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# FEDERAL REGISTER

VOLUME 18 NUMBER 43

Washington, Thursday, March 5, 1953

## TITLE 5—ADMINISTRATIVE PERSONNEL

### Chapter I—Civil Service Commission

#### PART 7—NONCOMPETITIVE INDEFINITE APPOINTMENT OF FORMER EMPLOYEES AND INDEFINITE EMPLOYEES OF OTHER AGENCIES; AND PROMOTION, DEMOTION, AND REASSIGNMENT OF INDEFINITE EMPLOYEES

#### AGENCY AUTHORITY AND GENERAL REQUIREMENTS FOR NONCOMPETITIVE INDEFINITE APPOINTMENTS

Effective upon publication in the FEDERAL REGISTER, § 7.105 (a) (4) is amended to read as follows:

§ 7.105 *Agency authority and general requirements for noncompetitive indefinite appointments.* (a) \* \* \*

(4) The Commission may disapprove any such indefinite appointment, or suspend or withdraw this authority whenever, after post-audit, it finds that the regulations in this section have not been followed or for other reasons finds such action to be in the interests of the service.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] C. L. EDWARDS,  
*Executive Director*

[F. R. Doc. 53-2031; Filed, Mar. 4, 1953; 8:52 a. m.]

### Chapter III—Foreign and Territorial Compensation

Subchapter B—The Secretary of State  
[Departmental Reg. 108.180]

#### PART 325—ADDITIONAL COMPENSATION IN FOREIGN AREAS

##### DESIGNATION OF DIFFERENTIAL POSTS

Section 325.11 *Designation of differential posts* is amended as follows, effective on the dates indicated:

1. Effective as of the beginning of the first pay period following February 28, 1953, paragraph (b) is amended by the deletion of the following posts:

Ben Guerir, Morocco.  
India, all posts except Bombay, Calcutta, Cuddalore, Delhi, Hiralud Dam, Hyderabad, Izatnagