parts 12 and 20 with regard to the circumstances under which filing of Form 401-A is required are at variance with the requirements of Part 17; and

It further appearing that the substance of the amendments herein ordered has already been the subject of formal rule-making procedures (Docket 11306) resulting in amendment of Part 17; and

It further appearing that general notice of proposed rule making is not required in this matter under Section 4 of the Administrative Procedure Act because these amendments are solely for the purpose of conforming Parts 12 and 20 with Part 17, and that for the same reason the amendments may become effective immediately;

It is ordered, Pursuant to the authority contained in sections (4) (i) and 303 (f), (q), and (r) of the Communications Act of 1934, as amended, and section 0.341 (a) of the Commission's Statement of Organization, Delegations of Authority and Other Information that effective July 11, 1956, Parts 12 and 20 of the Commission's rules are amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Adopted: July 11, 1956.

Released: July 11, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

1. Amend § 12.9 to read as follows:

§ 12.9 *Antenna structure defined.* The term "antenna structure" includes the radiating system, its supporting structures, and any surmounting appurtenances.

2. Amend § 12.60 (a) (1), (2), and (b) to read as follows:

(a) * * * (1) the antenna structure proposed to be erected will exceed an overall height of 170 feet above ground level, except where the antenna is mounted on an existing man-made structure other than an antenna structure and does not increase the overall height of such man-made structure by more than 20 feet, or (2) the antenna structure proposed to be erected will exceed an overall height of one foot above the established airport (landing area) elevation for each 200 feet of distance, or fraction thereof, from the nearest boundary of such landing area, except where the antenna does not exceed 20 feet above the ground or if the antenna is mounted on an existing man-made structure other than an antenna structure or natural formation and does not increase the overall height of such man-made structure or natural formation by more than 20 feet as a result of such mounting. Application for Commission approval, when such approval is required, shall be submitted on FCC Form 401-A (revised), in triplicate.

(b) In cases where FCC Form 401-A (revised) is required to be filed, further details as to whether an aeronautical

study and/or obstruction marking may be required, and specifications for obstruction marking when required, may be obtained from Part 17 of this chapter, "Construction, Marking and Lighting of Antenna Structures." Information regarding requirements as to inspection of obstruction marking, recording of information regarding such inspection, and maintenance of antenna structures is also contained in Part 17 of this chapter.

3. Amend §§ 20.8, 20.14 (a) (1), (2), and (b) to read as follows:

§ 20.8 *Antenna structure defined.* The term "antenna structure" includes the radiating system, its supporting structures, and any surmounting appurtenances.

§ 20.14 *Limitation on antenna structures.* (a) * * * (1) the antenna structure proposed to be erected will exceed an overall height of 170 feet above ground level, except where the antenna is mounted on an existing man-made structure other than an antenna structure and does not increase the overall height of such man-made structure by more than 20 feet, or (2) the antenna structure proposed to be erected will exceed an overall height of one foot above the established airport (landing area) elevation for each 200 feet of distance, or fraction thereof, from the nearest boundary of such landing area, except where the antenna does not exceed 20 feet above the ground or if the antenna is mounted on an existing man-made structure other than an antenna structure or natural formation and does not increase the overall height of such man-made structure or natural formation by more than 20 feet as a result of such mounting. Application for Commission approval, when such approval is required, shall be submitted, in triplicate, on FCC Form 401-A (revised).

(b) In cases where FCC Form 401-A (revised) is required to be filed, further details as to whether an aeronautical study and/or obstruction marking may be required, and specifications for obstruction marking when required, may be obtained from Part 17 of this chapter, "Construction, Marking and Lighting of Antenna Structures." Information regarding requirements as to inspection of obstruction marking, recording of information regarding such inspection, and maintenance of antenna structures is also contained in Part 17 of this chapter.

[F. R. Doc. 56-5602; Filed, July 17, 1956; 8:45 a. m.]

[Docket No. 9288; FCC 56-691]

[Rules Amdt. 15-3]

PART 15—INCIDENTAL AND RESTRICTED RADIATION DEVICES

MISCELLANEOUS AMENDMENTS

On December 21, 1955, the Commission, by a First Report and Order, adopted a revision of Part 15 of its rules which concerns the regulation of incidental and restricted radiation devices. The amendments included general rules applicable to the operation of such devices as well as rules specifically applicable to incidental radiation devices and radio receivers. The Commission stated that it would adopt rules applicable to other types of restricted radiation devices as soon as the problems involved were resolved.

2. Accordingly, the purpose of this Second Report and Order is to adopt rules concerning Community Antenna Television Systems, hereafter referred to as CATV systems. These systems are a relatively new development in comparison to the other types of devices coming within the scope of Part 15. Their formation resulted from the fact that many communities, either because of the distance from, or their peculiar geographic location, do not receive usable signals from existing television broadcast stations. It was found to be feasible in some of these communities to erect a suitable receiving antenna system at a favorable location in the vicinity, such as on a neighboring hill, and to amplify and distribute the TV signal to the community by means of wires or cables. Due to the loss of energy occurring in the cable, it is necessary to provide amplifiers at regular intervals along the cable. In most cases, conventional television receivers are used in the home. The local distribution system brings television service to each home that subscribes to the service in much the same manner that telephone and power service are provided. An installation charge and monthly rental fee are normally made to each subscriber. It is inevitable that there is some radiation from the CATV system and this radiation may produce interference to the reception of the direct signal by non-subscribers to the CATV system, some of whom have installed their own antenna systems and boosters or amplifiers to provide for the direct reception of weak signals.

3. The Commission has received a great many complaints of interference from CATV systems. Experience gained from investigations of these complaints has shown that interfering radiations can be reduced to a negligible amount if reasonably good engineering practice is incorporated in the design, installation and maintenance of the system. In many cases, it was found that systems were constructed using unbalanced open wire transmission lines carrying high signal levels, which resulted in high levels of radiation.

4. The Commission's Notice of Further Proposed Rule Making issued April 1954 provided that CATV systems shall not radiate in excess of ten microvolts per meter at a distance of ten feet, or more, from any point in the system, and that all existing systems would have to comply with this limit after June 30, 1955. The Notice also proposed that each CATV system have posted a certificate of an engineer indicating that measurements had been made to show compliance with the applicable rules. These conditions were proposed as prerequisites to operation without a license.

5. Comments on this proposal were received from the Radio-Television Manufacturers Association (RETMA), the National Community Television Association, Inc. (NCTA), and others.

6. The RETMA comment states that in most cases the radiation limits can be raised above the value proposed by the Commission and still provide adequate protection to persons attempting direct reception of weak television signals. RETMA recommends a multiplicity of limits depending on the relation between the frequency of radiation from the CATV system and the frequency of the signal being directly received. RETMA also recommends that the radiation limits in uninhabited areas be set at 100 uv/m at 100 feet, since a more stringent limit will impose an unnecessarily severe economic burden on the CATV system. In connection with implementing these rules, RETMA recommends that the rules become effective one year after adoption to new systems and to additions to existing systems. Existing systems would be allowed five years within which to comply with the rules with the proviso that actual interference cases be solved on a case-by-case basis.

7. In its comment, RETMA recommended radiation limits for CATV systems which are contingent upon the availability of a signal for direct reception on the same or adjacent channels. The radiation limits recommended by RETMA would apply where the signal level, over a period of one week, was at least 10 uv/m more than half of the time or where the calculated F (50, 50) signal does not exceed 10 microvolts per meter on one or more channels. The comments submitted by this group do not indicate what steps should be taken by the operator of a CATV system if a television station is constructed after the CATV system is in operation. This illustrates the practical difficulty of establishing radiation limits which are dependent on the existence of broadcast signals on the same or adjacent frequencies. There is, of course, the further difficulty of determining the appropriate point of measurement of the direct signal since television signals are characterized by extreme variability both in terms of time and particular location.

8. While there may be many places in the United States where television signals capable of direct reception are not presently available, it is expected that this will be only a temporary situation. The Commission has under consideration a number of rule making proposals which will alter the availability of signals. Most of these involve changes in the present assignment table. One rule making proposal is that contained in Docket No. 11331, which provides for the revision of the Commission's Rules to permit the operation of co-channel amplifying transmitters in conjunction with the main transmitter. Another rule making action recently finalized (Docket No. 11237) provides for the establishment of stations with a lower minimum antenna height and power and it is expected to increase the number of TV stations. For these reasons the Commission believes it is not practical to permit radiation limits to vary depending on whether the signal being received

directly is co-channel, adjacent channel, or further removed from the signal being distributed by the cable system, part of which is radiated to produce interference to the direct reception of television broadcast signals.

9. The RETMA comments, furthermore, are based entirely on considerations of monochrome television and no consideration is given to interference with the reception of color television signals. This is an important factor. While the comments in the color television proceeding (Docket No. 9175) indicated that the presently standardized color television signals are not appreciably more susceptible to co-channel interference than the monochrome signals, adjacent channel interference could be appreciably worse in the case of color television signals, depending on the type of receiver in use. Therefore, we do not believe it will be in the public interest to relax the limit for adjacent channel operation of the CATV system in relation to the direct signal.

10. There are two distinct problems in the design of the community TV antenna system. The first is the problem of transmission of the received signals to the population center in which the programs are to be distributed. The second problem is one of the distribution network which brings the programs into each subscriber's home. In many cases the reception is on a mountain top or other general uninhabited region and the main transmission line or conveying portion of the system may pass through country which is uninhabited or sparsely inhabited. In this area, the relative danger of interference to direct reception is at a minimum and there is no need to restrict radiation close to the cable particularly since efficient transmission systems are not necessarily those with the minimum radiation. For these reasons the Commission is making special provisions for that part of the system that passes through uninhabited or sparsely inhabited areas. For the purpose of these rules, a sparsely inhabited area is defined as an area where television broadcast signals are not, in fact, being directly received within 1,000 feet of any part of the community antenna television system. The general radiation limits are based on the assumption that the direct reception antenna is 50 feet from the CATV system. The radiation limits in sparsely inhabited areas have been computed to provide the same protection to direct reception antennas located 1,000 feet from the CATV system assuming inverse distance attenuation of the interfering signal being radiated by the CATV system.

11. The proposed rules provided that CATV systems radiate not more than 10 microvolts per meter at ten feet. The RETMA comments (Report No. 1 of Committee R–18) contained an extensive engineering analysis of the interfering effects of radiation from CATV systems located in areas where television broadcast signals are being received directly. This analysis indicates that somewhat greater radiation than was proposed is possible without the likelihood of interference to the direct reception of authorized stations. Therefore, the Commission is adopting, except as indicated above, the radiation limits which the RETMA proposed.

12. Since the majority of community antenna television systems are frequently modified by adding additional circuits for new subscribers, the Commission has reconsidered its proposal to require the posting of a certificate indicating that measurements have been made which show compliance with the Rules. Rather than resort to the certification requirement which would involve repeated certifications in many cases, the Commission has decided that the provision for periodic measurements, as set forth below, will assure adequate compliance with the prescribed radiation limits.

13. The National Community Television Association, Inc., an organization of operators of CATV systems, strongly supports the RETMA comments, except that the NCTA recommends that existing CATV systems be permitted seven years within which to comply with the rules.

14. Comments were also filed by Theodore Haeffner, who has an interest in the "G" line, a single wire transmission line which operates by means of a surface wave on the single conductor. Mr. Haeffner contends that the "G" line is considerably cheaper than other more conventional transmission lines and that it is particularly suitable for use in the transmission line part of a CATV system. The comment continues with the argument that the limit of 10 uv/m at 10 feet as proposed is unreasonable when applied to the "G" line and will preclude its use by CATV systems. The Commission has provided a relaxation in the case of that part of the CATV system running through uninhabited areas, and it may be here that the application of the "G" line will be found. It does not seem to be feasible on an engineering basis to provide for a higher radiation limit for the single wire transmission system in populated areas where nearby power, telephone and other wires may distort the field and result in radiation causing interference to direct reception.

15. The Simplex Designing and Engineering Company raises the question as to the responsibility for the radiation of energy originating in a receiver connected to a CATV system. Particular difficulties have been encountered in a case of the harmonics of the horizontal sweep frequency of television receivers which fall in the standard broadcast band. The design and construction of many TV receivers permit the sweep circuit energy to be coupled to the antenna terminals of the receiver. When connected to a CATV system, the system acts as an efficient radiator particularly for the energy in the standard broadcast band. It has been found feasible to provide suitable means of blocking such interference from entering the system at the point of connection to the receiver. We believe that the responsibility for providing such means shall fall on the operator of the CATV system. However, if interference originating from the receiver continues after the CATV operator has effectively blocked such interference from entering his system at the point of connection to the receiver it will be the responsibility of the receiver owner to insure that his set complies with the requirements of the receiver subpart of these rules. It is not considered equitable to require the CATV system operator to be responsible for radiation from a receiver over which he has no control.

16. The Commission received a number of comments in favor of its proposal to regulate interference from CATV systems. The City Manager of the City of Sherman, Texas, urged the adoption of radiation limitations for the benefit of those people who wish to use their own antenna systems but who are experiencing interference from the local CATV system. This view is supported by the comments of Mr. J. G. Rountree, Consulting Engineer of Dallas, Texas.

17. The Wire and Television Corporation indicated that the proposed limitation is more rigorous than necessary and would impose a tremendous economic burden, and requested a relaxation in the 10 uv/m at 10 feet limit. However, no specific justification to support a relaxed limit was given.

18. Many of the comments point out that it is not reasonable to expect existing systems to be modified to comply with the new radiation limits within one year's time, and that consideration be given to the proposal that CATV system operators be allowed a period of five years to comply with revised rules. The Commission recognizes the difficulty of dealing with the problem in view of the substantial investment that has been made in such systems and the considerable expense that may be required to bring existing systems within the limits specified in the rules. Considering that the Further Notice of Proposed Rule Making issued on April 15, 1954, indicated the Commission's intention of reducing the allowable radiation from CATV systems to a low value, it has been decided that existing systems will be granted the period until December 31, 1959, within which to comply with the requirements of these rules. However, the Commission will require that all CATV systems take prompt and effective action with respect to any interference that may be caused during the interim period.

19. The Commission believes that the public interest will be served by adopting the rules set forth below governing Community Antenna Television Systems. Authority for the adoption of the rules set forth below is contained in section 4 (i), 301 and 303 (f) of the Communications Act of 1934, as amended.

20. In view of the foregoing considerations: *It is ordered*, That effective August 20, 1956, Part 15 of the Commission's rules and regulations is amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 49 Stat. 1082, amended; 47 U. S. C. 303)

Adopted: July 11, 1956.

Released: July 12, 1956.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] MARY JANE MORRIS,

Secretary.

1. Add the following definition to § 15.4:

(e) *Community antenna television system.* A restricted radiation device designed and used for the purpose of distributing television signals by means of conducted or guided radio frequency currents to a multiplicity of receivers outside the confines of a single building.

NOTE: The television signals that are distributed are modulated radio frequency signals and may be:

(a) Broadcast signals that have been received and amplified.

(b) Broadcast signals that have been received and converted to another frequency.

(c) Any other modulated radio frequency signals fed into the system.

2. Add the following to Part 15 as Subpart D:

Sec.

15.161 Radiation from a community antenna television system.
15.162 Demonstration of compliance.
15.163 Interference from a community antenna television system.
15.164 Responsibility for a receiver generated interference.
15.165 Measurement of field strength.
15.166 Effective date of radiation limits in this subpart.

AUTHORITY: §§ 15.161 to 15.166 issued under sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303.

SUBPART D—COMMUNITY ANTENNA TELEVISION SYSTEMS

§ 15.161 *Radiation from a community antenna television system.* Radiation from a community antenna television system shall be limited as follows:

Frequencies (Mc)	Distance (ft.)	Radiation limits (uv/m)	
		General requirement	Sparsely inhabited area [1]
Up to and including 54	100	15	15
Over 54 up to and including 132	10	20	400
Over 132 up to and including 216	10	50	1,000
Over 216	100	15	15

[1] For the purpose of this section, a sparsely inhabited area is an area where television broadcast signals are not, in fact, being received within 1,000 feet of any part of the community antenna television system.

§ 15.162 *Demonstration of compliance.* The operator of each CATV system shall be responsible for insuring that each such system is designed, installed and operated in a manner which fully complies with the provisions of this subpart. Each system operator shall be prepared to show, upon reasonable demand by an authorized representative of the Commission, that the system does, in fact, comply with the rules.

§ 15.163 *Interference from a community antenna television system.* In the event that the operation of a community antenna television system causes harmful interference to reception of authorized radio stations the operator of the system shall immediately take whatever steps are necessary to remedy the interference.

§ 15.164 *Responsibility for receiver generated interference.* Interference originating in a radio receiver shall be the responsibility of the receiver operator in accordance with the provisions of Subpart C of this part: *Provided, however,* That the operator of the community antenna television system to which the receiver is connected shall be responsible for the suppression of receiver generated interference that is distributed by the system when this interference is conducted into the system at the receiver.

§ 15.165 *Measurement of field strength.* Measurements to determine the field strength of radio frequency energy generated by community antenna television systems shall be made in accordance with standard engineering procedures. Measurements made above 25 megacycles shall include the following:

(a) A field strength meter using a horizontal dipole antenna shall be employed.

(b) Field strength shall be expressed in terms of the RMS value of synchronizing peak.

(c) The dipole antenna shall be placed 12 feet above the ground and positioned directly below the system components. Where such placement results in a separation of less than 10 feet between the center of the dipole antenna and the system components, the dipole shall be repositioned to provide a separation of 10 feet.

(d) The horizontal dipole antenna shall be rotated about a vertical axis and the maximum meter reading shall be used.

(e) Measurements shall be made where other conductors are 10 or more feet away from the measuring antenna.

§ 15.166 *Effective date of radiation limits in this subpart.* (a) The radiation limits for community antenna television systems shall be met by all new systems whose construction begins on or after October 1, 1956, and by all new sections added to existing systems whose construction begins on or after October 1, 1956.

(b) Community antenna television systems in existence on September 30, 1956, shall comply with the radiation limits in these rules not later than December 31, 1959: *Provided,* That any harmful interference to the reception of authorized radio stations caused by such systems shall be promptly remedied during this period by the operator of the CATV system.

[F. R. Doc. 56-5698; Filed, July 17, 1956; 8:45 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

SPECIAL RULES FOR DETERMINING CAPITAL GAINS AND LOSSES

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805).

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

The following regulations are hereby prescribed under part IV (except sections 1233, 1235, and 1237) of subchapter P, relating to special rules for determining capital gains and losses, of the Internal Revenue Code of 1954, and are effective for taxable years beginning after December 31, 1953, and ending after August 16, 1954:

SPECIAL RULES FOR DETERMINING CAPITAL GAINS AND LOSSES

Sec.

1.1231 Statutory provisions; property used in the trade or business and involuntary conversions.
1.1231–1 Gains and losses from the sale or exchange of certain property used in the trade or business.
1.1231–2 Livestock held for draft, breeding, or dairy purposes.
1.1232 Statutory provisions; bonds and other evidences of indebtedness.
1.1232–1 Bonds and other evidences of indebtedness; scope of section.
1.1232–2 Retirement.
1.1232–3 Gain upon sale or exchange of obligations issued at a discount after December 31, 1954.
1.1232–4 Obligations with excess coupons detached.
1.1234 Statutory provisions; options to buy or sell.
1.1234–1 Options to buy or sell.
1.1236 Statutory provisions; dealers in securities.
1.1236–1 Dealers in securities.
1.1238 Statutory provisions; amortization in excess of depreciation.
1.1238–1 Amortization in excess of depreciation.
1.1239 Statutory provisions; gain from sale of certain property between spouses or between an individual and a controlled corporation.
1.1239–1 Gain from sale or exchange of certain property between spouses or between an individual and a controlled corporation.
1.1240 Statutory provisions; taxability to employee of termination payments.
1.1240–1 Capital gains treatment of certain termination payments.

Sec.
1.1241 Statutory provisions; cancellation of lease or distributor's agreement.
1.1241-1 Cancellation of lease or distributor's agreement.

SPECIAL RULES FOR DETERMINING CAPITAL GAINS AND LOSSES

§ 1.1231 *Statutory provisions; property used in the trade or business and involuntary conversions.*

SEC. 1231. *Property used in the trade or business and involuntary conversions*—(a) *General rule.* If, during the taxable year, the recognized gains on sales or exchanges of property used in the trade or business, plus the recognized gains from the compulsory or involuntary conversion (as a result of destruction in whole or in part, theft or seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof) of property used in the trade or business and capital assets held for more than 6 months into other property or money, exceed the recognized losses from such sales, exchanges, and conversions, such gains and losses shall be considered as gains and losses, from sales or exchanges of capital assets held for more than 6 months. If such gains do not exceed such losses, such gains and losses shall not be considered as gains and losses from sales or exchanges of capital assets. For purposes of this subsection—

(1) In determining under this subsection whether gains exceed losses, the gains described therein shall be included only if and to the extent taken into account in computing gross income and the losses described therein shall be included only if and to the extent taken into account in computing taxable income, except that section 1211 shall not apply; and

(2) Losses upon the destruction, in whole or in part, theft or seizure, or requisition or condemnation of property used in the trade or business or capital assets held for more than 6 months shall be considered losses from a compulsory or involuntary conversion.

(b) *Definition of property used in the trade or business.* For purposes of this section—

(1) *General rule.* The term "property used in the trade or business" means property used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 167, held for more than 6 months, and real property used in the trade or business, held for more than 6 months, which is not—

(A) Property of a kind which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year,

(B) Property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or

(C) A copyright, a literary, musical, or artistic composition, or similar property, held by a taxpayer described in paragraph (3) of section 1221.

(2) *Timber or coal.* Such term includes timber and coal with respect to which section 631 applies.

(3) *Livestock.* Such term also includes livestock, regardless of age, held by the taxpayer for draft, breeding, or dairy purposes, and held by him for 12 months or more from the date of acquisition. Such term does not include poultry.

(4) *Unharvested crop.* In the case of an unharvested crop on land used in the trade or business and held for more than 6 months, if the crop and the land are sold or exchanged (or compulsorily or involuntarily converted) at the same time and to the same person, the crop shall be considered as "property used in the trade or business."

§ 1.1231-1 *Gains and losses from the sale or exchange of certain property used in the trade or business.*—(a) *In general.* Section 1231 provides that a taxpayer's gains and losses from the disposition (including involuntary conversion) of assets described in that section as "property used in the trade or business" and from the involuntary conversion of capital assets held for more than 6 months shall be treated as long-term capital gains and losses if the total gains exceed the total losses. If the total gains do not exceed the total losses, all such gains and losses are treated as ordinary gains and losses. Therefore, if the taxpayer has no gains subject to section 1231, a recognized loss from the condemnation (or from a sale or exchange under threat of condemnation) of even a capital asset held for more than 6 months is an ordinary loss. Capital assets subject to section 1231 treatment include only capital assets involuntarily converted. The noncapital assets subject to section 1231 treatment are (1) depreciable business property and business real property held for more than 6 months, other than stock in trade and certain copyrights and artistic property; (2) timber and coal, if disposed of in a manner coming within the provisions of section 631; and (3) certain livestock and unharvested crops. See paragraph (c) of this section.

(b) *Treatment of gains and losses.* For the purpose of applying section 1231 a taxpayer must aggregate his recognized gains and losses from—

(1) The sale, exchange, or involuntary conversion of property used in the trade or business (as defined in section 1231 (b)), and

(2) The involuntary conversion (but not sale or exchange) of capital assets held for more than 6 months.

If the gains to which section 1231 applies exceed the losses to which the section applies, the gains and losses are treated as long-term capital gains and losses and are subject to the provisions of section 1201 through 1212, relating to capital gains and losses. If the gains to which section 1231 applies do not exceed the losses to which the section applies, the gains and losses are treated as ordinary gains and losses. Therefore, a loss from the involuntary conversion of a capital asset held for more than 6 months is treated as an ordinary loss and is not subject to the limitation on capital losses in section 1211. The phrase "involuntary conversion" is defined in paragraph (e) of this section.

(c) *Transactions to which section applies.* Section 1231 applies to recognized gains and losses from the following:

(1) The sale, exchange, or involuntary conversion of property held for more than 6 months and used in the taxpayer's trade or business, which is either real property or is of a character subject to the allowance for depreciation under section 167 (even though fully depreciated), and which is not—

(i) Property of a kind which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of business;

(ii) A copyright, a literary, musical, or artistic composition, or similar property, held by a taxpayer described in section 1221 (3); or

(iii) Livestock held for draft, breeding, or dairy purposes, except to the extent included under subparagraph (4), of this paragraph or poultry.

(2) The involuntary conversion of capital assets held for more than 6 months.

(3) The cutting or disposal of timber, or the disposal of coal, to the extent considered arising from a sale or exchange by reason of the provisions of section 631 and the regulations thereunder.

(4) The sale, exchange, or involuntary conversion of livestock if the requirements of § 1.1231-2 are met.

(5) The sale, exchange, or involuntary conversion of unharvested crops on land which is (i) used in the taxpayer's trade or business and held for more than 6 months, and (ii) sold or exchanged at the same time and to the same person. See paragraph (f) of this section.

For purposes of section 1231, the phrase "property used in the trade or business" means property described in this paragraph (other than property described in subparagraph (2) of this paragraph).

(d) *Extent to which gains and losses are taken into account.* All gains and losses to which section 1231 applies must be taken into account in determining whether and to what extent the gains exceed the losses. For the purpose of this computation, the provisions of section 1211 limiting the deduction of capital losses do not apply, and no losses are excluded by that section. With that exception, gains are included in the computations under section 1231 only to the extent that they are taken into account in computing gross income, and losses are included only to the extent that they are taken into account in computing taxable income. The following are examples of gains and losses not included in the computations under section 1231:

(1) Losses of a personal nature which are not deductible under section 165 (c) or (d), such as losses from the sale of property held for personal use.

(2) Losses which are not deductible under section 267 (relating to losses with respect to transactions between related taxpayers) or section 1091 (relating to losses from wash sales);

(3) Gain on the sale of property (to which section 1231 applies) reported for any taxable year on the installment basis under section 453, except to the extent the gain is to be reported under section 453 for the taxable year;

(4) Gains and losses which are not recognized under section 1002, such as those to which sections 1031 through 1036, relating to common nontaxable exchanges, apply.

(e) *Involuntary conversion.* For purposes of section 1231, the terms "compulsory or involuntary conversion" and "involuntary conversion" of property mean the conversion of property into money or other property as a result of complete or partial destruction, theft or

seizure, or an exercise of the power of requisition or condemnation, or the threat or imminence thereof. Losses upon the complete or partial destruction, theft, seizure, requisition or condemnation of property are treated as losses upon an involuntary conversion whether or not there is a conversion of the property into other property or money. For example, if a capital asset held for more than 6 months, with an adjusted basis of $400, is stolen, and the loss is not compensated for by insurance or otherwise, section 1231 applies to the $400 loss.

(f) *Unharvested crops.* Section 1231 does not apply to a sale, exchange or involuntary conversion of an unharvested crop if the taxpayer retains any right or option to reacquire the land the crop is on, directly or indirectly (other than a right customarily incident to a mortgage or other security transaction). The length of time for which the crop, as distinguished from the land, is held is immaterial. A leasehold or estate for years is not "land" for the purpose of section 1231.

(g) The provisions of this section may be illustrated by the following examples:

Example (1). A, an individual, makes his income tax return on the calendar year basis. A's recognized gains and losses for 1955 of the kind described in section 1231 are as follows:

	Gains	Losses
1. Gain on sale of machinery, used in the business and subject to an allowance for depreciation, held for more than 6 months	$4,000	------
2. Gain reported in 1955 (under sec. 453) on installment sale in 1954 of factory premises used in the business (including building and land, each held for more than 6 months)	6,000	------
3. Gain reported in 1955 (under sec. 453) on installment sale in 1955 of land held for more than 6 months, used in the business as a storage lot for trucks	2,000	------
4. Gain on proceeds from requisition by Government of boat, held for more than 6 months, used in the business and subject to an allowance for depreciation	500	------
5. Loss upon the destruction by fire of warehouse, held for more than 6 months and used in the business (excess of adjusted basis of warehouse over compensation by insurance, etc.)	------	$3,000
6. Loss upon theft of unregistered bearer bonds, held for more than 6 months	------	5,000
7. Loss in storm of pleasure yacht, purchased in 1950 for $1,800 and having a fair market value of $1,000 at the time of the storm	------	1,000
8. Total gains	12,500	
9. Total losses		9,000
10. Excess of gains over losses	3,500	

Since the aggregate of the recognized gains ($12,500) exceeds the aggregate of the recognized losses ($9,000), such gains and losses are treated under section 1231 as gains and losses from the sale or exchange of capital assets held for more than six months.

Example (2). If in example (1) A also had a loss of $4,000 from the sale under threat of condemnation of a capital asset acquired for profit and held for more than six months, then the gains ($12,500) would not exceed the losses ($9,000 plus $4,000, or $13,000). Neither the loss on that sale nor any of the other items set forth in example (1) would then be treated as gains and losses from the sale or exchange of capital assets, but all of such items would be treated as ordinary gains and losses. Likewise, if A had no other gain or loss, the $4,000 loss would be treated as an ordinary loss.

Example (3). A's yacht, used for pleasure and acquired for that use in 1945 at a cost of $25,000, was requisitioned by the Government in 1955 for $15,000. A sustained no loss deductible under section 165 (c) and since no loss with respect to the requisition is recognizable, the loss will not be included in the computations under section 1231.

§ 1.1231–2 *Livestock held for draft, breeding, or dairy purposes.* (a) Section 1231 applies to the sale, exchange, or involuntary conversion of livestock, regardless of age, held by the taxpayer for draft, breeding, or dairy purposes, and held by him for 12 months or more from the date of acquisition. For the purposes of section 1231, the term "livestock" is given a broad, rather than a narrow interpretation and includes cattle, hogs, horses, mules, donkeys, sheep, goats, fur-bearing animals, and other mammals. However, it does not include poultry, chickens, turkeys, pigeons, geese, other birds, fish, frogs, reptiles, etc.

(b) Whether or not livestock is held by the taxpayer for draft, breeding, or dairy purposes depends upon all of the facts and circumstances in each case. The purpose for which the animal is held is ordinarily shown by the taxpayer's actual use of the animal. However, a draft, breeding, or dairy purpose may be present if an animal is disposed of within a reasonable time after its intended use for such a purpose is prevented by accident, disease, or other circumstance. Under certain circumstances, an animal held for ultimate sale to customers in the ordinary course of the taxpayer's trade or business may be considered as held for draft, breeding, or dairy purposes. However, an animal is not held by the taxpayer for draft, breeding, or dairy purposes merely because it is suitable for such purposes or merely because it is held by the taxpayer for sale to other persons for use by them for such purposes. Furthermore, an animal held by the taxpayer for other purposes is not considered as held for draft, breeding, or dairy purposes merely because of a negligible use of the animal for such purposes or merely because of the use of the animal for such purposes as an ordinary or necessary incident to the other purposes for which the animal is held.

(c) These principles may be illustrated by the following examples:

Example (1). An animal intended by the taxpayer for use by him for breeding purposes is discovered to be sterile, and is disposed of within a reasonable time thereafter. This animal is considered as held for breeding purposes.

Example (2). The taxpayer retires from the breeding or dairy business and sells his entire herd, including young animals which would have been used by him for breeding or dairy purposes if he had remained in business. These young animals are considered as held for breeding or dairy purposes.

Example (3). A taxpayer in the business of raising hogs for slaughter customarily breeds sows to obtain a single litter to be raised by him for sale, and sells these brood sows after obtaining the litter. Even though these brood sows are held for ultimate sale to customers in the ordinary course of the taxpayer's trade or business, they are considered as held for breeding purposes.

Example (4). A taxpayer in the business of raising horses for sale to others for use by them as draft horses uses them for draft purposes on his own farm in order to train them. This use is an ordinary or necessary incident to the purpose of selling the animals, and, accordingly, these horses are not considered as held for draft purposes.

Example (5). The taxpayer is in the business of raising registered cattle for sale to others for use by them as breeding cattle. Prior to sale, he causes certain cattle to be bred in a progeny test in order to establish their fitness for sale as registered breeding cattle. The breeding of the cattle is an ordinary or necessary incident to the purpose of selling the animals as registered breeding cattle, and their breeding does not demonstrate that the taxpayer is holding them for breeding purposes. Only breeding cattle used by the taxpayer to produce calves for use in the taxpayer's own herd are considered as held for breeding purposes.

Example (6). A taxpayer, engaged in the business of buying cattle and fattening them for slaughter, purchased cows with calf. The calves were born while the cows were held by the taxpayer. These cows are not considered as held for breeding purposes.

§ 1.1232 *Statutory provisions; bonds and other evidences of indebtedness.*

SEC. 1232. *Bonds and other evidences of indebtedness*—(a) *General rule.* For purposes of this subtitle, in the case of bonds, debentures, notes, or certificates or other evidences of indebtedness, which are capital assets in the hands of the taxpayer, and which are issued by any corporation, or government or political subdivision thereof—

(1) *Retirement.* Amounts received by the holder on retirement of such bonds or other evidences of indebtedness shall be considered as amounts received in exchange therefor (except that in the case of bonds or other evidences of indebtedness issued before January 1, 1955, this paragraph shall apply only to those issued with interest coupons or in registered form, or to those in such form on March 1, 1954).

(2) *Sale or exchange*—(A) *General rule.* Except as provided in subparagraph (B), upon sale or exchange of bonds or other evidences of indebtedness issued after December 31, 1954, held by the taxpayer more than 6 months, any gain realized which does not exceed an amount which bears the same ratio to the original issue discount (as defined in subsection (b)) as the number of complete months that the bond or other evidences of indebtedness was held by the taxpayer bears to the number of complete months from the date of original issue to the date of maturity, shall be considered as gain from the sale or exchange of property which is not a capital asset. Gain in excess of such amount shall be considered gain from the sale or exchange of a capital asset held more than 6 months.

(B) *Exceptions.* This paragraph shall not apply to—

(i) Obligations the interest on which is not includible in gross income under section 103 (relating to certain governmental obligations), or

(ii) Any holder who has purchased the bond or other evidence of indebtedness at a premium.

(C) *Election as to inclusion.* In the case of obligations with respect to which the taxpayer has made an election provided by section 454 (a) and (c) (relating to accounting rules for certain obligations issued at a discount), this section shall not require the inclusion of any amount previously includible in gross income.

(b) *Definitions*—(1) *Original issue discount.* For purposes of subsection (a), the term "original issue discount" means the difference between the issue price and the stated redemption price at maturity. If the original issue discount is less than one-fourth of 1 percent of the redemption price at maturity multiplied by the number of complete years to maturity, then the issue discount shall be considered to be zero. For purposes of this paragraph, the term "stated redemption price at maturity" means the amount fixed by the last modification of the purchase agreement and includes dividends payable at that time.

(2) *Issue price.* In the case of issues of bonds or other evidences of indebtedness registered with the Securities and Exchange Commission, the term "issue price" means the initial offering price to the public (excluding bond houses and brokers) at which price a substantial amount of such bonds or other evidences of indebtedness were sold. In the case of privately placed issues of bonds or other evidence of indebtedness, the issue price of each such bond or other evidence of indebtedness is the price paid by the first buyer of such bond. For purposes of this paragraph, the terms "initial offering price" and "price paid by the first buyer" include the aggregate payments made by the purchaser under the purchase agreement, including modifications thereof.

(3) *Issue date.* In the case of issues of bonds or other evidences of indebtedness registered with the Securities and Exchange Commission, the term "date of original issue" means the date on which the issue was first sold to the public at the issue price. In the case of privately placed issues of bonds or other evidences of indebtedness, the term "date or original issue" means the date on which each such bond or other evidence of indebtedness was sold by the issuer.

(c) *Bond with excess number of coupons detached.* If—

(1) A bond or other evidence of indebtedness issued at any time with interest coupons is purchased after the date of enactment of this title, and

(2) The purchaser does not receive all the coupons which first become payable more than 12 months after the date of the purchase,

then the gain on the sale or other disposition of such evidence of indebtedness by such purchaser shall be considered as gain from the sale or exchange of property which is not a capital asset to the extent that the market value (determined as of the time of the purchase) of the evidence of indebtedness with coupons attached exceeds the purchase price. If this subsection and subsection (a) (2) (A) apply with respect to gain realized on the retirement of any bond, then subsection (a) (2) (A) shall apply with respect to that part of the gain to which this subsection does not apply.

(d) *Cross reference.* For special treatment of face-amount certificates on retirement, see section 72.

§ 1.1232–1 *Bonds and other evidences of indebtedness; scope of section*—(a) *In general.* Section 1232 applies to any bond, debenture, note, or certificate or other evidence of indebtedness (referred to in §§ 1.1232–1 through 1.1232–4 as an obligation) (1) which is a capital asset in the hands of the taxpayer, and (2) which is issued by any corporation, or by any government or political subdivision thereof. In general, section 1232 (a) (1) provides that the retirement of an obligation, other than certain obligations issued before January 1, 1955, is considered to be an exchange and, therefore, is usually subject to capital gain or loss treatment; and section 1232 (a) (2) provides that in the case of a gain realized on the sale or exchange of certain obligations issued at a discount after December 31, 1954, a portion of the gain is considered to represent the recovery of interest and is ordinary income. Section 1232 (c) treats as ordinary income a portion of any gain realized upon the disposition of coupon obligations which were acquired without all coupons maturing more than 12 months after purchase attached.

(b) *Requirement that obligations be capital assets.* In order for section 1232 to be applicable, an obligation must be a capital asset in the hands of the taxpayer. See section 1221 and the regulations thereunder. Obligations held by a dealer in securities (except as provided in section 1236) or obligations arising from the sale of inventory or personal services by the holder are not capital assets.

(c) *Face-amount certificates.* The taxability of amounts received under "face-amount certificates", as defined in sections 2 (a) (15) and 4 of the Investment Company Act of 1940 (15 U. S. C. 80a–2 and 80a–4) which are issued after December 31, 1954, is governed by section 72, rather than section 1232, and is, therefore, subject to the limit on tax provided by section 72 (e) (3). See section 72 (l).

§ 1.1232–2 *Retirement.* Section 1232 (a) (1) provides that any amount received by the holder upon the retirement of an obligation shall be considered as an amount received in exchange therefor. However, this section does not apply to obligations issued before January 1, 1955, which were not issued with interest coupons or in registered form, or were not in registered form on March 1, 1954. With respect to obligations issued with coupons attached or in registered form, whenever issued, and which are held by a bank, see section 582.

§ 1.1232–3 *Gain upon sale or exchange of obligations issued at a discount after December 31, 1954*—(a) *General rule.* Section 1232 (a) (2) (A) provides that gain realized upon the sale or exchange of obligations issued at a discount after December 31, 1954, and held by the taxpayer for more than six months, shall be considered ordinary income to the extent of the "original issue discount" recovered, and the balance of the gain shall be considered as long-term capital gain. The term "original issue discount" is defined in paragraph (b) of this section. The computation of the amount of original issue discount recovered is illustrated in paragraph (c) of this section. Whether gain representing original issue discount and realized upon the sale or exchange of obligations issued at a discount before January 1, 1955, is capital gain or ordinary income shall be determined without reference to section 1232.

(b) *Definitions*—(1) *Original issue discount.* For purposes of section 1232, the term "original issue discount" means the difference between the issue price and the stated redemption price at maturity. The stated redemption price is determined without regard to optional call dates. If the original issue discount is less than one-fourth of one percent of the stated redemption price at maturity, multiplied by the number of full years from the date of original issue to maturity, then the discount shall be considered to be zero. For example, a 10-year bond with a stated redemption price at maturity of $100 issued at $98 would be regarded as having an original issue discount of zero. Thus, any gain realized by the holder would be a long-term capital gain if the bond was a capital asset in the hands of the holder and held by him for more than six months. However, if the bond were issued at $97.50 or less, the original issue discount would not be considered zero. The term "stated redemption price at maturity" means the amount fixed by the last modification of the purchase agreement, including dividends payable at that time. Thus, in the case of face-amount certificates, the redemption price at maturity is the price as modified through changes such as extensions of the purchase agreement and includes any dividends which are payable at maturity. If an obligation is issued for property other than money, the determination of whether an original issue discount exists, and its amount, if any, depends upon the relationship between the fair market value of the property and the face amount of the obligation. If the obligation is issued in an arm's-length transaction and bears a fair rate of interest, the face amount of the obligation will be presumed to represent the fair market value of the property, unless it appears that the parties to the transaction intended otherwise.

(2) *Issue price.* The term "issue price" in the case of obligations registered with the Securities and Exchange Commission means the initial offering price to the public at which price a substantial amount of such obligations were sold. For this purpose, the term "the public" does not include bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. Ordinarily, the issue price will be the first price at which the obligations were sold to the public, and the issue price will not change if, due to market developments, part of the issue must be sold at a different price. When obligations are privately placed, the issue price of each obligation is the price paid by the first buyer of the particular obligation, irrespective of the issue price of the remainder of the issue. The terms "initial offering price" and "price paid by the first buyer" include the aggregate payments made by the purchaser under the purchase agreement, including modifications thereof.

Thus, all amounts paid by the purchaser under the purchase agreement or a modification of it are included in the issue price, such as amounts paid upon face-amount certificates or installment trust certificates in which the purchaser contracts to make a series of payments which will be returnable with an increment at a later date.

(3) *Date of original issue.* In the case of issues of obligations which are registered with the Securities and Exchange Commission, the term "date of original issue" means the date on which the issue was first sold to the public at the issue price. In the case of issues which are privately placed, the term "date of original issue" means the date on which each obligation was sold to the original purchaser.

(c) *Computation of amount of original discount recovered.* The amount of the original issue discount considered to be recovered by the holder is computed by multiplying the original issue discount by a fraction, the numerator of which is the number of full months the obligation was held by the holder and the denominator of which is the number of full months from the date of original issue to the date specified as the redemption date at maturity. (See paragraph (b) (3) of this section for definition of "date of original issue".) The period that the obligation was held by the holder is determined under section 1223 and the regulations thereunder. This computation is illustrated by the following examples:

Example (1). An individual purchases a 10-year, 3 percent coupon bond for $900 on original issue on February 1, 1955, and sells it on February 20, 1960 for $940. The redemption price is $1,000. The bond has been held by the taxpayer for 60 full months. (The additional days amounting to less than a full month are not taken into account.) The number of complete months from date of issue to date of maturity is 120 (10 years). The fraction $\frac{60}{120}$ multiplied by the discount of $100 is equal to $50 which represents the proportionate part of the original issue discount attributable to the period of ownership by the taxpayer. Accordingly, any part of the gain up to $50 will be treated as ordinary income. Therefore, in this case the entire gain of $40 is treated as ordinary income.

Example (2). Assume the same facts in the preceding example, except that the selling price of the bond is $970. In this case $50 of the gain of $70 is treated as ordinary income and the balance of $20 is treated as long-term capital gain.

Example (3). Assume the same facts as in example (1), except that the selling price of the bond is $800. In this case, the individual has a long-term capital loss of $100.

Example (4). Assume the same facts as in example (1), except that the bond is purchased by the second holder February 1, 1960, for $800. The second holder keeps it to the maturity date (February 1, 1965) when it is redeemed for $1,000. Since that holder has held the bond for 60 full months, he will, upon redemption, have $50 in ordinary income and $150 in long-term capital gain.

(d) *Exceptions to the general rule.* Section 1232 (a) (2) (B) provides that section 1232 (a) (2) (A) does not apply (1) to obligations the interest on which is excluded from gross income under section 103 (relating to certain government obligations), or (2) to any holder who purchased an obligation at a premium. A taxpayer whose basis for an obligation is the same as the basis for the obligation would have been in the hands of a holder who purchased it at a premium is considered a holder who purchased the obligation at a premium. Thus, the donee of an obligation purchased at a premium by the donor will be considered a holder who purchased the obligation at a premium.

(e) *Amounts previously includible in income.* Any amount previously includible in a taxpayer's income on account of obligations issued at a discount and redeemable for fixed amounts increasing at stated intervals is not again includible in his gross income under section 1232. For example, amounts includible in gross income by a cash method taxpayer who has made an election under section 454 (a) or (c) (relating to accounting rules for certain obligations issued at a discount) are not includible in gross income under section 1232. In the case of a gain which would include, under section 1232, an amount considered to be ordinary income and a further amount considered long-term capital gain, any amount to which this paragraph applies is first used to offset the amount considered ordinary income. For example, on January 1, 1955, A purchases a ten-year bond which is redeemable for fixed amounts increasing at stated intervals. The purchase price of the bond is $75 which is also the issue price. The stated redemption price at maturity of the bond is $100. A elects to treat the annual increase in the redemption price of the bond as income pursuant to section 454 (a). On January 1, 1960, A sells the bond for $90. A's gain on this sale is $15. The total stated increase in the redemption price of the bond which A has reported annually as income for the taxable years 1955 through 1959 is $7. A's gain which is attributable to the original discount recovered is $12.50, computed as follows:

$$\frac{\text{60 (months bond is held by A)}}{\text{120 (months from date of original issue to redemption date)}} \times \$25 \text{ (original issue discount)}.$$

However, $7 which represents the annual stated increase taken into income is offset against the amount of $12.50, leaving $5.50 of ordinary income from the sale. The $2.50 balance of the gain from the sale, ($15 minus $12.50) is considered long-term capital gain.

(f) *Record keeping requirements.* In the case of any obligation held by a taxpayer which was issued at an original issue discount after December 31, 1954, the taxpayer shall keep a record of the issue price and issue date upon or with each such obligation (if known to or reasonably ascertainable by him). The issuer (or in the case of obligations first sold to the public through an underwriter or wholesaler, the underwriter or wholesaler) shall mark the issue price and issue date upon every obligation which is issued at an original issue discount after the promulgation of the regulations under section 1232.

§ 1.1232–4 *Obligations with excess coupons detached.* Section 1232 (c) provides that if an obligation which is issued at any time with interest coupons is purchased after August 16, 1954, and the purchaser does not receive all the coupons which first become payable more than 12 months after the date of the purchase, any gain on the later sale or other disposition of the obligation by the purchaser (or by a transferee of the purchaser whose basis is determined by reference to the purchaser) shall be treated as ordinary income to the extent that the fair market value of the obligation (determined as of the time of the purchase) with coupons attached exceeds the purchase price. If both the preceding sentence and section 1232 (a) (2) (A) apply with respect to the gain realized on the retirement or other disposition of an obligation, then section 1232 (a) (2) (A) shall apply only with respect to that part of the gain to which the preceding sentence does not apply. For example, a $100 bond which sells at $90 with all its coupons attached is purchased by A for $80 with 3 years' coupons detached. Three years later, A sells the bond for $92. The first $10 of the $12 profit is taxable as ordinary income. The remaining $2 gain is taxable either as ordinary income or as long-term capital gain, depending upon the application of section 1232 (a) (2) (A).

§ 1.1234 *Statutory provisions; options to buy or sell.*

SEC. 1234. *Options to buy or sell.* Gain or loss attributable to the sale or exchange of, or loss on failure to exercise, a privilege or option to buy or sell property which in the hands of the taxpayer constitutes (or if acquired would constitute) a capital asset shall be considered gain or loss from the sale or exchange of a capital asset; and, if the loss is attributable to failure to exercise such privilege or option, the privilege or option shall be deemed to have been sold or exchanged on the day it expired. This section shall not apply to losses on failure to exercise options described in section 1233 (c).

§ 1.1234–1 *Options to buy or sell.*—(a) *Sale or exchange.*—(1) *Capital assets.* Gain or loss from the sale or exchange of an option (or privilege) to buy or sell property which is (or if acquired would be) a capital asset in the hands of the taxpayer holding the option is considered as gain or loss from the sale or exchange of a capital asset (unless under the provisions of subparagraph (2) of this paragraph, the gain or loss is subject to the provisions of section 1231). The period for which the taxpayer has held the option determines whether the capital gain or loss is short-term, or long-term, unless the acquisition of the option is considered as a short sale under section 1233 (b) (see paragraph (c) (1) of this section).

(2) *Section 1231 transactions.* Gain or loss from the sale or exchange of an option to buy or sell property is considered a gain or loss subject to the provisions of section 1231 if, had the sale or exchange been of the property subject to the option, held by the taxpayer

for the length of time he held the option, the sale or exchange would have been subject to the provisions of section 1231.

(3) *Other property.* Gain or loss from the sale or exchange of an option to buy or sell property which is not (or if acquired would not be) a capital asset in the hands of the taxpayer holding the option is considered ordinary income or loss (unless under the provisions of subparagraph (2) of this paragraph the gain or loss is subject to the provisions of section 1231).

(b) *Failure to exercise option.* If the holder of an option to buy or sell property incurs a loss on failure to exercise the option, the option is deemed to have been sold or exchanged upon the date that it expired. Any such loss to the holder of an option is treated under the general rule provided in paragraph (a) of this section. Any gain to the grantor of an option arising from the failure of the holder to exercise it is ordinary income.

(c) *Certain options to sell property at a fixed price (puts)*—(1) *Exercise or failure to exercise puts.* If a taxpayer exercises or fails to exercise an option to sell property described in section 1233 (e) (2) (A) at a fixed price (a put), and if he or his spouse had held substantially identical property for less than 6 months when he acquired the option (or acquired substantially identical property while he held the option), any gain realized is treated as short-term capital gain under section 1233 (b) (1) and the holding period of the substantially identical property is determined under section 1233 (b) (2) (unless the option is one described in section 1233 (c) and subparagraph (2) of this paragraph). See sections 1233 (b) and (e), and the regulations thereunder since section 1234 has no application to such a transaction.

(2) *Hedging transactions.* Section 1234 does not apply to a loss on the failure to exercise an option to sell property at a fixed price which is acquired on the same day on which the property identified as intended to be used in exercising the option is acquired. Such a loss is not recognized, but the cost of the option is added to the basis of the property with which it is identified. See section 1233 (c) and the regulations thereunder.

(d) *Dealers in options to buy or sell.* Any gain or loss realized by a dealer in options from the sale or exchange of an option to buy or sell property is considered ordinary income or loss under paragraph (a) (3) of this section. A dealer in options to buy or sell property is considered a dealer in the property subject to the option.

(e) *Other exceptions.* Section 1234 does not apply to gain resulting from the sale or exchange of an option—

(1) To the extent that the gain is in the nature of compensation (see section 61 and the regulations thereunder, relating to employee stock options);

(2) If the option is treated as section 306 stock (see section 306 and the regulations thereunder, relating to dispositions of certain stock); or

(3) To the extent that the gain is a distribution of earnings or profits taxable as a dividend (see section 301 and the regulations thereunder, relating to distributions of property).

(f) *Limitations on effect of section.* Losses to which section 1234 applies are subject to the limitations on losses under sections 165 (c) and 1211 when applicable. Section 1234 does not permit the deduction of any loss which is disallowed under any other provision of law.

(g) *Examples.* The rules set forth in this section may be illustrated by the following examples:

Example (1). A taxpayer is considering buying a new house for his residence and acquires an option to buy a certain house at a fixed price. Although the property goes up in value, the taxpayer decides he does not want the house for his residence and sells the option for more than he paid for it. The gain which taxpayer realized is a capital gain since the property, if acquired, would have been a capital asset in his hands.

Example (2). Assume the same facts as in example (1), except that the property goes down in value, and the taxpayer decides not to purchase the house. He sells the option at a loss. While this is a capital loss under section 1234, it is not a deductible loss because of the provisions of section 165 (c).

Example (3). A dealer in industrial property acquires an option to buy an industrial site and fails to exercise the option. The loss is an ordinary loss since he would have held the property for sale to customers in the ordinary course of his trade or business if he had acquired it.

§ 1.1236 *Statutory provisions; dealers in securities.*

SEC. 1236. *Dealers in securities*—(a) *Capital gains.* Gain by a dealer in securities from the sale or exchange of any security shall in no event be considered as gain from the sale or exchange of a capital asset unless—

(1) The security was, before the expiration of the 30th day after the date of its acquisition, clearly identified in the dealer's records as a security held for investment or if acquired before October 20, 1951, was so identified before November 20, 1951; and

(2) The security was not, at any time after the expiration of such 30th day, held by such dealer primarily for sale to customers in the ordinary course of his trade or business.

(b) *Ordinary losses.* Loss by a dealer in securities from the sale or exchange of any security shall, except as otherwise provided in section 582 (c), (relating to bond, etc., losses of banks), in no event be considered as loss from the sale or exchange of property which is not a capital asset if at any time after November 19, 1951, the security was clearly identified in the dealer's records as a security held for investment.

(c) *Definition of security.* For purposes of this section, the term "security" means any share of stock in any corporation, certificate of stock or interest in any corporation, note, bond, debenture, or evidence of indebtedness, or any evidence of an interest in or right to subscribe to or purchase any of the foregoing.

§ 1.1236–1 *Dealers in securities*—(a) *Capital gains.* Section 1236 (a) provides that gain realized by a dealer in securities from the sale or exchange of a security (as defined in paragraph (c) of this section), shall not be considered as gain from the sale or exchange of a capital asset unless—

(1) The security is, before the expiration of the thirtieth day after the date of its acquisition, clearly identified in the dealer's records as a security held for investment, or if acquired before October 20, 1951, was so identified before November 20, 1951; and

(2) The security is not held by the dealer primarily for sale to customers in the ordinary course of his trade or business at any time after the identification referred to in subparagraph (1) of this paragraph has been made.

Unless both of these requirements are met, the gain is considered as gain from the sale of assets held by the dealer primarily for sale to customers in the course of his business.

(b) *Ordinary losses.* Section 1236 (b) provides that a loss sustained by a dealer in securities from the sale or exchange of a security shall not be considered a loss from the sale or exchange of property which is not a capital asset if at any time after November 19, 1951, the security has been clearly identified in the dealer's records as a security held for investment. Once a security has been identified after November 19, 1951, as being held by the dealer for investment, it shall retain that character for purposes of determining loss on its ultimate disposition, even though at the time of its disposition the dealer holds it primarily for sale to his customers in the ordinary course of business. However, section 1236 has no application to the extent that section 582 (c) applies to losses of banks.

(c) *Definitions*—(1) *Security.* For the purposes of this section, the term "security" means any share of stock in any corporation, any certificate of stock or interest in any corporation, any note, bond, debenture, or other evidence of indebtedness, or any evidence of any interest in, or right to subscribe to or purchase, any of the foregoing.

(2) *Dealer in securities.* For definition of a "dealer in securities," see the regulations under section 471.

(d) *Identification of security in dealer's records.* (1) A security is clearly identified in the dealer's records as a security held for investment when there is an accounting separation of the security from other securities, as by (i) making appropriate entries in the dealer's books of account to distinguish the security from inventories and to designate it as an investment, and (ii) indicating with such entries, to the extent feasible, the individual serial number of, or other characteristic symbol imprinted upon, the individual security.

(2) In computing the 30-day period within which the security must be clearly identified, and after which the security must be deemed held primarily for sale to customers in the ordinary course of the trade or business if it is not so identified, the first day of the period is the day following the date of acquisition. Thus, in the case of a security acquired on March 18, 1957, the 30-day period expires at midnight on April 17, 1957.

§ 1.1238 *Statutory provisions; amortization in excess of depreciation.*

SEC. 1238. *Amortization in excess of depreciation.* Gain from the sale or exchange of property, to the extent that the adjusted basis of such property is less than its adjusted basis determined without regard to section 168 (relating to amortization deduc-

tion of emergency facilities), shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231.

§ 1.1238–1 *Amortization in excess of depreciation*—(a) *In general.* Section 1238 provides that if a taxpayer is entitled to a deduction for amortization of an emergency facility under section 168, and if the facility is later sold or exchanged, any gain realized shall be considered as ordinary income to the extent the amortization deduction exceeds normal depreciation. Thus, under section 1238 gain from a sale or exchange of property shall be considered as ordinary income to the extent that its adjusted basis is less than its adjusted basis would be if it were determined without regard to section 168. If an entire facility is certified under section 168 (e), the taxpayer may use allowances for depreciation, based on any rate and method which would have been proper if the basis of the facility were not subject to amortization under section 168, in determining what the adjusted basis of the facility would be if it were determined without regard to section 168. If only a portion of a facility is certified under section 168 (e), allowances for depreciation based on the rate and method properly used with respect to the uncertified part of the facility are used in determining what the adjusted basis of the facility would be if it were determined without regard to section 168. The principles of this paragraph may be illustrated by the following examples:

Example (1). On December 31, 1954, a taxpayer making his income tax returns on a calendar year basis acquires at a cost of $20,000 an emergency facility (used in his business) 50 percent of the adjusted basis of which has been certified under section 168 (e). The facility would normally have a useful life of 20 years. Under section 168 the taxpayer elects to begin the 60-month amortization period on January 1, 1955. He takes amortization deductions with respect to the certified portion in the amount of $4,000 for the years 1955 and 1956 (24 months). With respect to the uncertified portion, the straight line method of depreciation is used and a deduction for depreciation in the amount of $1,000 is claimed and allowed for the years 1955 and 1956 (2 years at $500). On December 31, 1956, he sells the facility for $19,000. The adjusted basis of the certified portion on that date is $6,000 ($10,000 cost, less $4,000 amortization). Without regard to section 168, and using the rate and method the taxpayer properly applied to the uncertified portion of the facility, the adjusted basis of the certified portion on December 31, 1956, would be $9,000 ($10,000 cost, less $1,000 depreciation). The difference between the facility's actual adjusted basis ($15,000) and its adjusted basis determined without regard to section 168 ($18,000), is $3,000. Accordingly, $3,000 of the $4,000 gain on the sale of the facility ($19,000 sale price, less $15,000 adjusted basis) is treated as ordinary income and the remaining $1,000 gain is subject to the provisions of section 1231.

Example (2). Assume that the entire facility in example (1) had been certified under section 168 (e) and that, therefore, the adjusted basis of the facility on December 31, 1956, is $12,000. Assume further that the taxpayer adopts straight line depreciation as a proper method of depreciation for determining the adjusted basis of the facility without regard to section 168. Thus, the adjusted basis, without regard to section 168, would be $18,000. This amount is $6,000 more than the $12,000 adjusted basis under section 168. Hence, $6,000 of the $7,000 gain on the sale of the facility ($19,000 sale price less $12,000 adjusted basis) is treated as ordinary income, and the remaining $1,000 gain is subject to the provisions of section 1231.

(b) *Substituted basis.* If a taxpayer acquires other property in an exchange for an emergency facility with respect to which amortization deductions have been allowed or allowable, and if the basis in his hands of the other property is determined by reference to the basis of the emergency facility, then the basis of the other property is determined with regard to section 168, and therefore the provisions of section 1238 apply with respect to gain realized on a subsequent sale or exchange of the other property. The provisions of section 1238 also apply to gain realized on the sale or exchange of an emergency facility (or other property acquired, as described in the preceding sentence, in exchange for an emergency facility) by a taxpayer in whose hands the basis of the facility (or other property) is determined by reference to its basis in the hands of another person to whom deductions were allowable or allowed with respect to the facility under section 168.

§ 1.1239 *Statutory provisions; gain from sale of certain property between spouses or between an individual and a controlled corporation.*

SEC. 1239. *Gain from sale of certain property between spouses or between an individual and a controlled corporation*—(a) *Treatment of gain as ordinary income.* In the case of a sale or exchange, directly or indirectly, of property described in subsection (b)—

(1) Between a husband and wife; or

(2) Between an individual and a corporation more than 80 percent in value of the outstanding stock of which is owned by such individual, his spouse, and his minor children and minor grandchildren;

any gain recognized to the transferor from the sale or exchange of such property shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231.

(b) *Section applicable only to sales or exchanges of depreciable property.* This section shall apply only in the case of a sale or exchange by a transferor of property which in the hands of the transferee is property of a character which is subject to the allowance for depreciation provided in section 167.

§ 1.1239–1 *Gain from sale or exchange of certain property between spouses or between an individual and a controlled corporation.* Section 1239 provides in general that any gain from the sale or exchange of depreciable property between a husband and wife or between an individual and a controlled corporation shall be treated as ordinary income. Thus, any gain recognized to the transferor from a sale or exchange after May 3, 1951, directly or indirectly, between a husband and wife or between an individual and a controlled corporation, of property which, in the hands of the transferee, is property of a character subject to an allowance for depreciation provided in section 167 (including such property on which a deduction for amortization is allowable under section 168 or 169) shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. For the purpose of section 1239, a corporation is controlled when more than 80 percent in value of all outstanding stock of the corporation is beneficially owned by the taxpayer, his spouse, and his minor children and minor grandchildren. For the purpose of this section, the terms "children" and "grandchildren" include legally adopted children and their children. The provisions of section 1239 (a) (2) are applicable whether property is transferred from a corporation to a shareholder or from a shareholder to a corporation.

§ 1.1240 *Statutory provisions; taxability to employee of termination payments.*

SEC. 1240. *Taxability to employee of termination payments.* Amounts received from the assignment or release by an employee, after more than 20 years' employment, of all his rights to receive, after termination of his employment and for a period of not less than 5 years (or for a period ending with his death), a percentage of future profits or receipts of his employer shall be considered an amount received from the sale or exchange of a capital asset held for more than 6 months if—

(1) Such rights were included in the terms of the employment of such employee for not less than 12 years,

(2) Such rights were included in the terms of the employment of such employee before the date of enactment of this title, and

(3) The total of the amounts received for such assignment or release is received in one taxable year and after the termination of such employment.

§ 1.1240–1 *Capital gains treatment of certain termination payments.* Any amounts received by an employee for the assignment or release of all his rights to receive, after termination of his employment and for a period of not less than five years or for a period ending with his death, a percentage of the profits or receipts of his employer attributable to a time subsequent to such termination, are considered received from the sale or exchange of a capital asset held for more than six months if the following requirements are met:

(a) The employee was employed by the employer, in whose future profits or receipts the employee had an interest, for a period of more than 20 years before the assignment or release by the employee of his rights in such future profits or receipts,

(b) The full rights of the employee to the percentage of the future profits or receipts of such employer, which rights are the subject of the assignment or release, were incorporated in the terms of the contract of employment between the employee and the employer for a period of at least 12 years, and were so incorporated before August 16, 1954,

(c) The assignment or release was made after the termination of the employee's employment with such employer,

(d) The assignment or release conveyed all the rights of the employee in the future profits or receipts of such

employer and conveyed no other rights of the employee, and

(c) The total amount to which the employee became entitled pursuant to the assignment or release was received by the employee after the termination of his employment with such employer and in one taxable year of the employee.

The requirement that the assignment or release be made after the termination of the employee's employment contemplates a complete and bona fide termination of the relationship of employer and employee. This requires more than a mere termination of such relationship under the particular contract or contracts of employment pursuant to which the employee acquired his rights in the future profits or receipts of the employer. The contract need not expressly provide that the employee shall share in the future profits or receipts of the employer for a minimum period of five years. However, if the contract does not expressly so provide and the assignment or release is made before the expiration of five years following the termination of employment, the terms of the contract considered in conjunction with the facts in the particular situation must establish that the rights of the employee to a percentage of future profits or receipts, in all probability, will extend to a period of not less than five years from the date of termination of employment or for a period ending with his death. Section 1240 has application only to an assignment or release made by the employee who acquired the right to a percentage of future profits or receipts of the employer, and has no application to amounts received other than as payment for assignment or release of such right. Section 1240 has no effect upon the determination of the income tax of the employer making the payment to the employee.

§ 1.1241 *Statutory provisions; cancellation of lease or distributor's agreement.*

SEC. 1241. *Cancellation of lease or distributor's agreement.* Amounts received by a lessee for the cancellation of a lease, or by a distributor of goods for the cancellation of a distributor's agreement (if the distributor has a substantial capital investment in the distributorship), shall be considered as amounts received in exchange for such lease or agreement.

§ 1.1241–1 *Cancellation of lease or distributor's agreement*—(a) *In general.* Section 1241 provides that proceeds received by lessees or distributors from the cancellation of leases or of certain distributorship agreements are considered as amounts received in exchange therefor. Section 1241 applies to leases of both real and personal property. Distributorship agreements to which section 1241 applies are described in paragraph (c) of this section. Section 1241 has no application in determining whether or not a cancellation not qualifying under that section is a sale or exchange. Further, section 1241 has no application in determining whether or not a lease or a distributorship agreement is a capital asset, even though its cancellation qualifies as an exchange under section 1241.

(b) *Definition of "cancellation".* The term "cancellation" of a lease or a distributor's agreement, as used in section 1241, means a termination of all the contractual rights of a lessee or distributor with respect to particular premises or a particular distributorship, other than by the expiration of the lease or agreement in accordance with its terms. A payment made in good faith for a partial cancellation of a lease or a distributorship agreement is recognized as an amount received for cancellation under section 1241 if the cancellation relates to a severable economic unit, such as a portion of the premises covered by a lease, a reduction in the unexpired term of a lease or distributorship agreement, or a distributorship in one of several areas or of one of several products. Payments made for other modifications of leases or distributorship agreements, however, are not recognized as amounts received for cancellation under section 1241.

(c) *Amounts received upon cancellation of a distributorship agreement.* Section 1241 applies to distributorship agreements only if they are for marketing or marketing and servicing of goods. It does not apply to agreements for selling intangible property or for rendering personal services as, for example, agreements establishing insurance agencies or agencies for the brokerage of securities. Further, it only applies to a distributorship agreement if the distributor has made a substantial investment of capital in the distributorship. The substantial capital investment must be reflected in physical assets such as inventories of tangible goods, equipment, machinery, storage facilities, or similar property. An investment is not considered substantial for purposes of section 1241 unless a distributor either owns a significant fraction or more of the facilities for storing, transporting, processing or otherwise dealing with the goods distributed, or maintains a substantial inventory. The investment required in the maintenance of an office merely for clerical operations is not considered substantial for purposes of this section. Furthermore, section 1241 shall not apply unless a substantial amount of the capital or assets needed for carrying on the operations of a distributorship are acquired by the distributor and actually used in carrying on the distributorship at some time before the cancellation of the distributorship agreement. It is immaterial for the purposes of section 1241 whether the distributor acquired the assets used in performing the functions of the distributorship before or after beginning his operations under the distributorship agreement. It is also immaterial whether the distributor is a retailer, wholesaler, jobber, of other type of distributor. The application of this paragraph may be illustrated by the following examples:

Example (1). Taxpayer is a distributor of various food products. He leases a warehouse including cold storage facilities and owns a number of motor trucks. In 1955 he obtains the exclusive rights to market certain frozen food products in his State. The marketing is accomplished by using the warehouse and trucks acquired before he entered into the agreement and entails no additional capital. Payments received upon the cancellation of the agreement are treated under section 1241 as though received upon the sale or exchange of the agreement.

Example (2). Assume that the taxpayer in example (1) entered into an exclusive distributorship agreement with the producer under which the taxpayer merely solicits orders through his staff of salesmen, the goods being shipped direct to the purchasers. Payments received upon the cancellation of the agreement would not be treated under section 1241 as though received upon the sale or exchange of the agreement.

Example (3). Taxpayer is an exclusive distributor for M city of certain frozen food products which he distributes to frozen-food freezer and locker customers. The terms of his distributorship do not make it necessary for him to have any substantial investment in inventory. Taxpayer rents a loading platform for a nominal amount, but has no warehouse space. Orders for goods from customers are consolidated by the taxpayer and forwarded to the producer from time to time. Upon receipt of these goods, taxpayer allocates them to the individual orders of customers and delivers them immediately by truck. Although it would require a fleet of fifteen or twenty trucks to carry out this operation, the distributor uses only one truck of his own and hires cartage companies to deliver the bulk of the merchandise to the customers. Payments received upon the cancellation of the distributorship agreement in such a case would not be considered received upon the sale or exchange of the agreement under section 1241 since the taxpayer does not have facilities for the physical handling of more than a small fraction of the goods involved in carrying on the distributorship and, therefore, does not have a substantial capital investment in the distributorship. On the other hand, if the taxpayer had acquired and used a substantial number of the trucks necessary for the deliveries to his customers, payments received upon the cancellation of the agreement would be considered received in exchange therefor under section 1241.

[F. R. Doc. 56-5772; Filed, July 17, 1956; 8:57 a. m.]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 101]

ALASKA COMMERCIAL FISHERIES

NOTICE OF PROPOSED RULE MAKING

Pursuant to section 4 (a) of the Administrative Procedure Act, approved June 11, 1946 (60 Stat. 237; 5 U. S. C. 1003), and the authority contained in the act of June 6, 1924 (43 Stat. 465, 48 U. S. C. 221, et seq.), as amended and supplemented, notice is hereby given that the Secretary intends to take the following action:

Adopt amended regulations permitting and governing the time, means, and methods for the taking of commercial fish in the waters of Alaska, and related matters.

The foregoing regulations are to be effective beginning about February 1, 1957, and to continue in effect thereafter until further notice.

Interested persons are hereby given an opportunity to participate in considering changes in the regulations by submitting their views, data, or arguments in writing to the Director of the Fish and Wildlife Service, Department of the Interior, Washington 25, D. C., on or before November 20, 1956, or by presenting their

views at a series of open discussions scheduled to be held as follows:

Dillingham, Alaska: October 1.
Anchorage, Alaska: October 3.
Homer, Alaska: October 4.
Kodiak, Alaska: October 6.
Cordova, Alaska: October 8.
Juneau, Alaska: October 15.
Sitka, Alaska: October 16.
Ketchikan, Alaska: October 18.
Wrangell, Alaska: October 19.
Seattle, Wash.: November 7, 8 and 9.

The hour and place of each meeting will be announced by the local representative of the Fish and Wildlife Service at the places indicated above.

WESLEY A. D'EWART,
Assistant Secretary of the Interior.

JULY 12, 1956.

[F. R. Doc. 56-5703; Filed, July 17, 1956; 8:47 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 964]

[Docket No. AO 258-A1]

DRIED FIGS PRODUCED IN CALIFORNIA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS OF MARKETING AGREEMENT AND ORDER

Pursuant to the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900; 19 F. R. 57), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to proposed amendments of Marketing Agreement No. 123, and Order No. 64 (20 F. R. 1685) regulating the handling of dried figs produced in California. The marketing agreement and order (hereinafter referred to as the "order"), are effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), (hereinafter referred to as the "act"), and any amendments which may be adopted as a result of this proceeding also will be effective pursuant to said act. Interested parties may file written exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington 25, D. C., not later than the close of business on the tenth day after publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. A public hearing, on the record of which the proposed amndments of the order are formulated, was held at Fresno, California, on June 11, 1956. The hearing was initiated pursuant to a notice thereof which was published in the FEDERAL REGISTER (21 F. R. 3800) of June 2, 1956. The notice of hearing included proposed amendments received from two handlers of dried figs. At the public hearing, the Dried Fig Administrative Committee (hereinafter referred to as the "committee"), established pursuant to the order as the agency to administer the terms and provisions thereof, became a proponent of the same amendments. The notice also contained an amendment proposed by the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture.

Material issues. The material issues presented on the record of the hearing were concerned with amending the order to provide for:

(1) Deletion of obsolete language in the order relating to the initial and successor members and alternate members of the committee;

(2) Changing the term of office of the eleventh member of the committee from a term ending May 31 to a one year term beginning July 1;

(3) Voting by mail or telegraph, under certain conditions, on propositions considered for adoption by the committee;

(4) Deletion of a provision in the order restricting the conditions under which head count tests for insects shall be required in inspecting dried figs or sliced dried figs for manufacture into fig paste; and

(5) Making such other changes in the order as may be necessary to make the entire order conform with the proposed amendments thereto.

Findings and conclusions. The following findings and conclusions on the material issues are based upon the evidence adduced at the hearing and the record thereof:

(1) The order should be amended by deleting provisions relating to the initial or original members and alternate members of the committee and the successors to such initial or original members and alternate members. These deletions should be made so that the provisions, as amended, relating to the committee will include only those which are necessary in future operations. Since the terms of office of the initial members and alternate members expired May 31, 1955, the retention of provisions differentiating between initial members and successor members would serve no useful purpose. These changes would involve the deletion of existing § 964.21 (a), the deletion from existing §§ 964.21 (b) and (c), 964.24 and 964.26 of all language making reference, either direct or implied, to the original and successor members and alternate members, and the substitution, for existing § 964.21 (a) of present § 964.21 (c) as proposed to be revised.

(2) The provisions of § 964.21 (b) of the order should be further amended to provide that in the event the committee shall nominate an eleventh member, he may be selected by the Secretary to serve for one year, beginning July 1. The order now provides, in the event of such nomination by the committee, that the eleventh member may be selected by the Secretary for the balance of the year which the producer and handler members are serving, namely a year ending May 31. Under the present provisions relating to the terms of office of the producer and handler members, such members and their alternates serve until their respective successors are selected and qualify by accepting their appointments, but the eleventh member does not continue to serve after May 31.

The eleventh member of the committee, when there is one, serves as its chairman. Under the existing provisions, if the committee taking office June 1 nominates an eleventh member, he cannot begin to function officially until he has been selected by the Secretary; hence, for a time the committee would be without a chairman. The proposed amendment should avert such a situation, since the expiration of the term of office of the eleventh member on June 30 instead of May 31 would provide sufficient time for the nomination and selection of a person to fill such position during the next year beginning July 1.

(3) The provisions of § 964.34 (c) of the order, relating to voting requirements of the committee, should be amended by adding at the end thereof a new provision authorizing the committee to vote by mail or telegraph when there is no assembled meeting. The present provisions provide only for voting in an assembled meeting. It should be provided that any proposition to be voted upon by mail or telegraph first shall be explained accurately, fully and identically by mail or telegraph to all members, and that a unanimous vote of all members or alternates acting in the place and stead of members shall be required to reach a decision on a mail or telegraphic vote. Failure to receive a vote from any member or from his alternate acting in his place and stead, within a prescribed time, should be held to be a dissenting vote. Also, it should be provided that no action to establish volume regulation under § 964.55 of the order can be taken on the basis of a mail or telegraphic vote.

This proposed amendment would eliminate the necessity of calling a meeting for the transaction of routine committee business involving only propositions on which no controversy exists and which do not require extensive deliberation or discussion.

The first part of § 964.34 (c), relating to a quorum, should be amended to clarify the fact that the provision would be applicable only to a vote in an assembled meeting.

(4) The provisions of subparagraph (2) of § 964.90 (c) *Maximum tolerances for dried figs for shipment or other final disposition*, should be amended by deleting the final sentence thereof and by amending the introductory part of the first sentence preceeding the colon to clarify the applicability of the provisions to sliced dried figs being prepared as fig paste and sliced dried figs being prepared for disposition as sliced dried figs for later manufacture into fig paste. The sentence proposed to be deleted refers to a particular type of laboratory test for the prevalence of insects in dried figs or sliced dried figs for use in the manufacture of fig paste, such test being intended to be used only as conditions may warrant. The existing provisions requires rule making procedure to change the varieties of dried figs, or blends thereof, for which this particular test shall be required.

It was testified at the hearing that the existing provisions have hampered

proper inspection of dried figs in that needed actions with respect to head count tests cannot be authorized quickly enough through rule making procedures, and that a rule requiring the test cannot quickly be changed when the necessity for it no longer exists. In 1955 it was necessary for the committee to obtain a voluntary industry agreement to apply head count tests to an additional variety of dried figs, pending completion of formal rule making. It was testified also that it is not necessarily true that all lots of a variety of dried figs require the head count test, since some lots may have very low or no infestation; that it would be inappropriate to place a duty upon the inspection agency and at the same time deny it the tool which it needs to determine whether or not the head count is excessive; and that the inspection agency should be free to use or not to use the analysis (head count test), depending on the condition of an individual lot as determined by other methods.

Further testimony was adduced at the hearing that the inspection agency (Dried Fruit Association of California) over a long period of years has developed techniques for ascertaining the quality of each crop and it is able to keep the total insect count within the tolerance prescribed in the order by inspecting each lot and by using the head count test only when it appears necessary.

During 1955 a rule was issued pursuant to the provision of the order now proposed for deletion, which required that head count tests be made of dried figs of the Adriatic and Calimyrna varieties. Should this proposed amendment of the order be approved and become effective, the rule with respect to those two varieties should then be terminated, since it would be in conflict with the intent of this proposed amendment.

The proposed amendment of the introductory part of the first sentence of § 964.90 (c) (2) preceding the colon is intended to clarify its meaning with respect to sliced dried figs. The provision, as published in the notice (19 F. R. 3092) of the public hearing held on June 15 to 18, 1954, in Fresno, California, and as intended to be made effective read: "(2) For dried figs being prepared as fig paste, or sliced dried figs being prepared as sliced dried figs or for manufacture into fig paste:". In the order as finally published, the word "or" where it last occurs above was inadvertently omitted, leaving the meaning of the provision unclear. Testimony was adduced at the June 1956 hearing that sliced dried figs are not used for any purpose other than the manufacture of fig paste but that normally figs for such use are sliced and sorted and either ground by the handler for delivery as fig paste or sold to a buyer of sliced dried figs for manufacturing use. The buyer will grind them into paste after purchase and delivery. Dried figs also may be ground directly into paste. This part of the proposed amendment would clarify the intent of these provisions with respect to sliced dried figs being prepared as fig paste and sliced dried figs being prepared for disposition as such, consistently with customary practices in the disposition of dried figs.

(5) It was testified at the hearing that changes should also be made in any provisions of the order not directly involved in connection with specific amendments of it which may result from this proceeding, but which are necessary to make such other provisions conform with any such specific amendments which are so adopted. It was emphasized that any such changes should be limited to those which are obviously necessary and appropriate, and that, other than to that extent, such changes should not affect the present meaning of such provisions. Should relatively minor provisions in other parts of the order require conforming changes, there should be authority to make such changes. However, it does not appear necessary to make any conforming changes other than those indicated under the discussion of the other issues.

Rulings on proposed findings and conclusions. The period during which interested parties may file briefs with the Hearing Clerk of the Department with respect to testimony presented at the hearing and the conclusions to be drawn therefrom expired June 25, 1956. No briefs were filed; hence no ruling is necessary.

General findings. (a) The findings hereinafter set forth are supplementary, and in addition, to the findings and determinations which were previously made in connection with the original issuance (20 F. R. 1685) of this marketing agreement and order, and all of said previous findings and determinations are hereby ratified and confirmed except insofar as such findings and determinations may be in conflict with the findings set forth herein;

(b) The marketing agreement and order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(c) The marketing agreement and order, as hereby proposed to be amended, will be applicable only to persons in the respective classes of industrial and commercial activities specified or necessarily included in the proposals upon which the amendment hearing has been held; and

(d) There are no differences in the production and marketing of dried figs in the production area covered by this marketing agreement and order, as hereby proposed to be amended, which make necessary different terms applicable to different parts of such area.

Recommended amendments to the order. The following amendments to the order are recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out:

1. Delete the provisions of § 964.21 (a) and substitute for existing paragraph (a) the provisions of paragraph (c) of that section, relettered as paragraph (a), and amended to read as follows:

§ 964.21 *Selection and term of office of members of the committee*—(a) *Selection of members.* Selection of the 10 members of the committee, and their respective alternates, shall be made by the Secretary, for the producer and handler groups from the nominations submitted for that purpose by those groups, or from among other qualified persons, in the discretion of the Secretary, but such selections shall be made upon the basis of the representation provided for in §§ 964.22, 964.23 and 964.25.

2. Amend the provisions of § 964.21 (b) to read as follows:

(b) *Term of office of members.* The 10 members and their respective alternates shall be selected annually by the Secretary for a term of one year beginning June 1 and shall serve until their respective successors shall be selected and shall qualify; and in the event the committee shall nominate an eleventh member he may be selected by the Secretary to serve for one year beginning July 1.

3. Amend the provisions of § 964.24 (a) to read as follows:

§ 964.24 *Nomination of producer members of the committee*—(a) *Nomination meetings.* Nominations for producer members and alternate producer members of the committee shall be made at a meeting or meetings of producers held in each of the foregoing districts. Such meetings shall be called by the committee at such times and at such places within such districts as the committee shall designate, prior to May 1 of each year. The producers at each of such meetings shall select a chairman and secretary therefor. After nominations have been made, the committee shall transmit forthwith to the Secretary its certificate showing the name of each person for whom votes have been cast, whether as a member or as alternate for a member, and the number of votes received by each such person.

4. Amend the provisions of § 964.26 to read as follows:

§ 964.26 *Nomination of handler members.* The committee shall cause to be held each year prior to May 1, a meeting or meetings of handlers affected by this part for the purpose of obtaining nominations of persons to serve as handler members and alternate members of the committee.

5. Amend the provisions of paragraph (c) of § 964.34 to read as follows:

(c) *Voting requirements.* No action shall be taken by the committee at an assembled meeting including the nomination of an eleventh member unless a quorum is present and a concurring vote of not less than three producer members and three handler members, or alternate members acting in the place and stead of members, is obtained; *Provided however,* That any recommendation to establish volume regulation under § 964.55 shall require the concurring vote of not less than four handler members and four producer members, or alternate members acting in the place and stead of members. The committee may vote by mail or telegraph, when there is no assembled meeting, but any proposition to be so voted upon first shall be explained accurately, fully and identically by mail or telegraph to all members. A unanimous vote of all members or alternates acting in the place and stead of members shall be required to reach a decision on a mail or

telegraphic vote. Failure to receive a vote from any member or from his alternate acting in his place and stead, within a prescribed time, shall be held to be a dissenting vote. No action to establish volume regulation under § 964.55 can be taken on the basis of a mail or telegraphic vote.

6. Amend the provisions of subparagraph (2) of paragraph (c) of § 964.90 to read as follows:

(2) For dried figs being prepared as fig paste, or sliced dried figs being prepared as fig paste, or sliced dried figs being prepared for disposition as sliced dried figs: (i) Total defective figs shall not exceed 10 percent including not more than 5 percent of insect infested dried figs, and (ii) no sliced dried figs or fig paste shall contain more than 13 insect heads per 100 grams.

Dated: July 12, 1956.

[SEAL] F. R. BURKE,
Acting Deputy Administrator, Marketing Services.

[F. R. Doc. 56-5718; Filed, July 17, 1956; 8:50 a. m.]

[7 CFR Part 978]

[Docket No. AO-184-A14]

MILK IN NASHVILLE, TENNESSEE MARKETING AREA

NOTICE OF HEARING ON PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held in the County Courtroom, Davidson County Court House, Nashville, Tennessee, beginning at 9:00 a. m., c. d. t., Tuesday, July 24, 1956, for the purpose of receiving evidence with respect to the proposed amendments hereinafter set forth, or appropriate modification thereof, to the tentative marketing agreement heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the Nashville, Tennessee, marketing area (7 CFR 978 et seq.). Consideration will be given to the question of whether market conditions, as presented in the record, require emergency action with respect to any amendments deemed necessary as the result of this hearing. The proposed amendments have not received the approval of the Secretary of Agriculture.

The amendments to the order, as amended, regulating the handling of milk in the Nashville, Tennessee, milk marketing area were proposed by the Nashville Milk Producers, Inc.

Proposed by Nashville Milk Producers, Inc. as follows:

1. Amend § 978.51 by:

(a) Increasing the Class I milk differential.

(b) Including the month of August in the period during which the higher seasonal Class I differential is applicable.

(c) Increasing the rate used in computing the supply-demand adjustment.

Proposed by the Dairy Division, Agricultural Marketing Service:

2. Make such changes as may be required to make the entire marketing agreement and order conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing and of the order now in effect may be procured from the Market Administrator, Presbyterian Building, Room 101, 152 – 4th Avenue, North, Nashville 3, Tennessee, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: July 13, 1956.

[SEAL] F. R. BURKE,
Acting Deputy Administrator.

[F. R. Doc. 56-5779; Filed, July 17, 1956; 8:58 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 182]

UNIFORM SYSTEM OF ACCOUNTS FOR CLASS I COMMON AND CONTRACT MOTOR CARRIERS OF PROPERTY

CLASSIFICATION OF MOTOR CARRIERS

JUNE 29, 1956.

Having under consideration the matter of classifying motor carriers of property for accounting and reporting purposes, the Commission has approved revision of paragraph (a) of § 182.01-1 *Classification of carriers*, in the Uniform System of Accounts for Class I Common and Contract Motor Carriers of Property, to read as follows:

§ 182.01-1 *Classification of carriers.* (a) For purposes of the accounting regulations common and contract carriers of property subject to the Interstate Commerce Act are grouped into the following three classes:

Class I. Carriers having average gross operating revenues, (including interstate and intrastate) of $1,000,000 or more annually, from property motor carrier operations.

Class II. Carriers having average gross operating revenues, (including interstate and intrastate) of $200,000 or more, but less than $1,000,000 anually, from property motor carrier operations.

Class III. Carriers having average gross operating revenues, (including interstate and intrastate) of less than $200,000 annually, from property motor carrier operations.

The purpose of this revision is not to excuse any carriers now subject to Class I regulations from compliance with the basic accounting and reporting requirements. A system of accounts for Class II carriers, as above, will be prescribed as of the effective date of this revision, condensed from present Class I accounts in those respects which will simplify bookkeeping most without altering in material substance the type of information available in the accounts as presently maintained. New Class II carriers will also file annual and quarterly reports in a form consistent with such condensed system of accounts.

Any interested person may on or before August 1, 1956, file with the Commission written views or arguments to be considered in this connection, and may request oral argument thereon. After consideration of representations so received and with such changes as may seem warranted because of them, an order will be entered making the above revision January 1, 1957.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F. R. Doc. 56-5776; Filed, July 17, 1956; 8:58 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

NEVADA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

JULY 10, 1956.

The United States Forest Service has filed an application, Serial No. Nevada 043897, for the withdrawal of the lands described below, from location and entry under the General Mining Laws only, subject to existing valid claims. The applicant desires the land for administrative sites, forest camps and recreation areas.

For a period of 30 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, P. O. Box 1551, Reno, Nevada.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are within the Toiyabe National Forest and are described below:

MT. DIABLO MERIDIAN, NEVADA

Hunts Canyon Administrative Site:
T. 7 N., R. 46 E.,
Sec. 15, SE¼SE¼;
Sec. 22, NE¼NE¼.
Acreage: 80.

Indian Valley Administrative Site:
T. 10 N., R. 40 E.,
Sec. 4, SE¼.
Acreage: 160.

Kingston Administrative Site:
T. 16 N., R. 43 E.,
Sec. 17, NE¼.
Acreage: 160.

Meadow Canyon Administrative Site:
T. 10 N., R. 45 E. (Unsurveyed)
Sec. 33, NW¼.
Acreage: 160, more or less.
San Juan Administrative Site:
T. 15 N., R. 42 E.,
Sec. 32, NE¼ (unsurveyed).
Acreage: 160, more or less.
South Twin River Administrative Site:
T. 12 N., R. 41 E.,
Sec. 32, E½SE¼ (unsurveyed);
Sec. 33, W½SW¼ (unsurveyed).
Acreage: 160, more or less.
Upper Corral Administrative Site:
T. 11 N., R. 41 E. (unsurveyed),
Sec. 28, W½SW¼;
Sec. 29, E½SE¼.
Acreage: 160, more or less.
Big Creek Forest Camp:
T. 17 N., R. 43 E.,
Sec. 15, NW¼.
Acreage: 160.
Kingston Forest Camp:
T. 16 N., R. 43 E.,
Sec. 21, SW¼SE¼ (unsurveyed);
Sec. 28, NE¼, excepting the area included in Mineral Survey No. 1811 and Mineral Survey No. 3422.
Acreage: 200, more or less.
Peavine Forest Camp:
T. 9 N., R. 42 E. (unsurveyed);
Sec. 19, W½SE¼.
Acreage: 80, more or less.
Pine Creek Forest Camp:
T. 11 N., R. 46 E.,
Sec. 18, Lot 3;
T. 11 N., R. 45 1. (unsurveyed);
Sec. 13, NE¼SE¼, SE¼NE¼.
Acreage: 119.41, more or less.
San Juan Recreation Area:
T. 15 N., R. 42 E.,
Sec. 32, SE¼ (unsurveyed).
Acreage: 160, more or less.

Total acreage is 1,759.41, more or less.

W. Reed Roberts,
Acting State Supervisor.

[F. R. Doc. 56-5701; Filed, July 17, 1956; 8:46 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

American President Lines, Ltd.

NOTICE OF REQUEST FOR MODIFICATIONS OF SERVICE DESCRIPTIONS

The Federal Maritime Board/Maritime Administrator and American President Lines, Ltd., have under consideration certain changes in the Company's service descriptions, the changes of possible significance to other U. S.-flag operators being as follows:

Line A-1—Trans-Pacific Passenger-Freight Service (Trade Route No. 29). Regular calls: "Japan" substituted for "Yokohama, Kobe".

Line A-2—Trans-Pacific Freight Service (Trade Route No. 29). Regular calls: "two or more California ports" substituted for "the California ports of Los Angeles and San Francisco"; and "China" substituted for "Shanghai, other North China ports and ports in Manchuria * * * (as traffic offers)".

Line B—Round-the-World Service (Westbound). Regular calls: "Malaya-Indonesia" substituted for "Straits Settlements", with "Indonesia" replacing "privilege of calling at ports in the Dutch East Indies (Indonesia)"; and privilege calls added: "Korea, Indo-China, Thailand".

Line C—Atlantic/Straits Service (Trade Route No. 17). Privilege calls added: "at any one of Iloilo, Cebu or Bugo outbound in addition to Manila".

Any person, firm or corporation having any interest in the foregoing who desires to offer comments and views thereon should submit same in writing to the Secretary, Federal Maritime Board, Department of Commerce, Washington 25, D. C., within fifteen (15) days from the date of publication of this notice in the Federal Register. The Federal Maritime Board will consider these comments and views and take such action with respect thereto as in its discretion it deems warranted.

Dated: July 13, 1956.

By order of the Federal Maritime Board.

[SEAL] Geo. A. Viehmann,
Assistant Secretary.

[F. R. Doc. 56-5775; Filed, July 17, 1956; 8:58 a. m.]

[Docket No. M-69 (Sub. 1)]

Pacific Far East Line, Inc.

NOTICE OF FURTHER HEARING ON APPLICATION TO BAREBOAT CHARTER DRY-CARGO VESSELS

Notice is hereby given that this proceeding has been reopened, and that a further public hearing will be held pursuant to section 5 (e) of the Merchant Ship Sales Act, 1946, as amended (Public Law 591, 81st Cong.) (50 U. S. C. App. 1738), on July 19, 1956, at 11:15 a. m., e. d. t., in Room 4519, New General Accounting Office Building, Fifth and G Streets NW., Washington, D. C., upon the application of Pacific Far East Line, Inc., to bareboat charter two (2) Victory type vessels for the carriage of one cargo each of grain from the Pacific Coast of the United States to Pakistan, beginning in July 1956.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessels are proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service. Evidence will be received with respect to any restrictions or conditions that may be necessary or appropriate to protect the public interest in respect of such charters as may be granted and to protect privately owned vessels against competition from vessels chartered as a result of this proceeding.

All persons having an interest in the application will be given an opportunity to be heard if present.

The parties may have oral argument on conclusion of receipt of evidence.

Dated: July 16, 1956.

By order of the Federal Maritime Board.

[SEAL] A. J. Williams,
Secretary.

[F. R. Doc. 56-5828; Filed, July 17, 1956; 9:00 a. m.]

[Docket No. M-71]

Grace Line, Inc.

NOTICE OF HEARING ON APPLICATION TO BAREBOAT CHARTER DRY-CARGO VESSELS

Notice is hereby given that a public hearing will be held pursuant to section 5 (e) of the Merchant Ship Sales Act, 1946, as amended (Public Law 591, 81st Cong.) (50 U. S. C. App. 1738), on July 25, 1956, at 10:00 a. m., e. d. t., in Room 4519, New General Accounting Office Building, Fifth and G Streets NW., Washington, D. C., upon the application of Grace Line Inc. to bareboat charter two (2) Victory type dry-cargo vessels for operation on Trade Route No. 25 between United States Pacific Coast ports and West Coast ports of Mexico, Central America, Colombia, Ecuador, Peru and Chile, with the privilege of calling at Balboa, Canal Zone and British Columbia ports, for a period of one year. Applicant intends to use one of the vessels for which it applies as replacement for one "C-2" vessel which it intends to transfer from the aforementioned service to service between a port or ports in the United States Atlantic, Maine to Key West, inclusive, and a port or ports on the West Coast of South America, as far south as San Antonio or Talcahuano, Chile, with the privilege of calling at ports in the Panama Canal Zone.

The purpose of the hearing is to receive evidence with respect to whether the service for which such vessels are proposed to be chartered is required in the public interest and is not adequately served, and with respect to the availability of privately owned American-flag vessels for charter on reasonable conditions and at reasonable rates for use in such service. Evidence will be received with respect to any restrictions or conditions that may be necessary or appropriate to protect the public interest in respect of such charter as may be granted and to protect privately-owned vessels against competition from vessels chartered as a result of this proceeding.

All persons having an interest in the application will be given an opportunity to be heard if present.

An Examiner from the Hearing Examiner's Office will preside at the hearing, and oral argument may be had at the conclusion of receipt of evidence in lieu of briefs. An Initial Decision will be issued. The time for filing exceptions thereto is hereby restricted to seven (7) days, and no replies to exceptions will be received.

Dated: July 16, 1956.

By order of the Federal Maritime Board.

[SEAL] A. J. Williams,
Secretary.

[F. R. Doc. 56-5814; Filed, July 16, 1956; 4:32 p. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

Learner Employment Certificates

ISSUANCE TO VARIOUS INDUSTRIES

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards

Act of 1938 (52 Stat. 1060, as amended; 29 U. S. C. 201 et seq.), and Part 522 of the regulations issued thereunder (29 CFR Part 522), special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates applicable under section 6 of the act have been issued to the firms listed below. The employment of learners under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 522. The effective and expiration dates, occupations, wage rates, number or proportion of learners and learning periods for certificates issued under general learner regulations (§§ 522.1 to 522.12) are as indicated below; conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.20 to 522.24, as amended March 1, 1956, 21 F. R. 1349).

The following learner certificates were issued authorizing the employment of not more than 10 percent of the total number of factory production workers as learners for normal labor turnover purposes.

Allencraft Corp., 217 South Church Street, Murfreesboro, Tenn.; effective 6-25-56 to 6-24-57 (sport shirts).

Bloch-Heller Co., 27 North Fourth Street, Minneapolis, Minn.; effective 6-22-56 to 6-21-57 (sport shirts).

Burlington Manufacturing Co., Miami, Okla.; effective 6-30-56 to 6-29-57 (overalls, dungarees).

Carwood Manufacturing Co., Winder, Ga.; effective 6-28-56 to 6-27-57 (cotton work pants and shirts).

Gordon & Ferguson, Inc., 230 East Fifth Street, St. Paul, Minn.; effective 6-22-56 to 6-21-57 (sportswear).

D. W. Harris Manufacturing Co., Sixth and Sibley Street, St. Paul, Minn.; effective 6-22-56 to 6-21-57 (storm coats and jackets).

The Iuka Shirt Co., Inc., Iuka, Tishimingo Co., Miss.; effective 6-22-56 to 6-21-57 (ladies' cotton shirts).

The Iuka Shirt Co., Inc., Iuka, Tishimingo Co., Miss.; effective 6-22-56 to 6-21-57 (men's sport shirts).

Lafayette Pants Corp., 401 Lafayette Boulevard, Fredericksburg, Va.; effective 6-30-56 to 6-29-57 (men's dress trousers).

Kinwood Mills, La Fayette, Ga.; effective 7-1-56 to 6-30-57 (men's sport shirts).

Meridian Manufacturing Co., Inc., 2315 Front Street, Meridian, Miss.; effective 6-22-56 to 6-21-57 (robes).

Model Sportswear, Inc., 305 Holland Street, Shelbyville, Tenn.; effective 6-30-56 to 6-29-57 (jackets).

The Moyer Manufacturing Co., 18-24 North Walnut Street, Youngstown, Ohio; effective 6-22-56 to 6-21-57 (men's slacks).

R. H. R. Dress Manufacturing Co., Inc., R. F. D. No. 2, Appomattox, Va.; effective 6-18-56 to 6-17-57 (children's dresses).

Reynolds Textile Co., 219 South Main Street, Clinton, Mo.; effective 6-26-56 to 6-25-57 (men's work clothing).

Rice-Stix, Inc., Factory No. 26, Thayer, Mo.; effective 6-20-56 to 6-19-57 (ladies' cotton and rayon dresses).

Statham Garment Corp., Statham, Ga.; effective 6-21-56 to 6-20-57 (trousers uniform, work and semi-dress).

J. H. Stern Garment Co., Inc., Seven Valleys, Pa.; effective 6-20-56 to 6-19-57 (children's dresses).

Clifford F. Smith Manufacturing Co., Inc., 1901 First Street, San Fernando, Calif.; effective 6-22-56 to 6-21-57 (men's and boys' sport shirts and sportswear).

Weaver Pants Co., Inc., 503 Polk Street, Corinth, Miss.; effective 3-1-56 to 2-28-57 (men's single pants and sportswear) (replacement certificate).

The following learner certificates were issued for normal labor turnover purposes and, except as otherwise indicated below, a maximum of 10 learners were authorized:

Adamo Dress Factory, 124 Mansion Street, Coxsackie, N. Y.; effective 6-22-56 to 6-21-57; 5 learners (women's and misses' dresses).

Colonial Manufacturing Co., 2496 University Avenue, St. Paul, Minn.; effective 6-22-56 to 6-21-57 (ladies' aprons).

Duti-Duds, Inc., 1117 Clay Street, Lynchburg, Va.; effective 6-22-56 to 11-15-56 (women's cotton uniforms).

Gem-Dandy, Inc., 202 Murphy Street, Madison, N. C.; effective 6-22-56 to 6-21-57 (brassieres, garter belts, girdles).

Gross Galesburg Co., North Main Street, Chariton, Iowa; effective 6-22-56 to 6-21-57 (work pants and shirts).

Isaacson-Carrico Manufacturing Co., 210 East First Street, El Campo, Texas, effective 6-20-56 to 6-19-57; 5 learners (girls' cotton woven underwear).

N. Schekman Dress Co., 65 Main Street, Springfield, Mass.; effective 6-19-56 to 6-18-57; 5 learners (dresses).

Stagecoach Manufacturing Co., Inc., 146 North 13th Street, Philadelphia, Pa., effective 6-22-56 to 6-21-57; 5 learners (operating gowns; westernettes).

The following learner certificates were issued for plant expansion purposes. The number of learners authorized is indicated:

Cluett, Peabody & Co., Inc., Mill Street, Corinth, N. Y.; effective 6-18-56 to 12-17-56; 30 learners (dress shirts).

Gary Co., Inc., West Maple Street, Gallatin, Tenn.; effective 6-19-56 to 12-18-56; 50 learners (men's shirts).

Meridian Manufacturing Co., Inc., 2315 Front Street, Meridian, Miss.; effective 6-22-56 to 12-21-56; 25 learners (robes).

Mode O'Day Corp., 840 12th Street NW., Mason City, Iowa; effective 6-22-56 to 12-21-56; 20 learners (ladies' lingerie).

Patty's Sportswear, Hamilton, Tex.; effective 6-22-56 to 12-21-56; 30 learners (women's and children's blouses; women's sportswear).

Hosiery Industry Learner Regulations (29 CFR 522.40 to 522.43, as amended March 1, 1956, 21 F. R. 629).

Griffin Hosiery Mills, Dovedown Hosiery Mills, Griffin, Ga.; effective 6-20-56 to 6-19-57; 5 percent of the total number of factory production workers for normal labor turnover purposes (full-fashioned and seamless).

Humboldt Full Fashioned Hosiery Mills, Inc., Humboldt, Tenn.; effective 6-29-56 to 6-28-57; 5 percent of the total number of factory production workers for normal labor turnover purposes (full fashioned).

Knitted Wear Industry Learner Regulations (29 CFR 522.30 to 522.35, as amended March 1, 1956, 21 F. R. 581).

Burlington Manufacturing Co., Inc., 130 South Street, Waymart, Pa.; effective 6-21-56 to 6-20-57; 5 percent of the total number of factory production workers for normal labor turnover purposes (cotton knitted polo shirts).

Piedmont Fabrics, Inc., North Broad Extension, Gastonia, N. C.; effective 6-21-56 to 6-20-57; 5 learners for normal labor turnover purposes (men's and boys' knitted T shirts).

Regulations applicable to the Employment of Learners (29 CFR 522.1 to 522.12, as amended February 28, 1955, 20 F. R. 645).

The following learner certificates were issued for 10 percent of the total number of factory production workers for normal labor turnover purposes, except as otherwise indicated, to the companies listed below manufacturing miscellaneous products. The effective and expiration dates, learner rates, occupations, learning periods, and the number of proportion of learners authorized to be employed, are as follows:

Fiechbilt Leather Products, Ocala, Fla.; effective 6-25-56 to 12-24-56; not less than 85 cents per hour for the first 160 hours and not less than 90 cents per hour for the remaining 160 hours of the 320-hour learning period, for the occupation of sewing machine operator; not less than 85 cents per hour for a maximum of 160 hours for the occupation of die and clicker machine operator, and pocketbook maker's helper; authorizing the employment of 4 learners (handbags and belts).

Machiasport Canning Co., Eastport, Maine; effective 6-18-56 to 12-17-56; not less than 80 cents per hour for the first 80 hours and not less than 85 cents per hour for the remaining 80 hours of the 160-hour learning period, for the occupation of sardine packer (sardine canning).

North Lubec Manufacturing & Canning Co., Rockland, Maine; effective 6-18-56 to 12-17-56; not less than 80 cents per hour for the first 80 hours and not less than 85 cents per hour for the remaining 80 hours of the 160-hour learning period, for the occupation of sardine packing (sardine canning).

Plastic Electronic Fabricators, Inc., Union City, N. J.; effective 6-19-56 to 6-18-57; not less than 75 cents per hour for a maximum of 160 hours, for the occupations of heat sealing machine operators and automatic snap machine operators (plastic rainwear).

Port Clyde Packing Co., Inc., Port Clyde, Maine; effective 6-18-56 to 12-17-56; not less than 80 cents per hour for the first 80 hours and not less than 85 cents per hour for the remaining 80 hours of the 160-hour learning period, for the occupation of sardine packing (sardine canning).

Seaboard Packing Co., 231 Front Street, S. Portland, Maine; effective 6-25-56 to 12-24-56; not less than 80 cents per hour for the first 80 hours and not less than 85 cents per hour for the remaining 80 hours of the 160-hour learning period, for the occupation of sardine packing (sardine canning).

Syn-Pro, Inc., Bay Ridge Road, Annapolis, Md.; effective 6-25-56 to 12-24-56; not less than 85 cents per hour for a maximum of 240 hours for the occupations of machine operators, fixers, tenders and jobs immediately incidental thereto; authorizing the employment of 3 learners (processing of synthetic yarns).

Yorktown Manufacturing Co., Pilot Grove, Mo.; effective 6-25-56 to 12-24-56; not less than 80 cents per hour for the first 320 hours and not less than 85 cents per hour for the remaining 160 hours of the 480-hour learning period, for the occupation of upholstery; authorizing the employment of 5 learners (upholstered furniture).

Each certificate has been issued upon the employer's representation that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be cancelled in the manner provided in the regulations and as indicated in the certificates. Any per-

son aggrieved by the issuance of any of these certificates may seek a review of reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of Part 522.

Signed at Washington, D. C., this 6th day of July 1956.

VERL E. ROBERTS,
Authorized Representative of the Administrator.

[F. R. Doc. 56-5769; Filed, July 17, 1956; 8:56 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 7725]

NORTHWEST AIRLINES, INC.; NORTHWEST PERMANENT CERTIFICATION CASE (TRANS-PACIFIC OPERATIONS)

NOTICE OF HEARING

In the matter of the application of Northwest Airlines, Inc., for amendment of its temporary certificate of public convenience and necessity authorizing trans-Pacific operations so as to provide for unlimited duration of said authorization for its operations between Seattle, Portland, Anchorage, and Tokyo.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 401, 801, and 1001 thereof, that a public hearing in the above-entitled proceeding will be held on August 7, 1956, at 10:00 a. m., e. d. s. t., in Room E-210, Temporary Building No. 5, 16th Street and Constitution Avenue NW., Washington, D. C., before Examiner Edward T. Stodola.

Without limiting the scope of the issues to be considered in this proceeding, particular attention will be directed to the following matters:

1. Does the public convenience and necessity require the amendment of the certificate of public convenience and necessity of Northwest Airlines, Inc., for its trans-Pacific route between Seattle, Wash., Portland, Oreg., Anchorage, Alaska, and Tokyo, Japan, so as to make permanent Northwest's present temporary authority to operate such route?

2. Is Northwest fit, willing, and able to perform such proposed transportation properly, and to conform to the provisions of the Civil Aeronautics Act of 1938, as amended, and the rules, regulations and requirements thereunder?

For further details regarding the issues involved in this proceeding, interested persons are hereby referred to the application of Northwest Airlines in Docket No. 7725; Board Order No. E-10308, dated May 22, 1956; and the Report of Prehearing Conference served on April 23, 1956, each of which documents is on file in the Docket Section of the Civil Aeronautics Board.

Notice is hereby further given that any person, other than a party of record, desiring to be heard in this proceeding must file with the Board, on or before August 7, 1956, a statement setting forth the issues of fact or law upon which he desires to be heard.

Dated at Washington, D. C., July 13, 1956.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 56-5781; Filed, July 17, 1956; 8:59 a. m.]

[Docket No. 7782]

EASTERN AIR LINES, INC.

NOTICE OF FURTHER POSTPONEMENT OF HEARING

In the matter of Eastern Air Lines, Inc. enforcement proceeding.

Notice is hereby given that the hearing in the above-entitled matter, last assigned to be held on July 25, 1956, is further postponed at the request of Counsel for the respondent and will be held on September 10, 1956, at 10:00 a. m., e. d. s. t. in Room E-210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Barron Fredricks.

Dated at Washington, D. C., July 13, 1956.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 56-5782; Filed, July 17, 1956; 8:59 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-10427]

UNITED FUEL GAS CO.

NOTICE OF APPLICATION AND DATE OF HEARING

JULY 11, 1956.

Take notice that United Fuel Gas Company (United), Applicant, a West Virginia corporation and a subsidiary of The Columbia Gas System, Inc., having its principal place of business in Charleston, West Virginia, filed on May 18, 1956, an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain natural gas facilities, as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

For the purpose of initiating a new industrial interruptible natural gas service to the Dow Chemical Company (Dow), United proposes to construct and operate approximately 120 feet of 3½-inch O. D. natural gas supply line from an interconnection with its existing 10-inch transmission line F near the site of Dow's proposed plant now under construction at Hanging Rock, Lawrence County, Ohio, extending to a terminus at a proposed measuring and regulating station to be constructed on the premises of the plant.

Dow has advised Applicant that its estimated gas requirements will be 456 Mcf on peak days and 85,960 Mcf annually for each of the first five years of service. Under contractual arrangement, however, United has agreed to deliver up to a maximum of 600 Mcf per day if required. The gas will be used, in addition to space heating, in various chemical processes in the production of polystyrene and a chemical product known as "Styrofoam".

United has estimated the cost of constructing the necessary facilities required to provide the proposed service at $4,111, which will be financed from cash on hand.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on Tuesday, September 4, 1956, at 9:30 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street, Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C. in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 16, 1956. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure herein provided for unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 56-5704; Filed, July 17, 1956; 8:47 a. m.]

[Docket No. G-10440]

OHIO FUEL GAS CO.

NOTICE OF APPLICATION AND DATE OF HEARING

JULY 11, 1956.

Take notice that The Ohio Fuel Gas Company, Applicant, an Ohio corporation and a subsidiary of The Columbia Gas System, Inc., having its principal place of business at 99 North Front Street, Columbus, Ohio, filed on May 21, 1956, an application for a certificate of public convenience and necessity under section 7 of the Natural Gas Act, authorizing it to construct and operate certain proposed natural gas transmission facilities and for authority to abandon certain existing facilities as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open for public inspection.

The construction proposed by Applicant includes three projects totalling 13.3

miles of 8-inch, 12-inch, and 20-inch pipeline. These facilities are required as a result of increasing requirements of existing markets and the inadequacy of existing facilities.

Project No. 1 consists of constructing approximately 2.6 miles of 20-inch pipeline in Lorain County, Ohio looping a part of existing Line L–2042 between Wellington Compressor Station and existing Line "D". Line L–2042 consists of 13.7 miles of 16-inch transmission line and transports gas for consumption in Sandusky, Norwalk, Amherst and other retail markets including partial service to Fremont and Lorain, all in Ohio.

During periods of peak market demand Line L–2042 is supplied primarily with gas withdrawn from the Wellington storage area as well as some gas from Pavonia Station delivered through Line L–2121.

The existing daily capacity of L–2042 and Line "D" is calculated at approximately 85.9 MMcf with inlet pressures at Wellington on a design peak day of 325 psia. The 1956–57 peak day estimated requirements total 91.4 MMcf after industrial curtailment. The proposed looping of Line L–2042 will provide an overall capacity from Wellington Station to Line "D" of approximately 131.5 MMcf per day as well as permitting higher pressures to be maintained at the junction of Lines "D" and L–2042.

Project No. 2 consists of the construction of approximately 7.9 miles of 8⅝-inch transmission pipeline in Champaign County, Ohio looping part of existing line Z–165 betwen Urbana and Bellefontaine. The present capacity of line Z–165 as indicated at Docket No. G–2405 is 2.8 MMcf per day with 250 psig discharge pressure at Urbana Station and 35 psig terminal pressure at Bellefontaine.

The City of Bellefontaine, a wholesale customer of Applicant has nominated 4.0 MMcf as a daily requirement for the winter of 1956–57. Gas is also to be supplied from Line Z–165, in addition to Bellefontaine, to the Dayton Power and Light Company for resale in West Liberty, Ohio as directed at Docket No. G–9266. The requirements of West Liberty have been estimated by Dayton at 0.4 MMcf for the 1956–57 peak day making a total to be served from Line Z–165 of 4.4 MMcf.

The design discharge pressure of Urbana Station is 250 psig. The station is designed to operate automatically shutting down at 250 psig discharge pressure. The calculated capacity of Line Z–165 is 3.3 MMcf using 230 psig as initial line pressure at Urbana and 35 psig terminal pressure at Bellefontaine and a load factor of 88 percent.

In order to provide the capacity necessary to serve the expected load of 4.4 MMcf, Applicant proposes to loop 7.7 miles of Line Z–165 northward from Urbana Station with 8⅝-inch pipeline. A short section of line Z–165 of 0.2 mile on the inlet side of Urbana Station but north of the Urbana town border station will also be looped to complete the south portion of the proposed loop line and to help maintain station inlet pressure at required levels.

Project No. 3 consists of construction of approximately 2.8 miles of 12¾-inch transmission line in Clark County, Ohio, partly replacing existing line Z near Springfield, Ohio.

Applicant also requests authorization to abandon approximately 0.4 mile of 10¾-inch O. D. pipe to be replaced by facilities described under Project No. 3. Such abandonment will not result in discontinuance of service to any customers.

Line Z between Springfield and line Z–8 is no longer suitable for continued high pressure service and it is proposed that this section of line, approximately 1.8 miles in length, be relocated and replaced.

The proposed 2.8 miles of 12¾-inch pipeline will replace 1.8 miles of the old 10¾-inch pipe of line Z.

The estimated total cost of the three projects proposed herein is $482,600 broken down as follows:

$162,600—Project No. 1.
$185,000—Project No. 2.
$135,000—Project No. 3.

The projects will be financed by The Columbia Gas System, Inc.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on Thursday, September 5, 1956, at 9:30 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 16, 1956. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made. Under the procedure herein provided for unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 56–5705; Filed, July 17, 1956; 8:47 a. m.]

[Project No. 2206]

CAROLINA POWER & LIGHT CO.

NOTICE OF APPLICATION FOR LICENSE

JULY 11, 1956.

Public notice is hereby given that Carolina Power & Light Company of Raleigh, North Carolina, has filed application under the Federal Power Act (16 U. S. C. 791a–825r) for license for Project 2206, located on the Yadkin, Uwharrie, and Pee Dee Rivers in the vicinity of Mt. Gilead, Troy, Albemarle, Aquadale, Norwood, Pee Dee, Lilesville, Wadesboro, Cordova, Rockingham, and Roberdel, in the Counties of Anson, Richmond, Montgomery and Stanley, North Carolina. The project comprises two existing hydroelectric developments on the Pee Dee River together with a proposed addition to one of the existing developments with an existing installed capacity of 87,000 kilowatts and an ultimate installation of 111,000 kilowatts, and would develop about 120 feet of power head on Pee Dee River. The project would consist of: (1) the constructed Tillery Development located about 4 miles east of Norwood, North Carolina, comprised of an earth fill dam about 1,200 feet long, and about 1,553 feet of concrete dam forming the gated spillway, powerhouse intake, and left abutment sections; a reservoir about 15 miles long with an area of 5,260 acres at normal operating level (239.5 feet Tillery datum, which is 38.67 feet below U. S. C. & G. S. datum), and usable storage of 88,000 acre-feet with 22 feet of drawdown; a powerhouse located at the toe of the dam containing two 31,100-horsepower turbines and one 25,600-horsepower turbine connected to two 22,000-kilowatt generators and one 18,000-kilowatt generator; the proposed installation of one 31,100-horsepower turbine connected to an 18,000-kilowatt generator, in space provided in the existing powerhouse; a substation and switchyard; and appurtenant electrical and mechanical facilities; and (2) the constructed Blewett Falls Development located about 7 miles northwest of Rockingham, North Carolina, comprised of an earthfill dam about 1,700 feet long, a concrete spillway about 1,468 feet long surmounted with 4-foot flashboards, and a 300-foot powerhouse intake section; a reservoir about 10 miles long with an area of 2,560 acres at normal operating level (139 feet — Blewett Datum, which is 39.08 feet below U. S. C. & G. S. datum), and usable storage of 32,000 acre-feet with 17 feet of drawdown; a forebay; a fishway; a powerhouse containing three 5350-horsepower turbines connected to three 4000-kilowatt generators (5000 KVA at 0.80 P. F.) and three 6400-horsepower turbines connected to three 5000-kilowatt generators (6670 at 0.75 P. F.); a substation in the powerhouse; a switchyard; a tailrace; and appurtenant electrical and mechanical facilities. The energy, both present and future, generated by the project will be used in the applicant's system for public utility purposes.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10). The last date upon which protests may be filed is August 31, 1956. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 56–5706; Filed July 17, 1956; 8:47 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 11256, etc.; FCC 56M-673]

GREAT SOUTH BAY BROADCASTING CO., INC., ET AL.

ORDER SCHEDULING PREHEARING CONFERENCE

In re applications of Great South Bay Broadcasting Company, Inc., Islip, New York, Docket No. 11256, File No. BP-9200; S. Richard Stern and Jimmey S. Stern, d/b as Stern Broadcasting Company, Ridgewood, New Jersey, Docket No. 11731, File No. BP-9713; G. Russell Chambers, tr/as The Eastern Shore Broadcasting Company (WDVM), Pocomoke City, Maryland, Docket No. 11732, File No. BP-10114; American Family Broadcasting Company, Ridgewood, New Jersey, Docket No. 11733, File No. BP-10214; for construction permits.

It is ordered, This 11th day of July 1956, that a prehearing conference in the above-entitled proceeding will be held in the offices of the Commission, Washington, D. C., commencing at 10:00 a. m., Thursday, July 19, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-5693; Filed, July 17, 1956; 8:45 a. m.]

[Docket Nos. 11287, 11288; FCC 56-652]

EL MUNDO, INC., AND PONCE DE LEON BROADCASTING CO., INC.

MEMORANDUM OPINION AND ORDER POSTPONING HEARING

In re applications of El Mundo, Inc., Mayaguez, Puerto Rico, Docket No. 11287, File No. BPCT-1892; Ponce De Leon Broadcasting Co., Inc., of P. R., Mayaguez, Puerto Rico, Docket No. 11288, File No. BPCT-1906; for construction permits for new television stations (Channel 3).

1. The Commission has before it for consideration (a) a petition filed by the Department of Education of Puerto Rico on June 7, 1956, which requests review of the Examiner's Order released on June 5, 1956, scheduling a hearing date and a stay of further proceedings and (b) an opposition thereto filed by Chief of the Commission's Broadcast Bureau on June 18, 1956. The above entitled applications were designated for hearing by Commission Order released February 24, 1955, and hearing was to commence on April 25, 1955. Commencement of the hearing has been postponed on several occasions and by Order of the Examiner on April 4, 1956 hearing was to commence on June 1, 1956. On May 1, 1956, the Examiner, on his own motion, postponed the hearing without date and scheduled a pre-hearing conference for May 28, 1956. At the pre-hearing conference the parties agreed that hearing should commence on July 9, 1956. This action was confirmed by an Order of the Examiner dated June 1, 1956, and released June 5, 1956.

2. On May 21, 1956 (before the July 9th date had been agreed upon), a competing application for Channel 3 was filed by Sucesion Luis Pirallo-Castellanos (hereinafter called Sucesion) with a request for consolidation of its application with the above-entitled applications. Thereafter, on May 29, 1956 (after the July 9th date had been set), the Department of Education of Puerto Rico (hereinafter called The Department), filed its competing application and requested consolidation with the three other applications. The Department's petition for review is directed against both the Examiner's Order, dated June 1, 1956, and released June 5, 1956, specifying July 9th as the date for hearings to commence and the prehearing agreements of May 28, 1956, on which this Order was based; the petition also requests that said Order and the dates for hearing set therein and agreed upon at the pre-hearing conference be set aside and declared null, void, and of no force and effect; and that all further proceedings be stayed without date pending action on the applications of Sucesion and The Department and their petitions to consolidate. The Department contends that if the date of July 9, 1956 is permitted to stand, the "60 day cut-off rule" § 1.724 (b) prior to the amendment of January 1, 1956) will operate to cut-off consideration of the applications of Sucesion and The Department for Channel 3.

3. In support of the requested relief petitioner contends that until public notice of a hearing date is given, its effectiveness cannot be established to the prejudice of interested parties; that here the first public notice of the new hearing date was June 5, 1956, the date of the release of the Examiner's Order and the date of the Commission's public announcement; that agreement at a prehearing conference does not constitute public notice that a date has been set; and that the Examiner's description, in the written Order, of his action as affirming an earlier action cannot operate to give prior public notice of the date so set. The contentions of petitioner are partially correct, for it is generally true that notification to the public is conclusively presumed to exist on the date when a written order is released or public announcement of an action taken is made. Thus, in the instant case, notification of the July 9th hearing date occurred on June 5, 1956, when the Order was released. However, actual notice may occur at an earlier time as with the parties themselves who were present at the prehearing conference on May 28, 1956; similarly, interested persons who were present at this conference and heard the Examiner's announcement of the hearing date received actual notice on May 28, 1956. As to them, the notification date occurred then rather than on June 1, 1956, when the confirming Order was signed or June 5, 1956, when it was released. Thus, notification to The Department, one of whose counsel, as shown by his own affidavit, was present at the May 28, 1956, conference, occurred on May 28, 1956. Sucesion was not present at the pre-hearing conference; notification to it is conclusively presumed to have occurred on June 5, 1956, when the Order was released.

4. Petitioner further contends, as we understand its argument, that where a hearing has been postponed without date by the Examiner and where, during such postponement, a new application is filed, the Examiner may not specify a new hearing date less than 60 days after the new application was filed for the reason that by such action the Examiner improperly usurps the function of the Commission to judge the acceptability of new applications. Because the examiner so acted in this case, The Department contends that the Order specifying July 9th as the date for commencement of hearing is null and void. There can be no doubt that Examiners have general authority to postpone a hearing.[1] The fact that in exercising this authority the Examiner follows a course of action as in the instant case does not render his order null, void and of no force and effect; the order was made pursuant to delegated authority after a pre-hearing conference held pursuant to the Commission's rules; there is nothing in these rules to preclude the Examiner from postponing a hearing without date and thereafter specifying a new hearing date whether or not such date is more or less than 60 days from the time a new application is filed. Whether or not, under these circumstances, the 60 day rule operates to bar acceptance of the new applications is a question we shall decide at a later date.

5. Finally, petitioner contends that further proceedings in this matter must be stayed until action is taken by the Commission on the pending new applications; that the new applicants will be prejudiced by further proceedings herein; and that the orderly processes of the Commission will be disrupted if hearing is held only on two out of four applications. The Commission is of the opinion, after careful consideration of the pleadings filed herein, that postponement of the July 9, 1956 hearing date is desirable. It is to be noted in connection with this that the application of El Mundo, Inc., one of the applicants designated for hearing herein, was dismissed without prejudice by the Chief Hearing Examiner on July 2, 1956 but the remaining application was left in hearing status. A postponement until July 19, 1956 will provide an opportunity for the Commission to determine what action should be taken with respect to Sucesion's and The Department's applications.

Accordingly, it is ordered, This 6th day of July 1956, that the petition of the Department of Education of Puerto Rico is granted to the extent that the hearing now scheduled to commence July 9, 1956 is postponed to July 19, 1956, and that the

[1] Section 1.812 of the Commission's rules. See also section 0.231 of the Commission's Statement of Delegations of Authority and section 7 (b) of the Administrative Procedure Act.

petition for review is otherwise denied as indicated herein.

Released: July 9, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-5694; Filed, July 17, 1956; 8:45 a. m.]

[Docket No. 11288; FCC 56-654]

PONCE DE LEON BROADCASTING CO., INC., ET AL.

MEMORANDUM OPINION AND ORDER POSTPONING HEARING

In re applications of Ponce De Leon Broadcasting Co., Inc., of P. R., Mayaguez, Puerto Rico; Docket No. 11288, File No. BPCT-1906; Sucesion Luis Pirallo-Castellanos, Mayaguez, Puerto Rico, File No. BPCT-2158; Department of Education of Puerto Rico, Mayaguez, Puerto Rico, File No. BPCT-2159; for construction permits for new television stations (Channel 3).

1. The Commission has before it for consideration (a) the above-captioned applications tendered for filing by Sucesion Luis Pirallo-Castellanos (Sucesion) and the Department of Education of Puerto Rico (Department of Education), respectively, for construction permits for Channel 3, Mayaguez, Puerto Rico; and (b) related pleadings filed in connection with such applications by the above applicants and by Ponce de Leon Broadcasting Company, Inc. (Ponce de Leon) and El Mundo, Inc., Ponce de Leon and El Mundo filed mutually exclusive applications for Channel 3, Mayaguez, which were designated for hearing (Dockets No. 11287 and 11288) on February 24, 1955, the hearing to commence on April 25, 1955. This hearing date has been postponed on several occasions, and on May 1, 1956, was postponed without date by the Examiner on his own motion. At that time the Examiner also scheduled a pre-hearing conference for May 28, 1956. On May 21, 1956, Sucesion tendered for filing a competing application for Channel 3 in Mayaguez together with a request for consolidation of its application with those of Ponce de Leon and El Mundo. On May 28, 1956, the prehearing conference was held and the parties (in Dockets 11287 and 11288) agreed that the hearing should commence on July 9, 1956. This agreement was confirmed by an Order of the Examiner dated June 1, 1956, and released June 5, 1956. On May 29, 1956, the Department of Education tendered for filing its competing application for Channel 3 at Mayaguez and requested consolidation with the other three applications. The requests for consolidation by the Department of Education and Sucesion have been opposed by Ponce de Leon and El Mundo.[1]

2. On July 9, 1956, the Commssion released a Memorandum Opinion and Order (FCC 56-652) in which consideration was given to a petition filed by the Department of Education for review of the Examiner's Order released on June 5, 1956 and requesting a stay of further proceedings. Therein, the Commission postponed the commencement of the hearing to July 19, 1956, and upheld the authority of the Examiner to postpone a hearing without date and thereafter to specify a new hearing date whether or not such date is more or less than 60 days from the date a new application is filed. However, we did not decide in such opinion whether the "60 day rule" is applicable or, if applicable, whether such rule operates to bar acceptance of the above-entitled applications. Those questions are now before us.

3. At the time the Ponce de Leon and El Mundo applications were designated for hearing § 1.387 (b) (3) of the Commission's rules provided that any broadcast application that is mutually exclusive with other applications already designated for hearing will be consolidated with such other applications only if the application in question is filed at least 60 days before the date on which hearing on the prior applications is scheduled, and that, " * * * If the scheduled date is changed, the date last set shall govern in determining the timeliness of an application for the purposes of this paragraph." This "60 day rule" was amended by a Commission Order, effective January 1, 1956; however, such order which established a "cut-off date" ten days after public notice of designation of applications for hearing, provided that the amendment should apply only to applications designated for hearing on or after the effective date of January 1, 1956. Inasmuch as the Ponce de Leon and El Mundo applications were designated for hearing on February 24, 1955, and the Sucesion and Department of Education applications are competitive and mutually exclusive with those earlier applications, it appears that the former "60 day rule" governs acceptance or rejection of those latter applications.

4. The Sucesion application was tendered for filing on May 21, 1956, 15 days before publication of the Examiner's Order of June 1, 1956, setting the hearing date for July 9, 1956. The Department of Education application was tendered on May 29, 1956, seven days before publication of the Examiner's Order. We do not believe a procedural rule should be interpreted in such manner as to make it possible to cut off competing applications after such applications have already been tendered for filing before the new hearing date has actually been set. To so interpret the rule would be neither equitable nor just. Therefore, we believe that the rule must be interpreted as permitting the filing of applications until such time as a hearing date has been set, without regard to whether or not the hearing date when it is set is scheduled to commence more or less than 60 days after such applications have been tendered for filing. Accordingly, since the Sucesion application was clearly tendered for filing well in advance of any act which could possibly be construed as setting the hearing date, that application is unquestionably acceptable for filing, and, after processing, must be consolidated with the Ponce de Leon application for comparative hearing.

5. It is not so clear that the Department of Education application was timely tendered under our interpretation of the 60-day rule, in view of what transpired at the pre-hearing conference held on May 28, 1956. In this connection, however, we believe that the date of the order itself must govern under the circumstances, and since the Department of Education tendered its application for filing two days before the Examiner's order was signed by him and seven days before it was released, its application was also timely tendered and must be accepted for filing and, after processing consolidated with the Ponce de Leon and Sucesion applications. In view of our decision to accept the above-entitled applications for filing, it is necessary to postpone the hearing which is now scheduled to commence on July 19, 1956 in order to permit processing of the above-entitled applications and consolidation with the Ponce de Leon application.

6. In view of the foregoing: *It is ordered*, This 11th day of July 1956, that the applications of Sucesion Luis Pirallo-Castellanos and the Department of Education of Puerto Rico are accepted for filing; that such applications will be consolidated for hearing with the application of Ponce de Leon Broadcasting Company, Inc. of Puerto Rico (Docket No. 11288) at a later date; and that the hearing now scheduled to commence July 19, 1956, is postponed to September 7, 1956, to permit such consolidation.

Released: July 12, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-5695; Filed, July 17, 1956; 8:45 a. m.]

[Docket Nos. 11763, 11764; FCC 56M-670]

J. E. WILLIS AND CRAWFORDSVILLE BROADCASTERS, INC.

ORDER SCHEDULING HEARING

In re applications of J. E. Willis, Lafayette, Indiana, Docket No. 11763, File No. BP-10253, and Crawfordsville Broadcasters, Inc., Crawfordsville, Indiana, Docket No. 11764, File No. BP-10460; for construction permits.

It is ordered, This 10th day of July 1956, that Thomas H. Donahue will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on September 25, 1956, in Washington, D. C.

Released: July 11, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-5696; Filed, July 17, 1956; 8:45 a. m.]

[1] El Mundo's application was dismissed without prejudice on July 2, 1956, by the Chief Hearing Examiner.

[Docket Nos. 11765; FCC 56M-672]

BABYLON-BAY SHORE BROADCASTING CORP.

ORDER SCHEDULING HEARING

In re application of Babylon-Bay Shore Broadcasting Corp., Babylon, New York, Docket No. 11765, File No. BP-10144; for construction permit.

It is ordered, This 10th day of July 1956, that Basil P. Cooper will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on September 25, 1956, in Washington, D. C.

Released: July 11, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-5697; Filed, July 17, 1956; 8:45 a. m.]

GENERAL SERVICES ADMINISTRATION

[Project 3-DC-03]

FEDERAL OFFICE BUILDINGS

PROSPECTUS FOR PROPOSED BUILDINGS IN SOUTHWEST REDEVELOPMENT AREA OF DISTRICT OF COLUMBIA

EDITORIAL NOTE: This prospectus of proposed Project Number 3-DC-03 is published pursuant to section 412 (f) of the Public Buildings Purchase Contract Act of 1954 as amended by Public Law 150, 84th Congress, which requires publication in the FEDERAL REGISTER, for a period of ten consecutive days from date of submission to the Committees on Public Works of the Senate and House of Representatives.

[Project Number 3-DC-03 (Revised)]

JUNE 29, 1956.

FORMAL PROSPECTUS FOR PROPOSED BUILDING UNDER TITLE I, PUBLIC LAW 519, 83D CONGRESS, 2D SESSION

FEDERAL OFFICE BUILDING NO. 8, WASHINGTON, D. C.

1. *Brief description of proposed building.* The project contemplates the erection of a Federal Office Building on a site to be acquired. The building will be multi-storied and will provide approximately 263,000 square feet of net assignable space.

2. *Estimated maximum cost and financing.* a. Maximum cost of site and building, $12,190,000.

b. Proposed contract term, 25 years.

c. Maximum rate of interest on purchase contract, 4 percent.

3. *Certificates of need.* There is attached certificate of need signed by the head of the agency which will use the facility. Certification is hereby made as to the need for service space. Upon completion of the facility, assignment and reassignment of space will be made in accordance with existing law.

4. *Non-availability of existing space.* Suitable space owned by the Government is not available and suitable rental space is not available at a price commensurate with that to be afforded through the contract proposed.

5. *Estimated annual managerial, custodial, heat, and utility costs.* (Services to be supplied by Government), $276,100.

6. *Estimated annual tax liability, upkeep and maintenance.* a. Taxes, post construction (contract period), $141,000.

b. Upkeep and maintenance (to be provided by Government), $39,400.

7. *Current housing costs.* Housing costs currently paid by the Government for agencies to be housed in the building to be erected, $208,077.

Determination of need. It has been determined that (1) the needs for space for the permanent activities of the Federal Government in this particular area cannot be satisfied by utilization of any existing suitable property now owned by the Government, and (2) the best interests of the United States will be served by taking action hereunder.

Submitted at Washington, D. C., on July 6, 1956.

Recommended:

F. MORAN MCCONIHE,
Commissioner of Public Buildings Service.

Approved:

FRANKLIN G. FLOETE,
Administrator of General Services.

8. *Statement of Director, Bureau of the Budget.* Reflected in letter (copy attached).

CERTIFICATE OF NEED

PROPOSED FEDERAL OFFICE (FOOD AND DRUG ADMINISTRATION) BUILDING, WASHINGTON, D. C.

Project No. 3-DC-03.

I, the undersigned, the Secretary of Health, Education, and Welfare, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Congress) certify that there is a permanent need in this project for approximately 200,000 square feet of net agency space to accommodate the operations of the Food and Drug Administration.

M. B. FOLSOM,
Secretary of Health, Education, and Welfare.

Certified at Washington, D. C. April 12, 1956.

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON 25, D. C.

JULY 13, 1956.

Project #3-DC-03 (Revised June 29, 1956)
Federal Office Building No. 8,
Southwest Washington Area,
Washington, D. C.

MY DEAR MR. FLOETE: Pursuant to section 411 (a) (8) of the Public Buildings Purchase Contract Act of 1954 (Public Law 519), the proposal for a Federal Office Building, received July 9, 1956, has been examined and in my opinion "is necessary and in conformity with the policy of the President." This approval is given with the following understanding:

1. That the stated project cost of $12,190,000 (including cost of a site to be acquired at an estimated cost of $75,000) is a maximum figure.

2. That the site located in the Southwest Washington Area will be developed to its maximum space utilization and that any space in excess of the needs of the Food and Drug Administration at the time the building is completed will be allocated to agencies then housed in temporary buildings. When the allocation of agencies is determined, temporary space of equivalent occupancy will be demolished.

3. That every effort will be made to design and construct space conducive to maximum efficient utilization and to take advantage of any revision of cost downward which may be found possible as the plans develop and negotiations are advanced.

You appreciate, of course, that this project will receive a more detailed review as to cost and space utilization.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Director.

HON. FRANKLIN G. FLOETE,
Administrator,
General Services Administration,
Washington 25, D. C.

[F. R. Doc. 56-5874; Filed, July 17, 1956; 2:20 p. m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

URBAN RENEWAL COMMISSIONER AND HHFA REGIONAL ADMINISTRATORS

AMENDMENT OF DELEGATION OF AUTHORITY WITH RESPECT TO SLUM CLEARANCE AND URBAN RENEWAL PROGRAM, DEMONSTRATION AND URBAN PLANNING GRANT PROGRAMS

The delegation of authority with respect to the slum clearance and urban renewal program, demonstration and urban planning grant programs, effective as of December 23, 1954 (20 F. R. 428-429, January 19, 1955), as amended (20 F. R. 4275, June 17, 1955; 21 F. R. 1468, March 7, 1956; 21 F. R. 3038, May 5, 1956), is hereby further amended in the following respects:

1. In subparagraph 1 (d) (7), by deleting existing item lettered (E).

2. In subparagraph 4 (d), by deleting the word "direct."

Effective as of the 18th day of July 1956.

ALBERT M. COLE,
Housing and Home Finance Administrator.

[F. R. Doc. 56-5768; Filed, July 17, 1956; 8:56 a. m.]

INTERSTATE COMMERCE COMMISSION

[Notice 121]

MOTOR CARRIER APPLICATIONS

JULY 13, 1956

Protests consisting of an original and two copies to the granting of an application must be filed with the Commission within 30 days from the date of publication of this notice in the FEDERAL REGISTER and a copy of such protest served on the applicant. Each protest much clearly state the name and street number, city and street address of each protestant on behalf of whom the protest is filed (49 CFR and 1.240 and 1.241). Failure to seasonably file a protest will be construed as a waiver of opposition and participation in the proceeding unless an oral hearing is held. In addition to other requirements of Rule 40 of the general rules of practice of the Commission (49 CFR 1.40), protests shall include a request for a public hearing, if one is desired, and shall notify with particularity the facts, matters, and things relied upon, but shall not include issues or al-

legations phrased generally. Protests containing general allegations may be rejected. Requests for an oral hearing must be supported by an explanation as to why the evidence cannot be submitted in forms of affidavits. Any interested person not a protestant, desiring to receive notice of the time and place of any hearing, pre-hearing conference, taking of depositions, or other proceeding shall notify the Commission by letter or telegram within 30 days of publication of this notice in the FEDERAL REGISTER. Except when circumstances require immediate action, an application for approval, under section 210a (b) of the act, of the temporary operations of Motor Carrier properties sought to be acquired in an application under section 5 (2) will not be disposed of sooner than 10 days from the date of publication of this notice in the FEDERAL REGISTER. If a protest is received prior to action being taken, it will be considered.

APPLICATIONS OF MOTOR CARRIERS OF PROPERTY

No. MC 730 Sub 73, filed June 15, 1956, PACIFIC INTERMOUNTAIN EXPRESS CO., a corporation, 299 Adeline Street, Oakland, Calif. Applicant's representative: William B. Adams, Pacific Building, Portland 4, Oreg. For authority to operate as a *common carrier*, over irregular routes, transporting: *Tallow*, in bulk in tank vehicles, from Portland, Oreg., to Longview, Wash. Applicant is authorized to conduct operations in Idaho, Montana, Oregon, and Washington.

No. MC 2202 Sub 147, filed July 5, 1956, ROADWAY EXPRESS, INC., 147 Park Street, Akron, Ohio. Applicant's representative: William O. Turney, 2001 Massachusetts Avenue NW., Washington 6, D. C. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving the site of the new Chrysler Corporation Plant now under construction by the Automotive Body Division, Chrysler Corporation, on Ohio Highway 82 in or near Twinsburg, Summit County, Ohio, as an off-route point in connection with applicant's regular route operations. Applicant is authorized to conduct operations in Ohio, Texas, Oklahoma, Michigan, Missouri, Indiana, Georgia, Pennsylvania, Illinois, Kentucky, Tennessee, Alabama, South Carolina, North Carolina, New York, New Jersey, Delaware, Maryland, Virginia, West Virginia, and the District of Columbia.

No. MC 2401 Sub 15, filed July 5, 1956, MOTOR FREIGHT CORPORATION, 2345 South 13th Street, Terre Haute, Ind. Applicant's representative: Robert C. Smith, 512 Illinois Building, Indianapolis 4, Ind. For authority to operate as a *common carrier* over irregular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment and those injurious or contaminating to other lading, serving the site of the Warrick Works of the Aluminum Company of America, located in Warrick County, Ind., as an off-route point in connection with applicant's authorized regular route operations between Chicago, Ill., and Evansville, Ind. Applicant is authorized to conduct operations in Illinois, Indiana and Missouri.

No. MC 2900 Sub 83, filed July 3, 1956, GREAT SOUTHERN TRUCKING COMPANY, 1863 Clarkson Street, P. O. Box 2408, Jacksonville, Fla. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, including *Class A and B explosives*, but excluding those of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Rome, Ga., and Calhoun, Ga., from Rome over Georgia Highway 53 to Calhoun, and return over the same route, serving no intermediate points, and as an alternate route for operating convenience only in connection with applicant's regular route operations. Applicant is authorized to conduct operations in Alabama, Georgia, North Carolina, South Carolina, Florida, and Tennessee.

No. MC 5117 Sub 9, filed June 25, 1956, JOHN F. VAN SOMEREN, FRANK A. VAN SOMEREN, AND JOHN VAN SOMEREN, JR., doing business as VAN SOMEREN TRANSFER CO., Baldwin, Wis. Applicant's representative: A. R. Fowler, 2288 University Avenue, St. Paul 14, Minn. For authority to operate as a *common carrier*, over irregular routes, transporting: *Cleansing, scouring, and washing compounds, cooking oil fats, lard compounds, lard substitutes, soap, soap products, vegetable oil shortening* and *foodstuffs*, and *related advertising matter and premiums* when moving therewith, (1) between Baldwin, Wis., on the one hand, and, on the other, points in Pepin, Buffalo, Dunn, and Polk Counties, Wis., and (2) from Baldwin, Wis., to points in St. Croix, Pierce, and Barron Counties, Wis.

NOTE: Applicant states that under Certificate MC 5117 it now has authority to transport *Soap, soap products*, and *vegetable oil shortening*, from and to the above points. Applicant requests that such authority be revoked concurrently with the grant of the requested authority.

No. MC 7746 Sub 81, filed July 2, 1956, UNITED TRUCK LINES, INC., East 915 Springfield Avenue, Spokane 2, Wash. For authority to operate as a *common carrier*, over regular routes, transporting: *Household goods* as defined by the Commission, and *general commodities*, except those of unusual value, Class A and B explosives, livestock, commodities in bulk, and those requiring special equipment other than those requiring specialized handling or rigging because of size or weight, (1) between Woodland, Wash., and the Swift Creek Dam Site, near Yale, Wash., from Woodland over Washington Highway 1–S to junction unnumbered County Road near Yale, thence over unnumbered County Road to the Swift Creek Dam Site, and return over the same route, serving points within six (6) miles of the Swift Creek Dam Site as intermediate and off-route points, and (2) serving the Swift Creek Dam Site, near Yale, Wash., and points within six (6) miles thereof, as off-route points in connection with carrier's regular route operations between Portland, Oreg., and Bellingham, Wash., over U. S. Highway 99.

No. MC 9726 Sub 4, filed May 21, 1956, THOMAS FRANKLIN DUNLAP, doing business as T. F. DUNLAP, 6318 Elbrook Avenue, Cincinnati, Ohio. Applicant's representative: Robert L. Leroux, 516–517 Union Central Building, Cincinnati 2, Ohio. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Prefabricated buildings and houses*, knocked down, or in section, including *nails* and *hardware* for erection thereof, from Hamilton, Ohio to points in Alabama, Arkansas, Connecticut, Delaware, Georgia, Iowa, Kansas, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, Wisconsin and the District of Columbia. Applicant is authorized to conduct operations in Ohio, Indiana, Illinois, Pennsylvania, Kentucky, and West Virginia.

No. MC 13026 Sub 7, filed June 22, 1956, ARTHUR A. FREDA, doing business as FREDA'S TRUCKING COMPANY, 318 Talbot Avenue, Braddock, Pa. Applicant's representative: G. H. Dilla, 3350 Superior Avenue, Cleveland 14, Ohio. For authority to operate as a *common carrier*, over irregular routes, transporting: *Common brick*, from points in Mahoning County, Ohio, to points in Allegheny, Beaver and Washington Counties, Pa. Applicant is authorized to conduct operations in Pennsylvania, West Virginia, and Ohio.

No. MC 15737 Sub 8, filed June 25, 1956, ATLANTIC COAST FREIGHT LINES, INC., 3200 James Street, Baltimore, Md. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Harrisburg, Pa., and Philadelphia, Pa., from Harrisburg over U. S. Highway 230 to junction U. S. Highway 30, thence over U. S. Highway 30 to Philadelphia, and return over the same route, serving no intermediate points, but serving Harrisburg, Pa., for joinder purposes only, as an alternate route for operating convenience only, in connection with applicant's regular route operations (1) between Philadelphia, Pa., and Baltimore, Md., over U. S. Highways 130 and 40, and (2) between Baltimore, Md., and Buffalo, N. Y., over U. S. Highways 111 and 15, and New York Highways 68 and 5. Applicant is authorized to conduct operations in Delaware, Maryland, New Jersey, New York, Pennsylvania, Virginia, and the District of Columbia.

NOTE: Applicant states that no service is sought to or from Harrisburg, Pa.

No. MC 19945 Sub 5, filed June 29, 1956, BEHNKEN TRUCK SERVICE, INC., Illinois Route 13, New Athens, Ill. Applicant's representative: Ernest A. Brooks II, 1310 Ambassador Building, St. Louis 1, Mo. For authority to operate as a *common carrier*, over irregular routes, transporting: *Coal*, serving points in Illi-

nois within 12 miles of New Athens, Ill., as off-route points in connection with applicant's authorized regular route operations from New Athens, Ill., to St. Louis, Mo. in No. MC 19945.

NOTE: Applicant has authority in No. MC 19945 to serve points within four miles of New Athens, Ill., and the purpose of this application is to extend the origin territory from four miles to twelve miles of New Athens. Applicant is authorized to conduct operations in Illinois and Missouri.

No. MC 27970 Sub 24, filed July 2, 1956, CHICAGO EXPRESS, INC., 72 Fifth Avenue, New York 11, N. Y. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment, serving the site of Chrysler Corporation Stamping Plant near Twinsburg, Ohio as an off-route point in connection with applicant's authorized regular route operations. Applicant is authorized to conduct operations in Illinois, Indiana, Ohio, Pennsylvania, New Jersey, Connecticut, Rhode Island, New York, and Massachusetts.

No. MC 29566 Sub 44, filed July 2, 1956, SOUTHWEST FREIGHT LINES, INC., 1400 Kansas Avenue, Kansas City, Kans. For authority to operate as a *common carrier*, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as defined by the Commission, between Arkansas City, Kans., on the one hand, and, on the other, Fremont and Omaha, Nebr., and points in Iowa and Illinois. Applicant is authorized to conduct operations in Arkansas and Iowa.

No. MC 31600 Sub 411, filed June 28, 1956, P. B. MUTRIE MOTOR TRANSPORTATION, INC., Calvary Street, Waltham 54, Mass. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquid chocolate, liquid chocolate products* and *cocoa butter*, in bulk, in tank vehicles, from Boston, Mass., to points in New York, Ohio, Pennsylvania, and Chicago, Ill. Applicant is authorized to conduct operations in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.

No. MC 40302 Sub 20, filed July 2, 1956, FEDERAL EXPRESS, INC., 577 West Ray Street, Indianapolis, Ind. Applicant's representative: Ferdinand Born, 708 Chamber of Commerce Building, Indianapolis 4, Ind. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving the site of the plant of Chevrolet Division of General Motors Corporation, located approximately six (6) miles southwest of Warren, Ohio, in Lordstown Township, Trumbull County, Ohio, as an off-route point in connection with carrier's regular route operations between (1) Toledo and Youngstown, Ohio, over U. S. Highway 422, (2) Norwalk and Youngstown, Ohio, over Ohio Highway 18 and (3) Berberton and Warren, Ohio, over Ohio Highway 5. Applicant is authorized to conduct operations in Indiana, Kentucky, Michigan, and Ohio.

No. MC 40768 Sub 6, filed July 2, 1956, MEEKS MOTOR FREIGHT, A Corporation, 1101 West St. Catherine Street, Louisville, Ky. Applicant's representative: Ferdinand Born, 705–708 Chamber of Commerce Building, Indianapolis 4, Ind. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving the site of the Warrick Works of the Aluminum Company of America, located in Warrick County, Ind., near Newburgh, Ind., as an off-route point in connection with carrier's regular route operations between Louisville, Ky. and Evansville, Ind., over Indiana Highway 62. Applicant is authorized to conduct operations in Indiana, Kentucky, Ohio, and Tennessee.

No. MC 43038 Sub 400, filed July 2, 1956, COMMERCIAL CARRIERS, INC., 3399 E. McNichol's Road, Detroit 12, Mich. Applicant's representative: James W. Wrape, 2111 Sterick Building, Memphis 3, Tenn. For authority to operate as a *common carrier*, over irregular routes, transporting: *Automobiles, trucks*, and *buses*, in secondary movements, by truckaway and driveaway method, from Guntersville, Ala., to points in Florida. Applicant is authorized to conduct operations in Alabama, Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Washington, West Virginia, Wisconsin, Wyoming, and the District of Columbia.

NOTE: Applicant has authority to transport the above-described commodities "restricted to shipments having a prior movement by water carrier". Applicant states that the effect of this application will be to remove this restriction.

No. MC 43177 Sub 23, filed June 22, 1956, B B & I MOTOR FREIGHT, INC., 501 North Rogers Street, Bloomington, Ind. Applicant's representative: Ferdinand Born, 708 Chamber of Commerce Building, Indianapolis 4, Ind. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, except those of unusual value, and except Class A and B explosives and inflammables, livestock, household goods, as defined by the Commission, commodities in bulk, and commodities special equipment, serving the site of the Warrick Aluminum Company of America, located in Warrick County, Ind., near Newburgh, Ind., as an off-route point in connection with applicant's regular-route operations to and from Evansville, Ind. Applicant is authorized to conduct operations in Indiana, Illinois, and Kentucky.

No. MC 47171 Sub 77, filed July 3, 1956, COOPER MOTOR LINES, INC., P. O. Box 2030, 301 Hammet Street, Extension, Greenville, S. C. Applicant's representative: Eugene T. Liipfert, 2001 Massachusetts Avenue NW., Washington 6, D. C. For authority to operate as a *common carrier*, over regular and irregular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment, (1) between the Virginia-North Carolina State Line and Columbus, Ga., from the Virginia-North Carolina State Line over U. S. Highway 1 to Raleigh, N. C., thence over U. S. Highway 64 to junction U. S. Highway 64 and North Carolina Highway 49 near Asheboro, N. C., thence over North Carolina Highway 49 to junction North Carolina Highway 49 and U. S. Highway 29, thence over U. S. Highway 29 to Charlotte, N. C. (also from the Virginia-North Carolina State Line over U. S. Highway 29 to junction U. S. Highway 29 and Alternate U. S. Highway 29 near China Grove, N. C., thence over Alternate U. S. Highway 29 to junction Alternate U. S. Highway 29 and U. S. Highway 29 near Concord, N. C., thence over U. S. Highday 29 to junction U. S. Highway 29 and North Carolina Highway 49), thence over U. S. Highway 29 to Greenville, S. C. (also, from junction U. S. Highway 29 and Alternate U. S. Highway 29 near the North Carolina-South Carolina State Line over Alternate U. S. Highway 29 to Lyman, S. C.), from Greenville, S. C. over U. S. Highway 123 to Cornelia, Ga., thence over U. S. Highway 23 to Atlanta, Ga. (also, from Greenville, S. C., over U. S. Highway 29 to Athens, Ga.), and thence over U. S. Highway 78 to Atlanta, Ga. (also from Charlotte, N. C., over U. S. Highway 21 to Rock Hill, S. C., thence over South Carolina Highway 72 to the South Carolina-Georgia State Line, thence over Georgia Highway 72 to junction Georgia Highway 72 and U. S. Highway 29 near Athens, Ga.), (also, from Anderson, S. C., over South Carolina Highway 81 to Iva, S. C., thence over South Carolina Highway 184 to the South Carolina-Georgia State Line, thence over Georgia Highway 82 to junction Georgia Highway 82 and Georgia Highway 77, thence over Georgia Highway 77 to Elberton, Ga.), (also, from Anderson, S. C., over South Carolina Highway 243 to junction South Carolina Highway 243 and South Carolina Highway 80, thence over South Carolina Highway 80 to Fair Play, S. C., thence over South Carolina Highway 59 to the South Carolina-Georgia State Line, thence over Georgia Highway 59 to Commerce, Ga., thence over Georgia Highway 15 to Jefferson, Ga., thence over Georgia Highway 11 to Winder, Ga., and thence over U. S. Highway 29 to Atlanta, Ga.); and thence from Atlanta, Ga., over Georgia Highway 85 to Columbus, Ga.; (also from Atlanta, Ga., over U. S. Highway 29 to La Grange, Ga., thence over Georgia Highway 219 to junction Georgia Highway 219 and Georgia Highway 103, thence over Georgia Highway 103 to Columbus, Ga.), and return over the same routes, serving the intermediate points of Greensboro, Salisbury, Kannapolis, Concord, Charlotte, Gastonia,

and the off-route points of Marion, Morganton and Durham, N. C., restricted to traffic originating north of the Virginia-North Carolina State Line; and to and from all termini and intermediate points on the above-described routes in South Carolina and Georgia and to and from all points in that part of South Carolina north of South Carolina Highway 72 as off-route points, restricted to traffic originating or terminating at points located north of the Virginia-North Carolina State Line. (2) between the Virginia-North Carolina State Line and Macon, Ga., from the Virginia-North Carolina State Line over U. S. Highway 1 to junction U. S. Highway 64 and U. S. Highway 1 west of Raleigh, N. C., thence over U. S. Highway 1 to Columbia, S. C., (also from Rock Hill, S. C., over U. S. Highway 21 to Columbia, S. C.), (also, from Bishopville, S. C., over South Carolina Highway 34 to junction South Carolina Highway 34 and U. S. Highway 1 near Camden, S. C. and thence over U. S. Highway 1 to Columbia, S. C.) thence over U. S. Highway 1 to Aiken, S. C., (also, from Columbia, S. C., over South Carolina Highway 215 to junction South Carolina Highway 215 and U. S. Highway 78, thence over U. S. Highway 78 to Aiken, S. C.); (also, from Whitmire, S. C., over South Carolina Highway 19 to junction South Carolina Highway 19 and U. S. Highway 25, thence over U. S. Highway 25 to Augusta, Ga.); (also, from Columbia, S. C., over U. S. Highway 321 to Hardeeville, S. C.), (also, from Lugoff, S. C., over U. S. Highway 601 to Orangeburg, S. C., thence over U. S. Highway 30, to Statesboro, Ga.); (also, from junction U. S. Highway 321 and South Carolina Highway 3 near Swansea, S. C., over South Carolina Highway 3 to Barnwell, S. C., thence over South Carolina Highway 28 to Fairfax, S. C.); from Aiken, S. C., over U. S. Highway 1 to Augusta, Ga., thence over U. S. Highway 78 to Thomson, Ga., thence over Georgia Highway 12 to Warrenton, Ga., thence over Georgia Highway 16 to Sparta, Ga., thence over Georgia Highway 22 to Gray, Ga., thence over U. S. Highway 129 to Macon, Ga.; (also, from Edgefield, S. C., over South Carolina Highway 23 to junction South Carolina Highway 23 and U. S. Highway 221, thence over U. S. Highway 221 to junction U. S. Highway 221 and Georgia Highway 150, thence over Georgia Highway 150 to Thomson, Ga.); (also, from Athens, Ga., over U. S. Highway 129 to Gray, Ga.); (also, from Macon, Ga., over U. S. Highway 41 to junction U. S. Highway 41 and Georgia Highway 49, thence over Georgia Highway 49 to Fort Valley, Ga., thence over Georgia Highway 96 to Geneva, Ga., thence over U. S. Highway 80 to Columbus, Ga.); and return over the same routes, serving the intermediate point of Rockingham, N. C., restricted to southbound traffic only, and to and from the termini and intermediate points in South Carolina and Georgia and the off-route point of Winnsboro, S. C., restricted to traffic originating or terminating at points north of the Virginia-North Carolina State Line or at authorized regular route or irregular route points in Charleston, Georgetown, Horry, Berkeley, Dorchester, Colleton, Beaufort and Jasper Counties, S. C.; (3) between the Virginia-North Carolina State Line and Savannah, Ga.; from the Virginia-North Carolina State Line over U. S. Highway 301 to Rocky Mount, N. C.; (also, from the Virginia-North Carolina State Line over U. S. Highway 258 to junction U. S. Highway 258 and North Carolina Highway 95, thence over North Carolina Highway 95 to junction North Carolina Highway 95 and U. S. Highway 301 near Rocky Mount, N. C.); thence over U. S. Highway 301 to Fayetteville, N. C.; (also, from Rocky Mount, N. C., over U. S. Highway 64 to Raleigh, N. C., thence over Alternate U. S. Highway 15 to Fayetteville, N. C.); thence over U. S. Highway 301 to Lumberton, N. C.; (also, from Fayetteville, N. C., over Alternate U. S. Highway 15 to Laurinburg, N. C., thence over U. S. Highway 15 to Bishopville, S. C., thence from Bishopville, S. C., over U. S. Highway 15 to Summerton, S. C.); from Lumberton, N. C., over North Carolina Highway 41 to the North Carolina-South Carolina State Line, thence over South Carolina Highway 41 to junction South Carolina Highway 41 and U. S. Highway 17, thence over U. S. Highway 17 to Charleston, S. C.; (also, from Lumberton, N. C., over U. S. Highway 301 to Summerton, S. C.); (also, from junction U. S. Highway 15 and U. S. Highway 52 near Society Hill, S. C., over U. S. Highway 52 to Florence, S. C.); (also, from Effingham, S. C., over U. S. Highway 52 to junction U. S. Highway 52 and U. S. Highway 176); (also, from Florence, S. C., over U. S. Highway 76 to Columbia, S. C.); (also, from Darlington, S. C., over Alternate U. S. Highway 15 to Sumter, S. C.); from Charleston, S. C., over U. S. Highway 17 to junction U. S. Highway 17 and Alternate U. S. Highway 17 near Pocotaligo, S. C.; (also, from Summerton, S. C., over U. S. Highway 15 to Walterboro, S. C., thence over Alternate U. S. Highway 17 to junction Alternate U. S. Highway 17 and U. S. Highway 17 near Pocotaligo, S. C.), thence from junction U. S. Highway 17 and Alternate U. S. Highway 17 near Pocotaligo, S. C., over U. S. Highway 17 to Savannah, Ga.; (also, from junction U. S. Highway 17 and Alternate U. S. Highway 17 north of Savannah, Ga., over U. S. Highway 17A to Savannah, Ga.); and return over the same routes, serving the intermediate points of Rich Square, Rocky Mount, Fuquay-Varina, Lillington, Dunn and Fayetteville, N. C., and the off-route points of Roanoke Rapids, Greenville, Snow Hill, Kinston, Smithfield, Warsaw and Clinton, N. C., restricted to traffic originating north of the Virginia-North Carolina State Line and to and from the termini and all intermediate points on the above-described routes in South Carolina and Georgia, restricted to traffic originating or terminating north of the Virginia-North Carolina State Line or originating or terminating in Charleston, Georgetown, Horry, Berkeley, Dorchester, Colleton, Beaufort and Jasper Counties, S. C.; (4) between junction Alternate U. S. Highway 29 and South Carolina Highway 5 (near Blackburg, S. C.) and Rock Hill, S. C., from junction Alternate U. S. Highway 29 and South Carolina Highway 5 over South Carolina Highway 5 to Rock Hill, S. C., (5) between Spartansburg, S. C., and Darlington, S. C.; from Spartansburg, S. C., over U. S. Highway 176 to junction U. S. Highway 176 and South Carolina Highway 9 near Jonesville, S. C., thence over South Carolina Highway 9 to Lancaster, S. C., thence over South Carolina Highway 903 to junction South Carolina Highway 903 and South Carolina Highway 151, thence over South Carolina Highway 151 to Darlington, S. C.; (6) between junction U. S. Highway 176 and South Carolina Highway 9 near Jonesville, S. C., and Columbia, S. C., from junction U. S. Highway 176 and South Carolina Highway 5 over U. S. Highway 176 to Union, S. C., thence over South Carolina Highway 215 to Columbia, S. C.; (7) between Greenville, S. C., and Charleston, S. C.; from Greenville, S. C., over U. S. Highway 276 to Laurens, S. C., thence over U. S. Highway 76 to Columbia, S. C., thence over U. S. Highway 21 to junction U. S. Highway 21 and U. S. Highway 176, thence over U. S. Highway 176 to junction U. S. Highway 176 and U. S. Highway 52, thence over U. S. Highway 52 to Charleston, S. C.; (8) between Greenville, S. C., and Savannah, Ga.; from Greenville, S. C., over U. S. Highway 25 to junction U. S. Highway 25 and U. S. Highway 80, thence over U. S. Highway 80 to Savannah, Ga.; (9) between Athens, Ga., and Columbia, S. C., from Athens, Ga., over U. S. Highway 78 to junction U. S. Highway 78 and U. S. Highway 378, thence over U. S. Highway 378 to Columbia, S. C.; (10) between Atlanta, Ga., and junction U. S. Highway 78 and U. S. Highway 52, from Atlanta, Ga., over U. S. Highway 278 to Augusta, Ga., thence over South Carolina Highway 28 to junction South Carolina Highway 28 and South Carolina Highway 781, thence over South Carolina Highway 781 to junction South Carolina Highway 781 and U. S. Highway 78, thence over U. S. Highway 78 to junction U. S. Highway 78 and U. S. Highway 52; (also, from junction South Carolina Highway 28 and South Carolina Highway 781 over South Carolina Highway 28 to Barnwell, S. C., thence over South Carolina Highway 64 to Jacksonboro, S. C.; (11) between Atlanta, Ga. and junction U. S. Highway 80 and U. S. Highway 25 near Statesboro, Ga.; from Atlanta, Ga., over U. S. Highway 23 to Forsyth, Ga., thence over Georgia Highway 18 to junction Georgia Highway 18 and Georgia Highway 148, thence over Georgia Highway 148 to junction Georgia Highway 148 and Georgia Highway 87, thence over Georgia Highway 87 to Macon, Ga., thence over Georgia Highway 57 to Swainsboro, Ga., thence over U. S. Highway 80 to junction U. S. Highway 80 and U. S. Highway 25 near Statesboro, Ga.); (also, from Sylvania, Ga., over Georgia Highway 21 to Millen, Ga., thence over Georgia Highway 17 to Midville, Ga., thence over Georgia Highway 78 to Bartow, Ga., thence over Georgia Highway 242 to Sandersville, Ga., thence over Georgia Highway 24 to junction Georgia Highway 24 and Georgia Highway 22 near Milledgeville, Ga.); (also, from Milledgeville over Georgia Highway

49 to Macon, Ga.); and return over the same routes, serving the termini and intermediate points, restricted to traffic originating and terminating north of the Virginia-North Carolina State Line or in Charleston, Georgetown, Horry, Berkeley, Dorchester, Colleton, Beaufort and Jasper Counties, S. C.; (12) between New York, N. Y., and the Virginia-North Carolina State Line; from New York, N. Y., over U. S. Highway 1 to Philadelphia, Pa., (also, from Trenton, N. J., over U. S. Highway 13 to Philadelphia); (also, from junction U. S. Highway 1 and U. S. Highway 130 over U. S. Highway 130 to junction U. S. Highway 130 and U. S. Highway 40); (also, from junction U. S. Highway 130 and U. S. Highway 30 over U. S. Highway 30 to Philadelphia, Pa.); (also, from New York, N. Y., over U. S. Highway 46 to junction U. S. Highway 46 and the New Jersey Turnpike, thence over the New Jersey Turnpike to the junction of the New Jersey Turnpike and U. S. Highway 40, thence over U. S. Highway 40 to junction U. S. Highway 40 and U. S. Highway 13 near New Castle, Del.); (also, from Philadelphia, Pa., over U. S. Highway 13 to junction U. S. Highway 13 and U. S. Highway 40 near New Castle, Del.); (also, from junction U. S. Highway 13 and Alternate U. S. Highway 13 over Alternate U. S. Highway 13 to Wilmington, Del.); from junction U. S. Highway 13 and U. S. Highway 40 near New Castle, Del., over U. S. Highway 40 to Baltimore, Md.; (also, from Philadelphia, Pa., over U. S. Highway 1 to Baltimore, Md., thence over U. S. Highway 1 to Richmond, Va., thence over U. S. Highway 1 to Petersburg, Va., and thence over U. S. Highway 1 to the Virginia-North Carolina State Line; (also, from the junction U. S. Highway 13 and U. S. Highway 40 near New Castle, Del., over U. S. Highway 13 to junction U. S. Highway 13 and U. S. Highway 58 near Norfolk, Va.); (also, from junction U. S. Highway 13 and U. S. Highway 58 over U. S. Highway 58 to Norfolk, Va.); (also, from Fredericksburg, Va., over U. S. Highway 17 to Norfolk, Va.); (also, from Richmond, Va. over U. S. Highway 60 to junction U. S. Highway 60 and Virginia Highway 168, thence over Virginia Highway 168 to junction Virginia Highway 168 and U. S. Highway 17, near Newport News, Va.); from Norfolk, Va., over U. S. Highway 58 to Franklin, Va., and thence over U. S. Highway 258 to the Virginia-North Carolina State Line; (also, from Petersburg, Va., over U. S. Highway 301 to the Virginia-North Carolina State Line); (also, from Richmond, Va., over U. S. Highway 360 to junction U. S. Highway 360 and Virginia Highway 304, thence over Virginia Highway 304 to South Boston, Va., thence over U. S. Highway 58 to Danville, Va., thence over U. S. Highway 29 to the Virginia-North Carolina State Line); and return over the same routes, serving the intermediate points of Trenton and Camden, N. J., Philadelphia and Bristol, Pa., Wilmington and Cheswold, Del., Baltimore, Md., Washington, D. C., Richmond, Norfolk, Suffolk, Fredericksburg, Petersburg, Franklin, South Boston and Danville, Va., and to and from Biglerville and York, Pa., Cumberland, Md., Roanoke, Victoria, Lynchburg, Farmville, Lester Manor, Warrenton, Madison Heights, Culpeper and Windsor, Va., points in New Jersey and New York within 25 miles of New York, N. Y., and points in Pennsylvania on and south of U. S. Highway 30 within 25 miles of Philadelphia, as off-route points, restricted to traffic moving to and from authorized points in South Carolina or Georgia, and from the above-described points only to authorized points in North Carolina. IRREGULAR ROUTES: (13) between points in that part of Georgia south of a line drawn along U. S. Highway 80 from the Alabama-Georgia State Line to Geneva, Ga., thence along Georgia Highway 96 to Fort Valley, Ga., thence along Georgia Highway 49 to junction Georgia Highway 49 and U. S. Highway 11, thence along U. S. Highway 41 to Macon, Ga., thence along U. S. Highway 80 to Savannah Beach, Ga., on the one hand, and, on the other, Columbus, Macon and Savannah, Ga. (14) between points in that part of Georgia north and west of U. S. Highways 123 and 23 from the South Carolina-Georgia State Line to Gainesville, Ga., U. S. Highway 23 from Gainesville, Ga., to Atlanta, Ga., and U. S. Highway 29 from Atlanta, Ga., to the Georgia-Alabama State Line, on the one hand, and on the other, Atlanta, Ga. (15) between points in that part of South Carolina south and east of a line beginning at the North Carolina-South Carolina State Line and drawn south along South Carolina Highway 41 to its junction with U. S. Highway 17, and thence along U. S. Highway 17 to its junction with Alternate U. S. Highway 17A north of Savannah, Ga., and thence along Alternate U. S. Highway 17A to the South Carolina-Georgia State Line, on the one hand, and, on the other, points located on the described regular routes in South Carolina.

NOTE: Applicant states that by this application it seeks to convert the major portion of its authority to a regular-route operation. This application will be processed concurrently with No. MC-F 6330, published this issue.

No. MC 48958 Sub 29, filed June 4, 1956, ILLINOIS-CALIFORNIA EXPRESS, INC., 510 East 51st Avenue, Denver 16, Colo. Applicant's representative: Truman A. Stockton, Jr., The 1650 Grant Street Building, Denver 3, Colo. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, commodities in bulk, and those requiring special equipment, serving the Glen Canyon Dam Site, located on the Colorado River, approximately 15 miles upstream from Marble Canyon, Arizona near the Utah-Arizona boundary, points within 10 miles thereof, and construction sites located at point on access roads thereto, as off-route points in connection with applicant's regular route operations between Denver, Colo., and Los Angeles, Calif. Applicant is authorized to conduct operations in Kansas, Missouri, Nebraska, Nevada, New Mexico, Wyoming, Colorado, Arizona, California, Illinois and Iowa.

No. MC 49387 Sub 8, filed June 11, 1956, ORSCHELN BROS. TRUCK LINES, INC., 339 North Williams. Applicant's representative: B. W. LaTourette, Suite 1230 Boatmen's Bank Building, St. Louis 2, Mo. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, except those of unusual value, and except Class A and B explosives, commodities in bulk, household goods, as defined by the Commission, and commodities requiring special equipment, between Quincy, Ill., and the Junction of F. A. Route 80 Spur (also known as the Fall Creek to Hannibal Road), and U. S. Highway 36, from Quincy over Illinois Highway 57 to junction Illinois Highway 57 and F. A. Route 80 Spur (the Fall Creek to Hannibal Road) thence over F. A. Route 80 Spur to Junction U. S. Highway 36, as an alternate route, for operating convenience and joinder purposes only, serving no intermediate points, in connection with applicant's regular-route operations between Chicago, Ill., and Hannibal, Mo., and between St. Joseph, Mo., and Quincy, Ill. Applicant is authorized to conduct operations in Illinois, Iowa, Missouri, and Kansas.

No. MC 52657 Sub 490, filed June 25, 1956, ARCO AUTO CARRIERS, INC., 91st Street and Perry Avenue, Chicago 20, Ill. Applicant's representative: G. W. Stephens, 121 West Doty Street, Madison, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Passenger and freight automotive vehicles*, and parts necessary for the assembly of such vehicles, in secondary movements, in truckaway service, from Chicago, Ill. to points in Nebraska, North Dakota, and South Dakota. Applicant is authorized to conduct operations throughout the United States.

No. MC 59185 Sub 19, filed July 2, 1956, HIGHWAY EXPRESS, INC., 2416 West Superior Avenue, Cleveland, Ohio. Applicant's representative: G. H. Dilla, 3350 Superior Avenue, Cleveland 14, Ohio. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving the site of the new Lincoln Division plant of the Ford Motor Company located two (2) miles north of U. S. Highway 16 at the intersection of Michigan Highway 218, at or near Wixom, Mich., as an off-route point in connection with carrier's regular route operations between Detroit, Mich. and Cleveland, Ohio, over U. S. Highways 24 and 25. Applicant is authorized to conduct operations in Michigan and Ohio.

No. MC 60868 Sub 8 (CORRECTION), filed June 22, 1956, published on page 4986 issue of July 4, 1956, RUFFALO'S TRUCKING SERVICE, INCORPORATED, East Union on Lyons Road, Newark, N. Y., publication failed to show applicant's representative: Martin Martino, Tower Building, Washington, D. C.

No. MC 61231 Sub 7, filed June 28, 1956, ALKIRE TRUCK LINES, INC., Livestock Exchange Building, Kansas City, Mo. Applicant's representative: Clarence D. Todd, Suite 944 Washington Building,

Washington 5, D. C. For authority to operate as a *common carrier*, over irregular routes, transporting: *Household appliances*, electrical and gas, including but not limited to dryers, ironers, stoves, freezers, and refrigerators; and *parts for such household appliances*, from Newton, Iowa to Chicago and Waukegan, Ill.

No. MC 62276 Sub 4, filed June 28, 1956, ROLAND A. VOIGT, doing business as VOIGT TRUCKING CO., Ashippun, Wis. Applicant's representative: Edward Solie, 1 South Pinckney Street, Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Fertilizer*, from Streator, Ill., to points in Wisconsin, north and east of a line beginning at Beloit, Wis. and extending along Wisconsin Highway 13 to junction with U. S. Highway 16 near Wisconsin Dells, Wis., thence along U. S. Highway 16 to the Wisconsin-Minnesota State Line. Applicant is authorized to conduct operations in Illinois and Wisconsin.

No. MC 66562 Sub 1286, filed May 7, 1956, RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42d Street, New York 17, N. Y. Applicant's representative: William H. Marx, Law Department, Railway Express Agency, Incorporated (same address as applicant). For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities, including Class A and B explosives*, moving in express service, (1) between Pittsburgh, Pa., and junction Pennsylvania Highways 68 and 268 (near Karns City, Pa.), from Pittsburgh over Pennsylvania Highway 28 to Kittanning, Pa., thence over Pennsylvania Highway 268 to junction Pennsylvania Highway 68, and return over the same route, serving the intermediate point of Kittanning, Pa., and serving the junction of Pennsylvania Highways 68 and 268 for the purpose of joinder only with carrier's regular routes in MC 66562 Subs 424 and 1035; (2) between Parkers Landing, Pa., and junction Pennsylvania Highways 268 and 338 (near Foxburg, Pa.), from Parkers Landing over Pennsylvania Highway 268 to junction Pennsylvania Highway 338, and return over the same route, serving no intermediate points, and serving the junction of Pennsylvania Highways 268 and 338 for the purpose of joinder only with carrier's regular routes in MC 66562 Sub 1035; (3) between Pittsburgh, Pa., and Kittanning, Pa., from Pittsburgh over Pennsylvania Highway 8 to junction U. S. Highway 422, thence over U. S. Highway 422 to Kittanning, and return over the same route, serving no intermediate points, as an alternate route, for operating convenience only, in connection with (a) carrier's regular routes in Certificates wherein Pittsburgh, Pa., is authorized as a termini (among which are Certificates No. MC 66562 Subs 1054, 1119 and 1120), (b) applied-for route (1) above, and (c) applied-for alternate route (4) below; and (4) between Franklin, Pa., and Pittsburgh, Pa., from Franklin over Pennsylvania Highway 8 to Pittsburgh, and return over the same route, serving no intermediate points, as an alternate route, for operating convenience only, in connection with carrier's operations through a combination of portions of authorized routes No. MC 66562 Subs 424 and 1035 and routes herein applied for as follows: (a) from Pittsburgh over Pennsylvania Highway 28 to Kittanning, Pa., thence over Pennsylvania Highway 268 to junction Pennsylvania Highway 68 (near Karns City, Pa.) thence over Pennsylvania Highway 268 to Parkers Landing, thence continuing over Pennsylvania Highway 268 to junction Pennsylvania Highway 338, thence over Pennsylvania Highway 338 to junction Pennsylvania Highway 268, thence over Pennsylvania Highway 268 to junction Pennsylvania Highway 38, thence over Pennsylvania Highway 38 to junction U. S. Highway 322, thence over U. S. Highway 322 to junction U. S. Highway 62 (at Franklin, Pa.), and return, and also in connection with the applied-for alternate route (3) above, RESTRICTION: The service herein authorized is subject to the following conditions: The service to be performed by carrier shall be limited to service which is auxiliary to, or supplemental of, air or railway express service; Shipments transported by said carrier shall be limited to those moving on a through bill of lading, or express receipt, covering, in addition to a motor carrier movement by carrier, an immediately prior or immediately subsequent movement by air or rail; and such further specific condtions as the Commission, in the future, may find necessary to impose in order to restrict said carrier's operation to service which is auxiliary to, or supplemental of, air or express service.

No. MC 66562 Sub 1288 (CORRECTION), filed May 15, 1956, published in the June 20, 1956, issue of page 4333. RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42d Street, New York 17, N. Y. Kentucky Highway 35 should read Kentucky Highway *36*.

No. MC 75840 Sub 110, filed June 8, 1956, MALONE FREIGHT LINES, INC., 200 South 35th Street, Birmingham, Ala. Applicant's representative: Maurice F. Bishop, 325–29 Frank Nelson Building, Birmingham, Ala. For authority to operate as a *common carrier*, over irregular routes, transporting: *Floor coverings*, and *commodities used in the installation thereof*, such as *asphalt composition, cement or paste, felt paper, sheathing, lacquer*, (and other commodities as more fully described in the application), from New London, Conn., and East Walpole, Mass., to points in Alabama, Arkansas, Louisiana, Mississippi and Tennessee. Applicant is authorized to conduct operations in Tennessee, Alabama, New Jersey, Pennsylvania, Georgia, Mississippi, New York, Ohio, West Virginia, Virginia, Arkansas, Louisiana, North Carolina, and South Carolina.

No. MC 76032 Sub 104, filed July 2, 1956, NAVAJO FREIGHT LINES, INC., 381 South Broadway, Denver 9, Colo. Applicant's representative: O. Russell Jones, 54½ East San Francisco Street, Santa Fe, N. Mex. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment, serving the site of the Rare Metals Plant located approximately five (5) miles east of Tuba City, Ariz, as an off-route point in connection with applicant's authorized regular route operations. Applicant is authorized to conduct operations in Arizona, New Mexico, Colorado, California, Texas, Illinois, Nebraska, Missouri, Iowa, and Nevada.

No. MC 76266 Sub 94, filed July 5, 1956, MERCHANTS MOTOR FREIGHT, INC., 2625 Territorial Road, St. Paul, Minn. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, livestock, commodities in bulk, and those requiring special equipment, serving Twinsburg, Ohio as an off route point in connection with applicant's regular route operations to and from Cleveland, Ohio. Applicant is authorized to conduct operations in Minnesota, Iowa, Illinois, Nebraska, Missouri, Colorado, Michigan, Ohio, and Indiana.

No. MC 80430 Sub 81, filed July 5, 1956, GATEWAY TRANSPORTATION CO., 2130–50 South Avenue, La Crosse, Wis. Applicant's representative: Joseph E. Ludden, P. O. Box 851, La Crosse, Wis. For authority to operate as a *common carrier*, over regular routes, transporting: *Class A and B explosives*, between Rockford, Ill. and Camp McCoy, Wis., from Rockford over Illinois Highway 2 to Beloit, Wis., thence over U. S. Highway 51 to junction U. S. Highway 14 at Janesville, thence over U. S. Highway 14 to junction U. S. Highway 12 near Madison, Wis., thence over U. S. Highway 12 to junction Wisconsin Highway 21, and thence over Wisconsin Highway 21 to Camp McCoy, and return over the same route. Applicant is authorized to conduct operations in Iowa and Minnesota.

No. MC 92983 Sub 170, filed June 28, 1956, ELDON MILLER, INC., 330 East Washington Street, Iowa City, Iowa. For authority to operate as a *common carrier*, over irregular routes, transporting: *Acids* and *chemicals*, in bulk, in tank vehicles or other special equipment, from points in Pike County, Mo., to points in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Oklahoma, Tennessee, and Wisconsin.

No. MC 94814 Sub 3, filed June 25, 1956, ROBERT O. MOHNS, doing business as ROBERT O. MOHNS TRUCKING, Juda, Wis. Applicant's representative: Adolph J. Bieberstein, 121 West Doty Street, Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Tankage, meat scraps* and *bone meal*, in bags, from Dubuque, Iowa to points in Dane, Green, Jefferson, LaFayette, Iowa, Rock and Walworth Counties, Wis.

No. MC 102812 Sub 6, filed June 25, 1956, ERNEST BAUM, doing business as LUXART VAN SERVICE, 9883 Helen Avenue, Sunland, Calif. Applicant's representative: Phil Jacobson, 510 West Sixth Street, Suite 723, Los Angeles, Calif. For authority to operate as a *common carrier*, over irregular routes, transporting: *Livestock*, other than ordinary livestock, and, in the same vehicle with such livestock, *supplies and*

equipment used in the care and exhibition of such animals, *mascots*, and the *personal effects* of their attendants, trainers, and exhibitors, *race horses* and *racing equipment, polo ponies, breeding horses, saddle horses*, and *show horses*, and, in the same vehicle with such horses, *equipment or paraphernalia* incidental to the care, transportation and exhibition of such horses, and *personal effects* of attendants, between points in California, on the one hand, and, on the other, ports of entry located in Montana at or near the International Boundary line between the United States and Canada.

NOTE: Applicant states that it can now serve Canada from California through Oregon and Washington, but requests the points in the above-described route because of weather and highway conditions in Canada.

No. MC 103051 Sub 19, filed July 2, 1956, WALKER HAULING CO., INC., 624 Penn Avenue NE., Atlanta, Ga. Applicant's representative: R. J. Reynolds, Jr., 1403 Citizens and Southern National Bank Building, Atlanta, Ga. For authority to operate as a *common carrier*, over irregular routes, transporting: *Oils, fats* and *greases*, and *products and blends thereof*, in bulk, in tank vehicles, except petroleum and petroleum products, (1) from points in Alabama, Tennessee, and South Carolina to Macon, Ga., (2) from Macon, Ga., to points in Alabama, Delaware, Florida, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee and Virginia.

No. MC 103378 Sub 71, filed July 3, 1956, PETROLEUM CARRIER CORPORATION, 369 Margaret Street, Jacksonville, Fla. Applicant's representative: Martin Sack, Atlantic National Bank Building, Jacksonville 2, Fla. For authority to operate as a *common carrier*, over irregular routes, transporting: *Asphalt*, in bulk, in tank vehicles, from Panama City, Fla. to points in Georgia beyond 175 miles from Panama City within an area bounded by a line beginning at the Alabama-Georgia State line, thence east along Georgia Highway 34 to Newnan, Ga., thence along Georgia Highway 16 to Eatonton, Ga., thence south along Georgia Highway 24 to Sandersville, Ga., thence along Highway 15 to Wrightsville, Ga., thence along Georgia Highway 57 to Swainsboro, Ga., thence along U. S. Highway 1 to Lyons, Ga., thence along Georgia Highway 30 to Reidsville, Ga., thence along Georgia Highway 23 to Glennville, Ga., thence along U. S. Highway 301 to the Georgia-Florida State Line, thence west along the Georgia-Florida State Line to the Alabama-Georgia State line, and thence north along the Alabama-Georgia State line to point of beginning, including points on the highways specified. Applicant is authorized to conduct operations in Georgia, Florida, North Carolina, South Carolina, and Alabama.

No. MC 103378 Sub 72, filed July 5, 1956, PETROLEUM CARRIER CORPORATION, 369 Margaret Street, Jacksonville, Fla. Applicant's representative: Martin Sack, Atlantic National Bank Building, Jacksonville 2, Fla. For authority to operate as a *common carrier*, over irregular routes, transporting: *Asphalt* and *Fuel Oils*, in bulk, in tank vehicles, from Douglasville, Ga., to Chattanooga, Tenn. Applicant is authorized to conduct operations in Florida, Georgia, Alabama, North Carolina and South Carolina.

No. MC 105807 Sub 18, filed June 22, 1956, RED BALL TRANSFER CO., a corporation, 1009 Capital Avenue, Omaha, Nebr. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Denver, Colo., and the site of the Glenn L. Martin Company Plant, located north of Colorado Highway 75, opposite the community of Kassler (Waterton), Colo., from Denver, over U. S. Highway 85 to junction Colorado Highway 75, thence over Colorado Highway 75 to junction unnumbered highways, thence over unnumbered highways to the site of the Glenn L. Martin Company Plant, near Kassler, and return over the same route, serving no intermediate points. Applicant is authorized to conduct regular route operations in Illinois, Iowa, Kansas, Missouri, and Nebraska, and irregular route operations in Illinois.

No. MC 105957 Sub 39, filed July 2, 1956, DELTA MOTOR LINE, INC., 1243 South Gallatin Street, P. O. Box 8367, Jackson, Miss. Applicant's representative: Phineas Stevens, Suite 900 Milner Building, P. O. Box 141, Jackson, Miss. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Memphis, Tenn., and Meridian, Miss., from Memphis over U. S. Highway 78 to New Albany, Miss., thence over Mississippi Highway 15 to Louisville, thence over Mississippi Highway 397 to junction Mississippi Highway 16 near DeKalb, thence over Mississippi Highway 16 to DeKalb, thence over Mississippi Highway 39 to Meridian, and return over the same route, serving the intermediate points of Ackerman, Louisville, DeKalb, and all points on Mississippi Highway 397, and also serving the intermediate point of Mathiston, Miss., for purpose of joinder with applicant's regular route over U. S. Highway 82.

NOTE: Applicant states that the above route duplicates, in part, certain authorized routes of applicant, and does not seek duplicate operating authority over such routes, and that the grant of the authority requested will constitute only a single operating right over such route. Applicant is authorized to conduct operations in Louisiana, Mississippi and Tennessee.

No. MC 105957 Sub 40, filed July 2, 1956, DELTA MOTOR LINE, INC., 1243 South Gallatin Street, P. O. Box 8367, Jackson, Miss. Applicant's representative: Phineas Stevens, Suite 900 Milner Building, P. O. Box 141, Jackson, Miss. For authority to operate as a *common carrier* over regular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, (1) between McComb, Miss., and Natchez, Miss., from McComb over Mississippi Highway 24 via Gloster, to Woodville, thence over U. S. Highway 61 to Natchez, and return over the same route; (2) between Liberty, Miss., and Centerville, Miss., from Liberty over Mississippi Highway 48 to Centerville, and return over the same route; (3) between Magnolia, Miss., and junction Mississippi Highway 48 and 24 west of McComb, Miss., from Magnolia over Mississippi Highway 48 to junction of Mississippi Highway 48 and Mississippi 24, and return over the same route; (4) between Gloster, Miss., and Fayette, Miss., from Gloster over Mississippi Highway 33 via Roxie to Fayette, and return over the same route; (5) between junction Mississippi Highway 33 and Mississippi Highway 563, and junction U. S. Highway 61 and Mississippi Highway 563, from Junction Mississippi Highway 33 and Mississippi Highway 563, north of Crosby over Mississippi Highway 563 to junction U. S. Highway 61 and Mississippi Highway 563, near Doloroso, and return over the same route; (6) between Brookhaven, Miss., and Union Church, Miss., from Brookhaven over Mississippi Highway 550 to Union Church, and return over the same route; (7) between Crystal Springs, Miss., and Utica, Miss., from Crystal Springs over Mississippi Highway 27 to Utica, and return over the same route; (8) between Raymond, Miss., and Edwards, Miss., from Raymond over Mississippi Highway 467 to Edwards, and return over the same route; (9) between Canton, Miss., and Flora, Miss., from Canton over Mississippi Highway 22 to Flora, and return over the same route; (10) between Canton, Miss., and Yazoo City, Miss., from Canton over Mississippi Highway 16 to Yazoo City, and return over the same route, serving all intermediate points on the above mentioned routes. Applicant is authorized to conduct operations in Louisiana, Mississippi, and Tennessee.

No. MC 105957 Sub 41, filed July 2, 1956, DELTA MOTOR LINE, INC., 1243 South Gallatin Street, P. O. Box 8367, Jackson, Miss. Applicant's representative: Phineas Stevens, Suite 900, Milner Building, P. O. Box 141, Jackson, Miss. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, except those of unusual value, Class A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Cleveland, Miss., and Junction of Mississippi highway 8 and U. S. Highway 49E near Minter City, Miss., from Cleveland over Mississippi Highway 8 via Ruleville to junction Mississippi Highway 8 and U. S. Highway 49E, and return over the same route, serving all intermediate points. Applicant is authorized to conduct operations in Louisiana, Mississippi, and Tennessee.

No. MC106400 Sub 16, filed July 2, 1956, KAW TRANSPORT COMPANY, a corporation, 517 North Sterling, Sugar Creek, Mo. Applicant's representative: Henry M. Shughart, 914 Commerce

Building, Kansas City, Mo. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquefied Petroleum Gases*, in bulk, in tank vehicles, between Sugar Creek, Mo. and the Standard Oil Company Refinery near Sugar Creek, Mo., on the one hand, and, on the other, Wood River, Ill., and the Standard Oil Company Refinery near Wood River, Ill. Applicant is authorized to conduct operations in Missouri, Kansas, and Iowa.

No. MC 106977 Sub 14, filed July 2, 1956, T. S. C. MOTOR FREIGHT LINES, INC., 400 Pinckney Street, Houston, Tex. Applicant's representative: Scott P. Sayers, Century Life Building, Fort Worth, Tex. For authority to operate as a *common carrier*, over a regular route, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Shreveport, La., and Alexandria, La., over U. S. Highway 71, serving no additional points nor any intermediate points on the alternate route, as an alternate route for operating convenience only in connection with applicant's regular route operations (1) between Shreveport, La., and Tallulah, La., and (2) between Lake Charles, La., and Monroe, La. Applicant is authorized to conduct operations in Alabama, Louisiana, Mississippi, and Texas.

No. MC 107002 Sub 100, filed July 2, 1956, WALTER M. CHAMBERS, doing business as W. M. CHAMBERS TRUCK LINE, 105 Giuffrias Avenue, P. O. Box 687, New Orleans, La. For authority to operate as a *common carrier*, over irregular routes, transporting: *Naval stores* and *Naval stores products*, in bulk, in tank vehicles, from Picayune, Miss., and DeRidder, La., and *Tall oil* and *Tall oil products*, in bulk, in tank vehicles, from Picayune, Miss., to points in Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin.

No. MC 108207 Sub 51, filed April 23, 1956 (Amended), published May 30, 1956 on page 3711 FROZEN FOOD EXPRESS, a corporation, 318 Cadiz Street, P. O. Box 5382, Dallas, Tex. Applicant's representative: Leroy Hallman, First National Bank Building, Dallas 2, Tex. For authority to operate as a *common carrier*, over irregular routes, transporting: (1) *Frozen foods*, from Lafayette and Indianapolis, Ind., and St. James, Minn., to points in Missouri, Kansas, Oklahoma, Arkansas, Louisiana, Texas, Mississippi, and Memphis, Tenn.; (2) *salads*, requiring refrigeration in transit, and *dairy products*, from Indianapolis, Ind., and Van Wert, Ohio, to points in Oklahoma, Texas, Arkansas, Louisiana, Mississippi, and Memphis, Tenn.; (3) *frozen foods*, from Brownsville, Harlingen, Eagle Pass, Carrizo Springs, San Antonio, and Dallas, Tex., and points within fifteen (15) miles of each, to points in Indiana, Ohio, Kentucky, Wisconsin, and Minnesota; and (4) *packing house products*, as defined by the Commission, from Indianapolis and Terre Haute, Ind., to points in Texas, Louisiana, Arkansas, and Oklahoma. Applicant is authorized to conduct operations in Arkansas, California, Illinois, Iowa, Kansas, Louisiana, Michigan, Mississippi, Missouri, Nebraska, Ohio, Oklahoma, Tennessee, Texas, and Wisconsin.

No. MC 109084 Sub 7, filed July 2, 1956, STANLEY A. WESTGOR, Wittenberg, Wis. Applicant's representative: Edward Solie, 715 First National Bank Building, Madison 3, Wis. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Wood charcoal*, in bulk, from Prairie du Chien and Readstown, Wis., to Iron Mountain, Mich.

No. MC 109465 Sub 7, filed July 3, 1956, GREAT LAKES SOLVENTS, INC., 2530 West Bloomingdale Avenue, Chicago 47, Ill. Applicant's representative: Floyd F. Shields, Title and Trust Building, Chicago 2, Ill. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Liquid chemicals* and *solvents*, in bulk, in tank vehicles, (1) from Chicago, Ill., to points in Michigan on and south of a line beginning at Ludington, Mich., and thence along U. S. Highway 10 to junction Michigan Highway 21 and thence along Michigan Highway 21 to Port Huron, Mich., Louisville, Ky., and points in Indiana beyond 150 miles of Chicago; (2) from Chicago, Bedford Park and Argo, Ill., to points in Wisconsin beyond 150 miles of Chicago, points in Minnesota, Iowa, Missouri, and Ohio, points in Shawnee and Wyandotte Counties, Kans., points in Kenton County, Ky., and points in Shelby, Hamilton, Davidson and Knox Counties, Tenn.; (3) between Chicago, Bedford Park and Argo, Ill., on the one hand, and, on the other, Industry, Pa. Applicant is authorized to conduct operations in Indiana, Illinois, Wisconsin, Iowa, Michigan, Kentucky, Ohio, Pennsylvania, and New York.

No. MC 109761 Sub 5 (amended), filed April 26, 1956, published on Page 5152 issue of July 11, 1956, CARL SUBLER TRUCKING, INC., 906 Magnolia Avenue, Auburndale, Fla. Applicant's representative: Benjamin J. Brooks, Washington Loan & Trust Building, Washington 4, D. C. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Canned fruits, canned fruit juices, canned vegetables* and *canned vegetable juices*, not requiring refrigeration, from points in Florida to points in the lower Peninsula of Michigan. *Empty containers or other such incidental facilities* used in transporting the commodities specified, on return. Applicant is authorized to conduct operations in Florida, Michigan, Illinois, Wisconsin, Minnesota and Indiana.

No. MC 109761 Sub 6, filed June 28, 1956, CARL SUBLER TRUCKING, INC., 906 Magnolia Avenue, Auburndale, Fla. Applicant's representative: Benjamin J. Brooks, Washington Loan & Trust Building, Washington 4, D. C. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Canned fruits, canned fruit juices, canned vegetables* and *canned vegetable juices*, not requiring refrigeration, from points in Florida to points in Maine, New Hampshire, and Vermont, and *empty containers or other such incidental facilities* (not specified) used in transporting the commodities specified, on return. Applicant is authorized to conduct operations in Florida, Michigan, Illinois, Wisconsin, Minnesota, and Indiana.

No. MC 110525 Sub 310, filed June 20, 1956 (Amended), published July 11, 1956 on Page 5153, CHEMICAL TANK LINES, INC., 520 East Lancaster Avenue, Downingtown, Pa. Applicant's representative: John R. Sims, Jr., Munsey Building, Washington 4, D. C. For authority to operate as a *common carrier*, over irregular routes, transporting: *Acids and chemicals*, (including but not restricted to those defined by the Commission), in bulk, in tank vehicles, from points in Wayne County, Mich., to points in Georgia and Illinois. Applicant is authorized to conduct operations in Alabama, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, West Virginia, Wisconsin, and the District of Columbia.

No. MC 111812 Sub 28 (amended), filed May 31, 1956, published on Page 4064, issue of June 13, 1956, MIDWEST COAST TRANSPORT, INC., P. O. Box 747, Sioux Falls, S. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Frozen foods*, from points in Idaho to points in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Ohio and Wisconsin. Applicant is authorized to transport frozen fruits and vegetables in Oregon, Washington, California, Des Moines and Sioux City, Iowa, Minneapolis and Moorhead, Minn., and Sioux Falls, S. Dak.

No. MC 113414 Sub 1, filed June 4, 1956, E. W. BOHREN, INC., Woodburn, Ind. Applicant's representative: Charles M. Pieroni, 523 Johnson Building, Muncie, Ind. For authority to operate as a *common carrier*, over irregular routes, transporting: *Sodium bisulphate* (nitre cake), in bulk from Cleveland, Ohio, to Kentland, Ind.

No. MC 113414 Sub 2, filed June 15, 1956, E. W. BOHREN, INC., Woodburn, Ind. Applicant's representative: Charles M. Pieroni, 523 Johnson Building, Muncie, Ind. For authority to operate as a *common carrier*, over irregular routes, transporting: (1) *metal cans or containers*, smaller than 1 (one) gallon, from Cincinnati, Ohio and Chicago, Ill., to Kentland, Ind.; (2) *fibre containers*, knocked down, from Louisville, Ky., to Kentland, Ind.; (3) *Cleaning compound powder or liquid*, in metal cans, from Kentland, Ind., to St. Paul, Minn., Kansas City and St. Louis, Mo., Omaha, Nebr., Des Moines, Iowa, Columbus, Toledo and Cincinnati, Ohio, Pittsburgh, Pa., Milwaukee, Wis., Barrington and Chicago, Ill., and Buffalo, N. Y.

No. MC 114475 Sub 4, filed June 29, 1956, GENERAL TRANSPORT, INC. 631 Second Avenue, South, Nashville, Tenn. Applicant's representative: James W. Wrape, 2111 Sterick Building, Memphis, Tenn. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Animal and poultry feeds*, and *animal and poultry feed ingredients*, in bulk and packages, from Chattanooga, Tenn., to points in South Carolina, North Carolina, Alabama, and Georgia.

No. MC 115830 Sub 2, filed July 2, 1956, BABCOCK & LEE PETROLEUM TRANSPORTERS, INC., 1002 Third Avenue, North, Billings, Mont. Applicant's representative: Franklin S. Longan, 319 Securities Building, Billings, Mont. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum* and *petroleum products*, in bulk, in tank vehicles, from Lodge Grass, Mont. and points within five (5) miles of Lodge Grass, to points in North Dakota and South Dakota.

No. MC 115843 Sub 1, filed June 28, 1956, TRANSPORTATION SERVICE CO., 5100 West 41st Street, Stickney, Ill. Applicant's representative: Richard J. Hardy, No. 1 N. La Salle Street, Chicago 2, Ill. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Liquid chemicals* and *liquid acids, including anyhdrous ammonia and ammoniating solutions*, in bulk, in tank vehicles, from points in the Chicago, Ill. Commercial Zone, as defined by the Commission, and points in the Commercial Zones of Joliet, Ill., Lemont, Ill., Millsdale, Ill., and Chicago Heights, Ill., to points in Michigan, Illinois, Wisconsin, Indiana, Minnesota, Missouri, Iowa, Kentucky, Nebraska, and Ohio.

No. MC 115871 Sub 1, filed June 29, 1956, EVART ISAAC, R. F. D. No. 1, Dodge City, Kans. Applicant's representative: J. Wm. Townsend, 204–206 Central Building, Topeka, Kans. For authority to operate as a *common carrier*, over irregular routes, transporting: *Twine*, binder and bailing, in minimum truck loads of 30,000 pounds, from Houston, Texas, to Bucklin, Colby, Parsons, Pittsburg, Bellville, Salina, Wichita, Hutchinson and Norton, Kansas, and *empty containers or other such incidental facilities* (not specified) used in transporting the commodity specified in this application on return.

No. MC 115889, filed March 28, 1956, RUGAR P. DEAN, Afton, N. Y. Applicant's representative: Chester J. Winslow, Jr., Hartwick, N. Y. For authority to operate as a *common carrier* over irregular routes, transporting: *Race horses* and *show cattle*, between points in Connecticut, Vermont, Massachusetts, New Jersey, Pennsylvania, Maryland, Delaware, Ohio, Kentucky, and Maine.

No. MC 115911, filed April 4, 1956, ALTA P. NELSON, doing business as BOULEVARD TRANSFER COMPANY, 1955 West Kirby, Detroit, Mich. Applicant's representative: Rex Eames, 2606 Guardian Building, Detroit 26, Mich. For authority to operate as a *common carrier*, over irregular routes, transporting: A. (1) *Supplies for construction work*, between Detroit, Mich., and points in Michigan; (2) *Roofing, plaster board* and *wall board*, between Detroit, Mich., and points in that part of Michigan located on and within a line commencing at Michigan Highway 59 at Lake St. Clair, and extending westerly along Michigan Highway 59 to junction U. S. Highway 23, thence along U. S. Highway 23 to junction Michigan Highway 50, thence along Michigan Highway 50, to Monroe, Mich., including Monroe, on the one hand, and, on the other, points in Michigan; (3) *Heavy machinery, heavy plant machinery* and *equipment* the transportation of which because of size, weight or bulk, requires special handling or rigging or the use of special equipment, between Detroit, Mich., on the one hand, and on the other, points in Michigan; (4) *Steel fuel tanks* and *fuel tank accessories*, in special low-boy equipment, between Romulus, Mich., and points in Michigan, (5) *plating equipment* and *supplies used in connection with plating*, from Detroit, Mich., to points in that part of Michigan located on and within a line commencing at the most easterly point of the Michigan-Ohio State line, and extending along said State line to junction U. S. Highway 223, thence along U. S. Highway 223 to junction U. S. Highway 127, thence along U. S. Highway 127, to Lansing, Mich., thence easterly along Michigan Highway 78 to Flint, Mich., thence along Michigan Highway 21 to Port Huron, Mich., including Port Huron, B. *Steel fuel tanks* and *fuel tank accessories*, in special low-boy equipment, from Romulus and Detroit, Mich., to points in Ohio, Indiana, Illinois, Wisconsin, Minnesota and Kentucky. C. The applicant presently holds common motor carrier authority from the Michigan Public Service Commission covering the operations described in Paragraph A. above and said intrastate authority is presently being registered in Applicant's name with the Interstate Commerce Commission under the Second Proviso to Section 206(a) of the Interstate Commerce Act. In the event a Certificate of Public Convenience and Necessity is granted covering the authority requested in Paragraph A. above, the Applicant will surrender the authority obtained under the Second Proviso to section 206(a) of the act. In the event that the authority requested in Paragraph A. above is denied, the Applicant does not desire the authority requested in Paragraph B above.

No. MC 115923 Sub 1, filed July 2 1956, J. R. CHANCEY, HAROLD CHANCEY AND JOHN W. GREER, doing business as CHANCEY BROS. TRUCK LINE, P. O. Box 281, Market Street, Alma Ga. For authority to operate as a *common carrier*, over irregular routes, transporting: *Lumber, poles* and *plywood*, between points in Georgia, Alabama, North Carolina, South Carolina, Tennessee and Florida.

No. MC 115958 Sub 1, filed June 21, 1956, JOSEPH RAYMOND MARSHA, P. O. Box 541, Morrisville, Vt. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities, including Class A and B explosives*, moving in express service, between St. Johnsbury, Vt. and Johnson, Vt., from St. Johnsbury over U. S. Highway 2 to junction Vermont Highway 15, and thence over Vermont Highway 15 to Johnson, and return over the same routes, serving the intermediate point of Hardwick, Vt. and the off-route points of Morrisville and Morristown, Vt.

NOTE: The proposed service is on behalf of Railway Express Agency, Incorporated.

No. MC 115966 (REVISION), ORLA B. HALL, JAMES B. HALL, GEORGE W. MONROE, AND ROY B. GROVER, doing business as H. M. & G. GRAIN AND FEED COMPANY, 133 Mill Street, Fowlerville, Mich., published May 16, 1956 on Page 3244. Letter dated June 28, 1956, advises that the name of the partnership has been changed to read: JAMES B. HALL AND GEORGE W. MONROE, doing business as H. M. & G. GRAIN AND FEED COMPANY.

No. MC 116012, filed May 24, 1956, FRED ROSE AND CHALMER NOLAN, doing business as MOTION PICTURE FILM SERVICE COMPANY, Livingston, Tenn. Applicant's representative: Millard V. Oakley, Livingston, Tenn. For authority to operates as a *contract carrier*, over regular routes, transporting: (1) *Film*, from Atlanta, Ga., to Livingston, Tenn., from Atlanta over U. S. Highway 41 to Chattanooga, Tenn., thence over U. S. Highway 27 via Daisy, Dayton, Spring City, Harriman and Wartburg, Tenn., to Sunbright, Tenn., thence continuing over U. S. Highway 27 to junction Tennessee Highway 52, thence over Tennessee Highway 52 via Rugby, Tenn., to Jamestown, Tenn., thence over Tennessee Highway 28 to Static, Tenn., thence over Tennessee Highway 42 via Byrdstown, Livingston and Cookeville, Tenn., to Sparta, Tenn., thence over U. S. Highway 70S via Woodbury, Tenn., to Murfreesboro, Tenn., thence over U. S. Highway 41 to Manchester, Tenn., thence over Tennessee Highway 55 to Tullahoma, Tenn., thence over Alternate U. S. Highway 41 to Winchester, Tenn., thence over U. S. Highway 64 via Cowan, Tenn., to Monteagle, Tenn., thence over Tennessee Highway 56 to Tracy City, Tenn., thence continuing over Tennessee Highway 56 to junction Tennessee Highway 108, thence over Tennessee Highway 108 via Palmer, Tenn., to Whitwell, Tenn., thence continuing over Tennessee Highway 108 to junction Tennessee Highway 28, thence over Tennessee Highway 28 via Pikeville, Tenn., to Crossville, Tenn., thence over U. S. Highway 70N to Cookeville, Tenn., thence return over U. S. Highway 70N to Crossville, thence over U. S. Highway 70 to Rockwood, Tenn., thence return over U. S. Highway 70 to Crossville, thence over Tennessee Highway 28 to Jamestown, Tenn., and thence over Tennessee Highway 52 to Livingston. *Empty containers or other such incidental facilities* (not specified) used in transporting film, on return. Serving the intermediate points of Livingston, Daisy, Dayton, Jamestown, Byrdstown, Cookeville, Sparta, Woodbury, Murfreesboro, Tullahoma, Winchester, Cowan, Monteagle, Tracy City, Whitwell, Palmer, Pikeville, Crossville, and Rockwood, Tenn., and the off-route point of Kingston, Tenn. (2) *Film, and empty containers or other such incidental facilities* (not specified) used in transporting film, between Livingston, Tenn., and Smithville, Tenn., from Livingston, over

Tennessee Highway 52 via Red Boiling Springs, Lafayette and Westmoreland, Tenn., to Portland, Tenn., thence over U. S. Highway 31W to junction Tennessee Highway 25, thence over Tennessee Highway 25 via Gallatin and Hartsville, Tenn., to Carthage, Tenn. (also from Portland over Tennessee Highway 109 to Gallatin, thence over Tennessee Highway 25 to Carthage), thence over U. S. Highway 70N to junction unnumbered highway, thence over unnumbered highway to Baxter, Tenn., thence over Tennessee Highway 56 to Smithville. (Also continuing over Tennessee Highway 56 from Smithville over Tennessee Highway 56 to McMinnville, Tenn., thence over Tennessee Highway 55 to junction U. S. Highway 41) (also from McMinnville over Tennessee Highway 108 to junction Tennessee Highway 56) (also from McMinnville over Tennessee Highway 30 to junction U. S. Highway 27). Return over the same routes. Serving the intermediate points of Smithville, Red Boiling Springs, Lafayette, Westmoreland, Portland, Gallatin, Hartsville and Carthage, Tenn., and the off-route point of Kingston, Tenn.

No. MC 116028, filed June 4, 1956, JAMES ROBERTS and MILDRED ROBERTS, doing business as ROBERTS MOTOR SERVICE COMPANY, 4641 North Nagle Avenue, Norwood Park Township, Ill. For authority to operate as a *contract carrier*, over regular routes, transporting: *Transformers*, from Chicago, Ill., to Richmond, Wis., from Chicago over U. S. Highway 14 to junction Wisconsin Highway 89, thence over Wisconsin Highway 89 to County Trunk Highway A, thence over County Trunk Highway A to Richmond; and from Richmond, Wis., to Bloomington, Ill., from Richmond over County Trunk Highway A to Wisconsin Highway 89, thence over Wisconsin Highway 89 to junction U. S. Highway 14, thence over U. S. Highway 14 to Darian, Wis., thence over U. S. Highway 15 to Beloit, thence over U. S. Highway 51 to Bloomington; and *empty containers or other such incidental facilities* used in transporting the commodity specified, from Bloomington, Ill., to Chicago, Ill., over U. S. Highway 66.

No. MC 116033 Sub 1, filed July 2, 1956, NORTHERN MOTOR CARRIERS, INC., Fort Edward, N. Y. Applicant's representative: Samuel V. Gianniny, 25 Exchange Street, Rochester 14, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Prefabricated houses*, in sections, on platform vehicles, from Hudson Falls, N. Y., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New Hampshire, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and the District of Columbia.

No. MC 116045, filed May 25, 1956, NEUMAN TRANSIT CO., INC., P. O. Box 31, Rawlins, Wyo. Applicant's representative: Vincent A. Ross, 307–309 Majestic Building, Cheyenne, Wyo. For authority to operate as a *common carrier*, over irregular routes, transporting: (1) *Mill construction equipment, materials and supplies* and *uranium ore*, from railheads and points in Wyoming to the site of the Government Uranium Mill, located 80 miles north of Rawlins, Wyo., on the Sweetwater River in Fremont County, Wyo. and (2) *Processed uranium ore and products thereof*, such as yellow cake, from the site of the Government Uranium Mill, located 80 miles north of Rawlins, Wyo., on the Sweetwater River in Fremont County, Wyo., to Grand Junction, Colo., and railheads and points in Wyoming.

No. MC 116046, filed June 11, 1956, THOMAS B. GODFREY, 3501 Jackson Street, Monroe, La. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, from points in Warren County, Miss., to points in Madison, Tensas, Richland, Franklin, Ouachita, Caldwell, Lincoln, and Morehouse Parishes, La., and *empty containers or other such incidental facilities* (not specified) used in transporting the commodities specified in this application on return.

No. MC 116067, filed June 22, 1956, NEBRASKA SHORT LINE CARRIERS, INC., 901 South 13th Street, Lincoln, Nebr. Applicant's representative: J. Max Harding, 901 South Thirteenth St., Lincoln, Nebr. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, (a-1) between Denver, Colo., and Chicago, Ill., from Denver over U. S. Highway 6 to junction U. S. Highway 138, thence over U. S. Highway 138 to junction U. S. Highway 30, thence over U. S. Highway 30 to junction U. S. Highway 30A near Clarks, Nebr., thence over U. S. Highway 30A to junction U. S. Highway 30 at Missouri Valley, Iowa, thence over U. S. Highway 30 to Chicago, and return over the same route; (a–2) between Omaha, Nebr., and Chicago, Ill., from Omaha over U. S. Highway 6 to junction Alternate U. S. Highway 66, thence over Alternate U. S. Highway 66 to junction U. S. Highway 66, thence over U. S. Highway 66 to Chicago, and return over the same route, serving no intermediate points, as an alternate route, for operating convenience only, in connection with applicant's proposed route in a–1 above; (b) between Minneapolis, Minn., and Des Moines, Iowa, over U. S. Highway 65; (c) between Council Bluffs, Iowa, and St. Louis, Mo., from Council Bluffs over U. S. Highway 275 to junction U. S. Highway 34, thence over U. S. Highway 34 to junction U. S. Highway 71, thence over U. S. Highway 71 to junction U. S. Highway 40, thence over U. S. Highway 40 to St. Louis, and return over the same route; and (d) between Lincoln, Nebr., and St. Joseph, Mo., from Lincoln over U. S. Highway 34 to junction U. S. Highway 75, thence over U. S. Highway 75 to junction U. S. Highway 36, thence over U. S. Highway 36 to St. Joseph, and return over the same route. Serving all intermediate points on routes (a–1), (b), (c) and (d), and the off-route points of Waterloo and Marshalltown, Iowa.

No. MC 116069, filed July 2, 1956, R. L. SCHMITZ and CHARLES G. OLSEN, doing business as O & S TRANSPORT CO., Richland Center, Wis. Applicant's representative: Claude J. Jasper, One West Main Street, Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Rowboats* and *outboard motor boats*, between points in Minnesota, Michigan, Indiana, Wisconsin, Iowa, Missouri, Tennessee, Arkansas, Mississippi, Louisiana, Texas, Kentucky, New York, Pennsylvania, and Ohio.

No. MC 116070, filed June 25, 1956, DONA A. BESSETTE, doing business as HARDWICK STAGE, Main Street, Hardwick, Vt. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities, including Class A and B explosives*, moving in express service, between St. Johnsbury, Vt., and Johnson, Vt., from St. Johnsbury over U. S. Highway 2 to West Danville, Vt., and thence over Vermont Highway 15 to Johnson, Vt. serving all intermediate points.

NOTE: If authorized, applicant states proposed service would be on behalf of Railway Express Agency, Incorporated.

No. MC 116072, filed June 25, 1956, FRED KARA, JR., doing business as FRED'S MOTOR SERVICE, 3560 Archer Avenue, Chicago, Ill. For authority to operate as a *common carrier*, over irregular routes, transporting: *Marble* and *slate*, from Chicago, Ill., to points in Indiana, Iowa, Michigan, Ohio, Wisconsin, Tennessee, Kentucky, and Missouri.

No. MC 116084, filed June 29, 1956, CAPITOL TANK LINE, INC., 3742 East Florence Avenue, Bell, Calif. Applicant's representative: Ivan McWhinney, 639 South Spring Street, Los Angeles 14, Calif. For authority to operate as a *common carrier*, over irregular routes, transporting: *Synthetic organic resins*, in bulk, in tank vehicles, from Anaheim, Calif., to Tulsa, Okla., and Houston, Tex., and *paraffin wax*, in bulk, in tank vehicles, from Tulsa, Okla., and West Port Arthur and Houston, Tex., to points in Los Angeles and Orange Counties, Calif.

No. MC 116085, filed June 29, 1956, FRISKNEY AND HARDING TRUCKING, INC., R. R. No. 2, Kendallville, Ind. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Printed autographic register paper, registers, sales books, deposit slips, sales tickets, miscellaneous printed forms, newsprint, carbonized paper* and *machinery*, from Sturgis, Mich., to South Hackensack, N. J., Middle Village, N. Y., Corrinth, Miss., Baltimore, Md., Cincinnati, Ohio, St. Louis, Mo., and St. Paul, Minn., and *cartons, bundles, rolls*, within paper boards, *skids* and *pallets* on return.

No. MC 116090, filed July 5, 1956, KENNETH B. MILLER, 2304 Grestwood Road, Sioux Falls, So. Dak. Applicant's representative: H. Lauren Lewis, Wilson Terminal Building, P. O. Box 747, Sioux Falls, S. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Farm machinery, farm implements*, and *parts thereof*, when moving with such farm machinery and farm implements, from Sioux Falls,

S. Dak., to points in Lyon, Osceola, Sioux, O'Brien, Plymouth, and Cherokee Counties, Iowa, and those in Chippewa, Big Stone, Lac qui Parle, Swift, Yellow Medicine, Lincoln, Lyon, Pipestone, Murray, Nobles, and Rock Counties, Minn. NOTE: Applicant states that if authority sought is granted he will surrender Permit MC 109133, which authorizes contract carrier operations from Sioux Falls, S. Dak., to same counties, and same commodities, in minimum shipments of 8,000 pounds or more.

APPLICATIONS OF MOTOR CARRIERS OF PASSENGERS

No. MC 114710 Sub 3, filed July 5, 1956, HENRY C. DAUGHTREY and W. E. THARPE, doing business as DAUGHTREY & THARPE BUS COMPANY, Brewton, Ala. Applicant's representative: Hugh R. Williams, 2284 West Fairview Avenue, Montgomery, Ala. For authority to operate as a *common carrier*, over regular routes, transporting: *Passengers and their baggage* in the same vehicle with passengers, between Brewton, Ala., and the site of the St. Regis Paper Co. plant near Cantonment, Fla., from Brewton over U. S. Highway 31 to Flomaton, Ala., thence over U. S. Highway 29 to junction unnumbered highway (St. Regis Road near Cantonment), and thence over St. Regis Road to the site of the St. Regis Paper Co. plant, and return over the same route, serving all intermediate points on U. S. Highway 31, including Brewton and Flomaton. RESTRICTION: Applied-for authority to be restricted to transportation of passengers and their baggage to and from the site of the St. Regis Paper Co. plant.

No. MC 115030 Sub 2, filed June 28, 1956, W. R. CHESTER, doing business as TRENTON-ST. JOSEPH COACHES, 1801 South Ninth Street, P. O. Box 525, St. Joseph, Mo. Applicant's representative: Joseph R. Nacy, 117 West High Street, Jefferson City, Mo. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers and their baggage, express, mail* and *newspapers*, in the same vehicle with passengers, between St. Joseph, Mo., and Bethany, Mo., from St. Joseph over U. S. Highway 136 to Bethany, and return over the same route, serving all intermediate points. Applicant is authorized to conduct operations in Missouri.

No. MC 116083, filed June 29, 1956, ROMUALDO DELGADILLO, doing business as BONNIE'S TRAVEL SERVICE, 1126 South Santa Fe Street, El Paso, Tex. Applicant's representative: A. C. Gonzalez, Jr., El Paso National Bank Building, El Paso, Tex. For authority to operate as a *common carrier*, over irregular routes, transporting: *Passengers*, in sightseeing service, between points in the El Paso, Tex., Commercial Zone, as defined by the Commission, on the one hand, and, on the other, points on the International Boundary Line between the United States and Mexico at El Paso.

APPLICATIONS UNDER SECTIONS 210 (a) (b) AND 5 (2)

No. MC-F 5501 filed June 8, 1953. Authority sought for purchase by TRANS-AMERICAN FREIGHT LINES, INC., 1700 North Waterman Avenue, Detroit, Mich., of a portion of the operating rights of HARVEY L. WILLIAMS, doing business as WILLIAMS TRUCK LINE, Tarkio, Mo., and for acquisition by R. B. GOTFREDSON and C. B. GOTFREDSON, 1700 North Waterman Avenue, Detroit, Mich., of control of such operating rights through the purchase. Applicants' representative: Howell Ellis, 520 Illinois Building, Indianapolis, Ind. Operating rights sought to be transferred: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes between Shenandoah, Iowa, and the junction of U. S. Highways 59 and 275, between Rockport, Mo., and St. Joseph, Mo., and between Disney, Iowa, and Omaha, Nebr., serving certain intermediate and off-route points: *general commodities*, with certain exceptions not including household goods, between Bedford, Iowa, and Omaha, Nebr., serving all intermediate and certain off-route points; *general commodities*, with certain exceptions including household goods, over irregular routes, between points in Atchison County, Mo., and that part of Holt County, Mo., within 20 miles of Fairfax, Mo., on the one hand, and, on the other, points in Iowa, Nebraska, and that part of Kansas on and east of Kansas Highway 8, and between Kansas City, North Kansas City, and Independence, Mo., Kansas City, Kans., and points within ten miles of the points named; *general commodities*, with certain exceptions not including household goods, between certain points in Missouri on the one hand, and, on the other, Omaha, Nebr., and certain points in Kansas and Iowa. Application was field for temporary authority under section 210a (b) and denied June 15, 1953. Section 5 application denied April 7, 1955. Proceeding reopened by order entered May 7, 1956, for further hearing at a time and place to be hereafter fixed.

No. MC-F 6230, published in the April 4, 1956, issue of the FEDERAL REGISTER on page 2166. An amendment to the application filed June 20, 1956, applicants seek to amend the application to include authority for the merger of the operating rights and property of COATES-NORRELL MOTOR EXPRESS, INCORPORATED, into SUPER SERVICE MOTOR FREIGHT COMPANY, INC., for ownership, management and operation. Application assigned for hearing July 18, 1956, at Chattanooga, Tenn.

No. MC-F 6285 (Correction), published in the June 6, 1956, issue of the FEDERAL REGISTER on page 3892. The notice of filing should be corrected by deleting therefrom "Authority sought for control" and inserting, in lieu thereof, "Authority sought for control through management."

No. MC-F 6316 (Correction), published in the July 4, 1956, issue of the FEDERAL REGISTER on page 4990. The name of JOHN GIOVANINI, JR., one of the persons controlling vendee, was misspelled. The operating rights being transferred should read, in part, as follows: "*Passengers and their baggage*, restricted to traffic."

No. MC-F 6320 (correction), published in the July 11, 1956, issue of the FEDERAL REGISTER on page 5155. Application was incorrectly shown as a *merger* and should have been shown as a *control and merger* transaction.

No. MC-F 6325 (correction), published in the July 11, 1956, issue of the FEDERAL REGISTER on page 5156. The operating rights being transferred should read, in part, as follows: "* * * between Spokane, Wash., and Cheney, Wash. * * *". The State of Michigan was inadvertently omitted as one of the States served by vendee.

No. MC-F 6326. Authority sought for control by MILTON D. RATNER, 7000 South Pulaski Road, Chicago, Ill., of the operating rights and property of THE EMERY TRANSPORTATION COMPANY, 7000 South Pulaski Road, Chicago, Ill. Applicant's representatives: Clarence D. Todd and Charles W. Singer, both of 944 Washington Building, Washington 5, D. C. Operating rights sought to be controlled: *Such merchandise* as is dealt in by wholesale and retail grocery business houses, as a *contract carrier* over regular routes, between Nashville, Tenn., and Cincinnati, Ohio, and between Nashville, Tenn., and Evansville, Ind., serving certain intermediate points: *glassware, such materials, supplies* and *equipment* as are used in the manufacture of glassware, *caps, covers* or *tops*, (other than display) for bottles, paper shipping cartons, *machinery, materials* and *supplies* used in the manufacture, packing, and shipping of glassware and glassware containers, *grease, tallows, cleansing compound, soap, soap powders, toilet articles, lard substitutes, washing powders, vegetable compounds, washing compounds, vegetable oil shortening, cooking oil, glycerine, advertising material* and *premiums, oleomargarine, non-alcoholic beverages, syrup* for carbonated beverages, *malt beverages, such merchandise* as is dealt in by wholesale or retail food business houses, and, in connection therewith, *equipment, materials*, and *supplies* used in the conduct of such business, agricultural commodities, *empty containers* for fresh tomatoes and fresh vegetables, *empty tomatoe loading racks, such general merchandise* as is dealt in by chain grocery stores, and *supplies, machinery, fixtures*, and *equipment* incidental to the production, warehousing and sale thereof, *tinplate, skids, shipping pallets, angle iron, accessories for glass containers, petroleum jelly, such merchandise* as is dealt in by retail food and household supply and furnishing business houses, and *equipment, materials*, and *supplies* used in the conduct of such businesses, *packinghouse products, processed silica sand, soda ash, iron and steel moulds*, used in forming glass containers, and *machinery* used in the manufacture of glass containers, *fibreboard boxes, dressed poultry* and *eggs*, over irregular routes, from, to, and between points and areas, varying with the commodity transported, in Illinois, Ohio, Pennsylvania, Kentucky, Indiana, Wisconsin, Iowa, West Virginia, Missouri, Michigan, Minnesota, New York, New Jersey, Kansas, Nebraska, Georgia, North Carolina, South Carolina, Virginia, Flor-

ida, Maryland, Tennessee, Arkansas, Louisiana, Mississippi, Massachusetts, New Hampshire, Vermont, Delaware, and the District of Columbia. Applicant is not a motor carrier but is affiliated with MIDWEST TRANSFER COMPANY OF ILLINOIS, a *contract carrier*, which is authorized to operate in Illinois, Michigan, Ohio, Pennsylvania, Indiana, Kentucky, Wisconsin, Missouri, Iowa, Maryland, New Jersey, New York, West Virginia, Nebraska and Minnesota. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6330. Authority sought for control by RYDER SYSTEM, INC., 1642 NW. 21st Terrace, Miami, Fla., of the operating rights and property of COOPER MOTOR LINES, INC., 301 Hammet Street, P. O. Box 2030, Greenville, S. C., and for acquisition by J. A. RYDER, R. N. REEDY, A. E. GREENE, JR., JAR CORPORATION and JAR NO. 2 CORPORATION, all of Miami, of control of such rights and property through the transaction. Applicant's representatives: Eugene T. Liipfert, 2001 Massachusetts Avenue, NW., Washington 6, D. C., and Clarence D. Todd, 944 Washington Building, Washington 5, D. C. Operating rights sought to be controlled: *General commodities*, with certain exceptions including household goods, as a *common carrier* over irregular routes, from points in South Carolina to Culpeper, Suffolk, Windsor, Norfolk, Madison Heights, Petersburg, Lester Manor, Richmond, Fredericksburg, Warrenton, Franklin, Lynchburg, Farmville, Smithfield, Danville, South Boston, Victoria, and Roanoke, Va., Washington, D. C., Baltimore and Cumberland, Md., Wilmington and Cheswold, Del., Philadelphia, Biglerville, and York, Pa., Camden and Trenton, N. J., New York, N. Y., and points in New Jersey and New York within 25 miles of New York, N. Y., from the above-specified destination points to Charlotte, Rocky Mount, Fayetteville, Durham, Roanoke Rapids, Kinston, Marion, Morganton, Fuquay Springs, Rockingham, Snow Hill, Greenville, Smithfield, Rich Square, Warsaw, Clinton, Kannapolis, Gastonia, Lillington, Dunn, Salisbury, and Concord, N. C., and points in South Carolina, between Graniteville and Charleston, S. C., on the one hand, and, on the other, points in Georgia and South Carolina, between Philadelphia, Pa., on the one hand, and, on the other, Bristol, Pa., and points in Philadelphia County, Pa., between Philadelphia, Pa., on the one hand, and, on the other, points in Pennsylvania on and south of U. S. Highway 30 within 25 miles of Philadelphia, and between points in Philadelphia, Pa.; *general commodities*, with certain exceptions not including household goods, between points within ten miles of Charleston, S. C., including Charleston, on the one hand, and, on the other, points in Charleston, Georgetown, Horry, Berkeley, Dorchester, Colleton, Beaufort, and Jasper Counties, S. C. Applicant is not a motor carrier but is affiliated with GREAT SOUTHERN TRUCKING COMPANY, which is authorized to operate as a *common carrier* in Alabama, Georgia, South Carolina, North Carolina, Tennessee, and Florida. Application has not been filed for temporary authority under section 210a (b).

NOTE: This application will be processed concurrently with No. MC 47171 Sub 77.

No. MC–F 6331. Authority sought by COMMERCIAL TRANSPORT CORPORATION, 2919 Buffalo Drive, Houston, Texas, to control and merge the operating rights and property of AMERICAN BARGE LINE COMPANY, 1030 East Market Street, Jeffersonville, Ind., and to control the operating rights and property of BLASKE, INC., Foot of Ridge Street, Alton, Ill., and for acquisition by JAMES S. ADAMS, PIERRE DAVIDWEILL, EDWIN H. HERZOG, ALBERT J. HETTINGER, JR., HOWARD S. KNIFFIN, ANDRE MEYER, GEORGE MURNANE, CHARLES J. STEWART, J. NEWTON RAYZOR, M. C. BUTCHER, GUS S. WORTHAM, E. R. BARROW, E. D. BUTCHER, J. W. HERSHEY, EASTERN STEAMSHIP LINES, INC., and OLD DOMINION STEAMSHIP COMPANY, of control of such rights and property through the transaction. Applicant's representatives: Nuel D. Belnap, 1 North LaSalle Street, Chicago 2, Ill., Dudley B. Tenney, 63 Wall Street, New York 5, N. Y., and Samuel H. Moerman, Investment Bldg., Washington, D. C. Operating rights sought to be controlled and merged: (American Barge Line Company): *Commodities generally*, as a *common carrier* in interstate or foreign commerce by water, (1) by non-self-propelled vessels with the use of separate towing vessels (a) between ports and points along the Mississippi River below Minneapolis, Minn., the Ohio and Green Rivers, the Cumberland River below Old Hickory, Tenn., the Kanawha River below Gauley Bridge, W. Va., the Allegheny River below East Brady, Pa., the Monongahela River below Fairmont, W. Va., and the Illinois Waterway including the ports named, and (b) between ports and points along the waterways named in (a) above, on the one hand, and, on the other, ports and points along the Tennessee River below and including Knoxville, Tenn., and (2) by towing vessels in the performance of general towage between points on the waterways designated in (a) above, except the Mississippi River above its confluence with the Illinois River, except to the extent that operations indicated in (1) and (2) above have heretofore been authorized in a certificate issued to applicant under the Inland Waterways Corporation Act. Operating rights sought to be controlled (Blaske, Inc): *Commodities generally*, as a *common carrier* in interstate or foreign commerce by non-self-propelled vessels with the use of separate towing vessels, and by towing vessels in the performance of general towage, between points on the Illinois Waterway and points on the Mississippi River from St. Louis, Mo., to Muscatine, Iowa, inclusive. COMMERCIAL TRANSPORT CORPORATION holds no authority from this Commission. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6332. Authority sought for purchase by SHAFFER TRUCKING, INC., Elizabethville, Pa., of a portion of the operating rights and property of LEWIS G. JOHNSON, P. O. Box 135, Newark, N. Y., and for acquisition by DOMER SHAFFER, also of Elizabethville, of control of such rights and property through the purchase. Applicants' representative: Bert Collins, 140 Cedar Street, New York 6, N. Y. Operating rights sought to be transferred: *Canned goods, fruits, vegetables, agricultural commodities, potato chips, potato sticks, french fried onions, nursery stock, cereal food preparations, cereal preparations, dry*, and *teething biscuits*, as a *common carrier* over irregular routes, from, to and between points and areas, varying with the commodity transported, in New York, Maryland, Virginia, Delaware, West Virginia, North Carolina, South Carolina, Georgia, Florida, and the District of Columbia. Vendee is authorized to operate in Maryland, New York, Pennsylvania, West Virginia, Connecticut, Delaware, New Jersey, Florida, Georgia, North Carolina, Ohio, South Carolina, Virginia, Maine, New Hampshire, Vermont, and the District of Columbia. Application has been filed for temporary authority under section 210a (b).

No. MC–F 6333. Authority sought for merger by SOUTHERN-PLAZA EXPRESS, INC., 1209 Washington Avenue, St. Louis, Mo., of the operating rights and property of CENTRAL EXPRESS, INC., 314 Ninth Street, Fort Smith, Ark., and for acquisition by FIELDING CHILDRESS and COLUMBIA TERMINALS COMPANY, both of St. Louis, and SOUTHERN EXPRESS, INC., of Dallas, Texas, of control of such rights and property through the transaction. Applicants' representative: Clarence D. Todd, 944 Washington Building, Washington 5, D. C. Operating rights sought to be merged: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes betwen McAlester, Okla., and Fort Smith, Ark., between Fort Smith, Ark., and junction U. S. Highways 270 and 271 (five miles north of Summerfield, Okla.), between Miami, Okla., and Colbert, Okla., and between Muskogee, Okla., and Braggs, Okla., serving certain intermediate and off-route points. SOUTHERN-PLAZA EXPRESS, INC., is authorized to operate in Missouri, Illinois, Tennessee, Texas and Oklahoma. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6334. Authority sought for control by LINCOLN TRANSPORT SYSTEMS, INC., 73 Gilbert Street Buffalo, N. Y., of the operating rights and property of AMSTERDAM DESPATCH, INC., P. O. Box 615, Amsterdam, N. Y., and for acquisition by VINCENT H. PALISANO, of Williamsville, N. Y., VICTOR J. PALISANO, of Hamburg, N. Y., SAMUEL J. PALISANO, of Buffalo, N. Y., JOSEPH S. PALISANO and CHARLES J. PALISANO, both of Orchard Park, N. Y., of control of such operating rights and property through the transaction. Operating rights sought to be controlled: *General commodities*, with certain exceptions including household goods, as a *common carrier*, over regular routes, between Perth Amboy, N. J., and Syracuse, N. Y., between New York, N. Y.,

and Syracuse, N. Y., between New York, N. Y. and Staten Island, N. Y., between Philadelphia, Pa., and junction U. S. Highway 1 and U. S. Highway 9, and between Little Falls, N. Y., and junction New York Highways 167 and 5S, serving certain intermediate and off-route points; *general commodities*, with certain exceptions including household goods, over irregular routes, between Amsterdam, Broadalbin, Canajoharie, Gloversville, Johnstown, Dolgeville, Middleville, Mohawk, Newport, Northville, Fonda, Fort Plain, Frankfort, Fultonville, Cohoes, Schenectady, Herkimer, Ilion, Little Falls, Mayfield, and St. Johnsville, N. Y., and points in New York within 15 miles of the above-specified points, on the one hand, and, on the other, Wilmington, Del., Baltimore, Md., and Allentown, Bethlehem, and Reading, Pa. LINCOLN TRANSPORT SYSTEMS, INC., holds no authority from this Commission. Application has been filed for temporary authority under section 210a (b).

No. MC-F 6335. Authority sought for control and merger by JOSEPH J. MILNE TRUCK LINE, INC., 205 West First North Street, St. George, Utah, of the operating rights and property of ROCKY MOUNTAIN SERVICE, INC., 463 East 100 North Street, St. George, Utah, and for acquisition by ARVEL MILNE and KENNETH MILNE, both of Salt Lake City, Utah, WILLARD MILNE, also of St. George, and FRANK MILNE, of Cedar City, Utah, of control of such rights and property through the transaction. Applicant's representatives: Wood R. Worsley, 1501 Walker Bank Bldg., Salt Lake City, Utah, David Anderson, Continental Bank Bldg., Salt Lake City, Utah, and James K. Knudsen, 1116 Ring Bldg., 18th at M Street, NW., Washington, D. C. Operating rights sought to be controlled and merged: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes, including routes between St. George, Utah, and Mount Trumbull, Ariz., from Los Angeles, Calif., to St. George, Utah, between St. George, Utah, and Marysvale, Utah, and from St. George, Utah, to Los Angeles, Calif., serving certain intermediate and off-route points; *hardware, fencing*, and *roofing materials*, from Los Angeles, Calif., to Junction, Kanab, Bryce Canyon and Henieville, Utah, and from Los Angeles, Calif., to Junction Utah Highway 15, serving certain intermediate and off-route points; *poultry feed* and *poultry supplies*, from Los Angeles, Calif., to Rockville, Utah, serving the intermediate point of Hurricane, Utah, restricted to delivery only; *pipe*, from Los Angeles, Calif., to Panguitch, Utah, serving certain intermediate points; *plumbing and heating supplies and equipment*, from Los Angeles, Calif., to Panguitch, Utah, serving no intermediate points; *plumbing supplies and equipment*, from Los Angeles, Calif., to Kanab, Utah, serving no intermediate points; *dressed poultry*, from Panguitch, Utah, to Los Angeles, Calif., serving certain intermediate points; *livestock*, from specified points in Utah to Los Angeles, Calif., serving certain off-route points; and *oilfield commodities* between Los Angeles, Calif., and Hurricane, Utah, serving certain off-route points; *general commodities*, with certain exceptions including household goods, over irregular routes, between points in the Los Angeles, Calif., Commercial Zone, as defined by the Commission; *wool, mohair, livestock, agricultural commodities, dairy products, poultry, lumber, ore, sawmill and mining machinery, supplies, and equipment*, and *oilfiled commodities*, from, to and between points and areas, varying with the commodity transported, in California, Utah, Nevada, and Arizona. No. MC-F 5429, approved and authorized subject to consummation within 180 days from the effective date June 12, 1956. Authority sought for control and merger by ROCKY MOUNTAIN SERVICE, INC., 463 East 100 North, St. George, Utah, of the operating rights and property of LAS VEGAS NEEDLES PHOENIX TRUCK LINES, INC., 722 North Main Street, Las Vegas, Nev., and for acquisition by N. E. GUBLER, EMIL GUBLER and ARLO PRISBREY, of St. George, DONALD FREI, of Las Vegas, LE VOY MASON and C. G. GUBLER, Los Angeles, Calif., of control of the operating rights and property through the transaction. Applicants' representative: David T. Anderson, 623 Continental Bank Bldg., Salt Lake City, Utah. Operating rights sought to be controlled and merged: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes, between Los Angeles, Calif., and Needles, Calif., between Las Vegas, Nev., and Phoenix, Ariz., between Las Vegas, Nev., and the site of the U. S. Atomic Energy Commission plant at or near Mercury, Nev., and between junction U. S. Highway 93 and unnumbered highway near Kingman, Ariz., and the junction of U. S. Highway 95 and Nevada Highway 77, serving certain intermediate and off-route points; *class A and B explosives*, between Phoenix, Ariz., and the site of the U. S. Atomic Energy Commission plant at or near Mercury, Nev., serving certain intermediate and off-route points; *compressed gases*, in bulk, in Government-owned tank trailers, between junction U. S. Highway 93 and unnumbered highway near Kingman, Ariz., and the junction of U. S. Highway 95 and Nevada Highway 77, serving Davis Dam Site, Nev., as an intermediate point, and the described termini for joinder only with carrier's authorized regular routes and the alternate route authorized herein below, and between Las Vegas, Nev., and the site of the U. S. Atomic Energy Commission plant at or near Mercury, Nev., serving no intermediate points; alternate route for operating convenience only (in connection with *compressed gases* and *general commodities* authority only) between Wickenburg, Ariz., and Alunite, Nev. JOSEPH J. MILNE TRUCK LINE, INC., is authorized to operate as a *common carrier* in Utah and Nevada. Application has been filed for temporary authority under section 210a (b) in connection with MC-F 6335.

No. MC-F 6336. Authority sought for control and merger by ROBERTS MOTOR EXPRESS, INC., 22-24 Thatcher Street, Albany, N. Y., of the operating rights and property of SHEEHAN TRANSPORT, INC., 217 Washington Avenue, Carlstadt, N. J., and for acquisition by JACOB T. ROBERTS, JR., West Coxsackie, N. Y., of control of such rights and property through the transaction. Applicant's representatives: William Biederman, 280 Broadway, New York 7, N. Y., and Edward M. Alfano, 36 West 44th Street, New York, N. Y. Operating rights sought to be controlled and merged: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes, between Albany, N. Y., and Newark, N. J., and between Lodi, N. J., and Newburgh, N. Y., serving all intermediate and certain off-route points; *piece goods*, finished and unfinished, *felt, hatters' fur*, and *paper bags*, between Newark, N. J., and Philadelphia, Pa., serving all intermediate points and the off-route points of Perth Amboy and Carteret, N. J.; *general commodities*, with certain exceptions including household goods, over irregular routes between points in Passaic, Bergen, Hudson, Essex, and Union Counties, N. J., on the one hand, and, on the other, New York, N. Y., and points in Westchester, Rockland, and Orange Counties, N. Y.; *oil, alcohol*, and *chemicals*, from Grasselli, N. J., and Gulfport, N. Y., to Monticello, Port Jervis, Liberty, and Livingston Manor, N. Y.; and *groceries*, from New York, N. Y., to Monticello, Port Jervis, Liberty, and Livingston Manor, N. Y., ROBERTS MOTOR EXPRESS, INC., is authorized to operate as a *common carrier* in the State of New York under the second proviso of section 206 (a) (1) of the Interstate Commerce Act. Application has been filed for temporary authority under section 210a (b).

NOTE: This application will be processed concurrently with No. MC 99084 Sub 2.

No. MC-F 6337. Authority sought for purchase by THE DISTRICT HAULING AND CONTRACTING COMPANY, INCORPORATED, 2780 Jefferson Davis Highway, Arlington, Va., of the operating rights of SMITH & SMITH SUPPLY CO., INC., 1911 Kenilworth Avenue, Kenilworth, Md., and for acquisition by HARRY G. SLOCOMBRE, also of Arlington, of control of such operating rights through the purchase. Applicant's representative: S. Harrison, Kahn, 726-730 Investment Building, Washington 5, D. C. Operating rights sought to be transferred: *Rough and dressed lumber*, as a *contract carrier* over irregular routes, from points in North Carolina to Baltimore, Md., points in Baltimore County, Md., those in Pennsylvania and those in Atlantic, Burlington, Camden, Cumberland, Gloucester, Mercer and Salem Counties, N. J. Vendee is authorized to operate as a *contract carrier* in West Virginia, Virginia, Maryland, Delaware, Pennsylvania, New Jersey, New York, and the District of Columbia. Application has been filed for temporary authority under section 210a (b).

No. MC-F 6338. Authority sought for purchase by M. R. AND R. TRUCKING COMPANY, 715 North Ferdon Blvd., Crestview, Fla., of the operating rights and property of ROBERT E. ELMORE,

doing business as BATES TRUCKING CO., 1200 Reeves Street, Dothan, Ala., and for acquisition by W. GUY McKENZIE, Tallahassee, Fla., JOHN F. McCASKILL, Crestview, Fla., and CARL E. BJORKLUND, Panama City, Fla., of control of such rights and property through the purchase. Applicants' representative: Dan R. Schwartz, 713 Professional Bldg., Jacksonville 2, Fla. Operating rights sought to be transferred: *General commodities*, with certain exceptions including household goods, as a *common carrier* over regular routes between Bainbridge, Ga., and Dothan, Ala., between Bainbridge, Ga., and Amsterdam, Ga., and between Amsterdam, Ga., and Tallahassee, Fla., serving certain intermediate points. Vendee is authorized to operate as a *common carrier* in Florida. Application has been filed for temporary authority under section 210a (b).

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 56-5709; Filed, July 17, 1956; 8:48 a. m.]

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 13, 1956.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 32352: *Trailer-on-flat-car service—Erie Railroad Company.* Filed by The Erie Railroad Company, for itself, and other interested rail carriers. Rates on various commodities, in carloads, as described in the tariff listed below moving on class and commodity rates loaded in highway trailers and transported on railroad flat cars from specified points in New York and Ohio to specified points in Indiana, Kentucky, and Missouri.

Grounds for relief: Motor truck competition and circuity.

Tariff: Erie Railroad Company tariff I. C. C. 21245.

FSA No. 32353: *Grain and products—Bloomfield, Iowa, to Omaha, Nebr.* Filed by The Wabash Railroad Company, for itself. Rates on grain, grain products, seeds and related articles, carloads from Bloomfield, Iowa to Omaha, Nebr.

Grounds for relief: Circuitous route.

Tariff: Supplement 19 to Wabash Railroad Company I. C. C. 7744.

FSA No. 32354: *Grain—Gough, Ga., to Mobile, Ala., and New Orleans, La.* Filed by O. W. South, Jr., Agent, for other interested rail carriers. Rates on barley, corn, oats, rye, soybeans, and wheat, in bulk, straight carloads, from Gough, Ga., to Mobile, Ala., and New Orleans, La., for export.

Grounds for relief: Circuitous routes.

Tariff: Supplement 146 to Agent Spaninger's I. C. C. 1325.

FSA No. 32355: *Aluminum billets, etc., Arkansas and Texas to southwest.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on aluminum billets, blooms, ingots, pigs, and slabs, carloads from Gum Springs and Jones Mills, Ark., Gregory, Point Comfort, and Sandow, Tex., to specified points in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee, including Bristol, Va.-Tenn.

Grounds for relief: Short-line distance formula, Market competition and circuity.

Tariff: Supplement 19 to Agent Kratzmeir's I. C. C. 4176.

FSA No. 32356: *Fresh meats—Amarillo, Tex., to Waterloo, Iowa.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on fresh meats, noibn, carloads from Amarillo, Tex., to Waterloo, Iowa.

Grounds for relief: Circuitous routes.

Tariff: Supplement 46 to Agent Kratzmeir's I. C. C. 4036.

FSA No. 32357: *Adipic acid—Orange, Tex., to Ohio, Pennsylvania and Tennessee.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on adipic acid, dry, carloads from Orange, Tex., to Akron and Mogadore, Ohio, Philadelphia, Pa., Kingsport and Holston, Tenn.

Grounds for relief: Short-line distance formula and circuitous routes.

Tariff: Supplement 216 to Agent Kratzmeir's I. C. C. 4139.

FSA No. 32358: *Trailer-on-flat-car service—Between the southwest and western and northern points.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on various commodities, moving on class and commodity rates, in highway trailers, loaded on railroad flat cars between Chicago and Waukegan, Ill., Duluth, Minneapolis and St. Paul, Minn., Appleton, Eau Claire, Fond du Lac, Kohler, Manitowoc, Milwaukee and Superior, Wis., and grouped points, on one hand, and Center, Jasper, and Silsbee, Tex., on the other.

Grounds for relief: Motor truck competition and circuity.

Tariff: Supplement 77 to Agent Kratzmeir's I. C. C. 4181.

FSA No. 32359: *Peanut hull meal—Ozark and Troy, Ala., to Alabama.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on peanut hulls, ground, carloads from Ozark and Troy, Ala., to points in Alabama.

Grounds for relief: Circuitous routes.

Tariff: Supplement 59 to Agent Spaninger's tariff I. C. C. 1411.

FSA No. 32360: *Furfural residue—Memphis, Tenn., to Pittstown, N. J.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on furfural residue, dry, carloads from Memphis, Tenn., to Pittstown, N. J.

Grounds for relief: Short-line distance formula and circuity.

Tariff: Supplement 74 to Agent Spaninger's I. C. C. 1366.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 56-5707; Filed, July 17, 1956; 8:47 a. m.]

[Rev. S. O. 562, Taylor's I. C. C. Order 74]

NEW YORK, SUSQUEHANNA AND WESTERN RAILROAD CO. AND LEHIGH AND NEW ENGLAND RAILROAD CO.

DIVERSION OR REROUTING OF TRAFFIC

In the opinion of Charles W. Talyor, Agent, the New York, Susquehanna and Western Railroad Company and the Lehigh and New England Railroad Company, because of washout at Stillwater, New Jersey, are unable to transport traffic routed over and to points on their lines: *It is ordered,* That:

(a) Rerouting traffic: The New York, Susquehanna and Western Railroad Company and the Lehigh and New England Railroad Company, and their connections, are hereby authorized to divert or reroute such traffic over any available route to expedite the movement, regardless of routing shown on the waybill. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained: The railroads desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the routing or diversion is ordered.

(c) Notification to shippers: The carriers rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carriers' disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipments on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date: This order shall become effective at 3:00 p. m., July 9, 1956.

(g) Expiration date: This order shall expire at 11:59 p. m., July 23, 1956, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., July 9, 1956.

INTERSTATE COMMERCE COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F. R. Doc. 56-5708; Filed, July 17, 1956; 8:48 a. m.]

[MC-C-No. 2001]

REDUCED CLASS AND COMMODITY RATES; MIDDLE ATLANTIC TERRITORY

INVESTIGATION INSTITUTED AND HEARING ORDERED

At a session of the Interstate Commerce Commission, Board of Suspension, held at its office in Washington, D. C., on the 13th day of July A. D. 1956.

There being under consideration the matter of rates and charges and the rules, regulations and practices affecting such rates and charges applicable on interstate or foreign commerce on classes and commodities between points in the New York, N. Y., and northern New Jersey area, on the one hand, and points in Pennsylvania on the other, as set forth in tariff, MF-I. C. C. No. A-776, issued by the Middle Atlantic Conference, Agent, and on comparable class and commodity rates as published in tariffs, MF-I. C. C. Nos. 4 and 6, issued by Hudson Transportation Company and tariff, MF-I. C. C. No. 13, issued by Association of Interstate Motor Carriers, Agent, or as same may be amended or reissued;

It appearing that upon consideration of the tariff schedules there is reason to institute an investigation to determine whether they result in rates and charges, rules, regulations and practices that are unjust and unreasonable in violation of the Interstate Commerce Act and constitute unfair and destructive competitive practices in contravention of the National Transportation Policy; and good cause appearing therefor:

It is ordered, That an investigation be, and it is hereby instituted, upon the Commission's own motion, into and concerning the lawfulness of the rates, charges, rules, regulations and practices contained in said schedules, with a view to making such findings and orders in the premises as the facts and circumstances shall warrant.

It is further ordered, That the investigation in this proceeding shall not be confined to the matters and issues hereinbefore stated as the reason for instituting this investigation, but shall include all matter and issues with respect to the lawfulness of the said rates, charges, rules, regulations and practices under the Interstate Commerce Act.

It is further ordered, That a copy of this order be served on the respondents' attorneys in fact who filed the schedules containing the rates under investigation herein; and that further notice of this proceeding be given to the respondents, and that notice be given to the general public by posting a copy of this order in the office of the Secretary of the Commission at Washington, D. C., and by filing a copy with the Director, Division of the Federal Register.

And it is further ordered, That this matter be assigned for hearing at a time and place to be hereafter fixed.

By the Commission, Board of Suspension.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F. R. Doc. 56-5777; Filed, July 17, 1956; 8:58 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24FW-880]

MILITARY INVESTORS FINANCIAL CORP.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

JULY 12, 1956.

I. Military Investors Financial Corporation ("Military"), a Texas corporation, 2310 Main Street, Houston, Texas, filed with the Commission on December 1, 1954, a notification on Form 1-A and an offering circular, and subsequently filed amendments thereto relating to an offering of 150,000 shares of its common stock at $2.00 per share, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that:

1. The offering circular is false and misleading:

a. In stating that Donald E. Bartz, promoter and Chairman of the Board of Directors of the issuer, "is presently President of American Management Corporation, a firm specializing in corporate formations and management" but omitting to state that American Management Corporation had never formed or promoted a successful business venture and that it was simply a corporate front under which Bartz promoted his own interests.

b. In stating that Raymond J. Jeleski, President and Director of the issuer, "was associated with the Richfield Oil Corporation in the field of finance and collections" and "is now associated with Globe Hardware Company * * * as accountant and tax adviser" but omitting to state that Jeleski's association with Richfield Oil Corporation was as a filling station operator, that his association with Globe Hardware Company was under the supervision of a senior accountant and that his only function as President and Director of the issuer was to act as bookkeeper.

2. The report of sales of stock on Form 2-A pursuant to Rule 224 and the balance sheet attached thereto are false and misleading in stating that marketable securities in the amount of $50,000 were received by the issuer in exchange for 25,000 shares of the issuer's stock.

3. The offering constituted a device, scheme and artifice to defraud in that there was no bona fide intention to carry on the proposed business of the issuer as set forth in the offering circular.

4. No report of sales on Form 2-A has been filed since August 30, 1955, as required by Rule 224.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given that any persons having any interest in the matter may file with the Secretary of the Commission a written request for hearing; that, within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 56-5711; Filed, July 17, 1956; 8:48 a. m.]

[File No. 24D-1686]

HIDDEN VALLEY URANIUM COMPANY, INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

JULY 12, 1956.

I. Hidden Valley Uranium Company, Inc., a Utah corporation, 705 Judge Building, Salt Lake City, Utah, filed with the Commission on April 21, 1955, a notification on Form 1-A and an offering circular, and subsequently filed amendments thereto, relating to an offering of 5,950,000 shares of common stock, 5 cents par value, at 5 cents per share for an aggregate of $297,500 for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that the terms and conditions of Regulation A have not been complied with in that:

1. The notification and offering circular are false and misleading in stating that Earl A. Smythe and Michael Grayson are each the holder of 250,000 shares acquired in exchange for certain property and in omitting to state that Smythe and Grayson severed all connection with the issuer and returned all their stock to the issuer because the property acquired from them was worthless.

2. The company has failed to file on Form 2-A reports of sales, as required by Rule 224 under Regulation A, and has ignored requests by the Commission's staff for such reports.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regu-

lations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given, that any person having any interest in the matter may file with the Secretary of the Commission a written request for a hearing; that, within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission.

By the Commission.

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

[F. R. Doc. 56-5712; Filed, July 17, 1956; 8:49 a. m.]

[File No. 1-1859]

PIG'N WHISTLE CORP.

NOTICE OF APPLICATION TO WITHDRAW FROM LISTING AND REGISTRATION, AND OF OPPORTUNITY FOR HEARING

JULY 12, 1956.

In the matter of Pig'n Whistle Corporation, prior preferred stock, File No. 1-1859.

The above named issuer, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, has made application to withdraw the specified security from listing and registration on the San Francisco Stock Exchange.

The reasons alleged in the application for withdrawing this security from listing and registration include the following:

This stock is stated to be now so closely held that there is little or no open market trading in it and the available supply is stated to be insufficient to furnish a free and stable market.

The San Francisco Stock Exchange advises that it has no objection to this application, states that according to reports from the issuer there were only 184 stockholders as of June 7, 1955, and that over 60 percent of the outstanding shares were held by 10 of the stockholders, and has suspended the stock from dealings on its floor as of the close of business February 29, 1956.

Upon receipt of a request, on or before July 31, 1956, from any interested person for a hearing in regard to terms to be imposed upon the delisting of this security, the Commission will determine whether to set the matter down for hearing. Such request should state briefly the nature of the interest of the person requesting the hearing and the position he proposes to take at the hearing with respect to imposition of terms. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

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

[F. R. Doc. 56-5713; Filed, July 17, 1956; 8:49 a. m.]

[File No. 1-3771]

GOOD HUMOR COMPANY OF CALIFORNIA

NOTICE OF APPLICATION TO STRIKE FROM LISTING AND REGISTRATION, AND OF OPPORTUNITY FOR HEARING

JULY 12, 1956.

In the matter of Good Humor Company of California, Prior Preferred Stock; File No. 1-3771.

Los Angeles Stock Exchange has made application, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, to strike the above named security from listing and registration thereon.

The reasons alleged in the application for striking this security from listing and registration include the following:

The applicant Exchange suspended this stock from trading on January 3, 1956, following notice from the issuer that there remained outstanding only 667 shares in the hands of 14 stockholders. Since that time the Exchange has been informed that only 467 shares remain outstanding and held by 12 stockholders. The decrease results from an offering of exchange into other securities of the issuer.

Upon receipt of a request, on or before July 31, 1956, from any interested person for a hearing in regard to terms to be imposed upon the delisting of this security, the Commission will determine whether to set the matter down for hearing. Such request should state briefly the nature of the interest of the person requesting the hearing and the position he proposes to take at the hearing with respect to imposition of terms. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

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

[F. R. Doc. 56-5714; Filed, July 17, 1956; 8:49 a. m.]

[File No. 24A-1024]

HARD ROCK MINING CO.

ORDER TEMPORARAILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

JULY 11, 1956.

I. Hard Rock Mining Company, 377 McKee Place, Pittsburgh 13, Pennsylvania (hereinafter referred to as the "issuer") filed with the Commission on May 7, 1956 a notification on Form 1-A and a Rule 219 (b) statement as an exhibit thereto, and subsequently filed amendments thereto, relating to a proposed public offering of 1,000,000 shares of 1 cent par value common stock, at 5 cents per share, for the purpose of obtaining an exception from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder.

II. A. Paul Rowland Jones, a promoter of the issuer, was convicted on March 19, 1956 in the Circuit Court of Jefferson County, Birmingham, Alabama of an offense of attempting to sell unregistered securities in violation of the laws of the State of Alabama. By virtue of Rule 216 (b) (5), no exemption under Regulation A is available for said securities.

B. The Commission has reasonable cause to believe:

1. The terms and conditions of Regulation A have not been complied with in that:

a. The issuer failed to disclose in Item 5 of Form 1-A and in the statement required under Rule 219 (b) that Paul Rowland Jones was a promoter of the issuer, and failed to disclose in Item 6 of Form 1-A the conviction mentioned in paragraph A above;

b. Sales literature was not filed with the Commission prior to use as required by Rule 221.

2. The sales literature used in connection with the offering was false and misleading in the following particulars:

a. In estimating ore reserves on the issuer's properties in the amount of $8,000,000;

b. In stating that ore reserves on the issuer's properties contain a large quantity of uranium oxide;

c. In stating that "there have been much higher offers for the stock by outsiders" than the offering price of 5 cents a share to stockholders of Basset Press and Mailing Company and that "the appraised value of this stock, based on its capitalization is $2.00 per share"; and

d. In omitting to state that A. M. Jones, the mining engineer who estimated the value of the ore reserves on the property under lease at $8,000,000 was an intermediary transferor in title for his brother, Paul Rowland Jones, a promoter of the issuer.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commission

a written request for hearing; that, within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission.

By the Commission.

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

[F. R. Doc. 56-5715; Filed, July 17, 1956; 8:49 a. m.]

[File No. 24D-1130]

DAKOTA-MONTANA OIL LEASEHOLDS, INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

JULY 11, 1956.

I. Dakota-Montana Oil Leaseholds, Inc., a Delaware corporation, 535 Fifth Avenue, New York, New York, filed with the Commission on May 1, 1953, a notification on Form 1-A and subsequently filed amendments thereto relating to an offering of 300,000 shares of 50 cents par value common stock at $1 per share for an aggregate of $300,000, for the purpose of obtaining an exemeption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that:

A. The principal underwriter of the securities being offered, Charles J. Maggio, Inc., 25 Broad Street, New York, New York, has been permanently enjoined by a decree of the New York Supreme Court from engaging in the securities business in the State of New York.

B. The offering, if made or continued, would be made in such a manner as to operate as a fraud or deceit upon the purchasers in that material changes in the condition of the company since June 23, 1953, are not reflected in the material filed by the issuer under Regulation A, concerning, among others:

(a) The financial condition of the issuer;

(b) The property interests held by the issuer; and

(c) The inactive status of the issuer in that the issuer is no longer engaged in business or actively functioning, has no present address, and its officers and directors are no longer participating in its affairs.

C. The company has not filed reports on Form 2-A as required by Rule 224.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given, that any persons having any interest in the matter may file with the Secretary of the Commission a written request for hearing; that, within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission.

By the Commission.

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

[F. R. Doc. 56-5716; Filed, July 17, 1956; 8:49 a. m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 80, Amdt. 2]

CALIFORNIA

AMENDMENT TO DECLARATION OF DISASTER AREA

Declaration of Disaster Area 80, dated December 30, 1955, for the State of California, is hereby amended as follows:

By striking from paragraph 5 thereof "June 30, 1956," and substituting therefor "September 30, 1956."

Dated: June 27, 1956.

WENDELL B. BARNES, *Administrator.*

[F. R. Doc. 56-5770; Filed, July 17, 1956; 8:57 a. m.]

DEPARTMENT OF AGRICULTURE

Rural Electrification Administration

[Administrative Order T-813]

MAINE

AMENDMENT OF LOAN ANNOUNCEMENT

APRIL 4, 1956.

I hereby amend:

(a) Administrative Order No. T-672, dated August 31, 1955, by rescinding the loan of $139,000 therein made for "Union Telephone Company—Maine 515-A Union."

[SEAL] FRED H. STRONG, *Acting Administrator.*

[F. R. Doc. 56-5721; Filed, July 17, 1956; 8:50 a. m.]

[Administrative Order T-814]

SOUTH DAKOTA

LOAN ANNOUNCEMENT

APRIL 6, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Deuel Telephone Cooperative Association, South Dakota 521-B Deuel	$486,000

[SEAL] FRED H. STRONG, *Acting Administrator.*

[F. R. Doc. 56-5722; Filed, July 17, 1956; 8:50 a. m.]

[Administrative Order T-815]

ALABAMA

LOAN ANNOUNCEMENT

APRIL 17, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Butler Telephone Company, Inc., Alabama 534-A Butler	[1] $290,000

[1] Simultaneous allocation and loan.

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 56-5723; Filed, July 17, 1956; 8:50 a. m.]

[Administrative Order T-816]

KENTUCKY

LOAN ANNOUNCEMENT

APRIL 17, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Duo County Telephone Cooperative Corporation, Inc., Kentucky 530-A Duo County	[1] $1,040,000

[1] Simultaneous allocation and loan.

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 56-5724; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T-817]

MISSISSIPPI

LOAN ANNOUNCEMENT

APRIL 24, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Calhoun City Telephone Company, Inc., Mississippi 504–C Calhoun City	$88,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5725; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–818]

TEXAS

LOAN ANNOUNCEMENT

APRIL 24, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Santa Rosa Telephone Cooperative, Inc., Texas 559–F Vernon	$111,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5726; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–819]

SOUTH CAROLINA

LOAN ANNOUNCEMENT

APRIL 26, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
St. Stephen Telephone Company, South Carolina 525–B St. Stephen	$73,000

[SEAL] FRED H. STRONG,
Acting Administrator.

[F. R. Doc. 56–5727; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–820]

MAINE

LOAN ANNOUNCEMENT

APRIL 27, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Poland Telephone Company, Maine 509–A Poland	[1] $507,000

[1] Simultaneous allocation and loan.

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5728; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–821]

ILLINOIS

LOAN ANNOUNCEMENT

MAY 2, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Champaign County Telephone Company, Illinois 506–F Champaign	$72,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5729; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–822]

SOUTH CAROLINA

AMENDMENT OF LOAN ANNOUNCEMENT

MAY 4, 1956.

I hereby amend:

(a) Administrative Order No. T–571, dated February 23, 1955, by rescinding the loan of $373,000 therein made for "Edisto Telephone Company, Incorporated—South Carolina 524–A Edisto."

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5730; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–823]

NEW YORK

AMENDMENT OF LOAN ANNOUNCEMENT

MAY 4, 1956.

I hereby amend:

(a) Administrative Order No. T–688, dated September 23, 1955, by rescinding the loan of $672,000 therein made for "Sanborn Telephone Company, Inc.—New York 508–A Sanborn."

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5731; Filed, July 17, 1956; 8:51 a. m.]

[Administrative Order T–824]

KENTUCKY

LOAN ANNOUNCEMENT

MAY 9, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Calvert Telephone System, Inc., Kentucky 529–C Calvert	$546,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5732; Filed, July 17, 1956; 8:52 a. m.]

[Administrative Order T–825]

MINNESOTA

LOAN ANNOUNCEMENT

MAY 11, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Woodstock Telephone Company, Minnesota 547–C Woodstock	$73,000

[SEAL] ANCHER NELSEN,
Administrator.

[F. R. Doc. 56–5733; Filed, July 17, 1956; 8:52 a. m.]

[Administrative Order T–826]

MISSOURI

LOAN ANNOUNCEMENT

MAY 17, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Grand River Mutual Telephone Corporation, Missouri 533–E Princeton	$481,000

[SEAL] K. L. SCOTT,
Director of Agricultural Credit Services.

[F. R. Doc. 56–5734; Filed, July 17, 1956; 8:52 a. m.]

[Administrative Order T–827]

MISSOURI

LOAN ANNOUNCEMENT

MAY 17, 1956.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Chariton Valley Telephone Corporation, Missouri 535–C Bucklin	$706,000

[SEAL] K. L. SCOTT,
Director of Agricultural Credit Services.

[F. R. Doc. 56–5735; Filed, July 17, 1956; 8:52 a. m.]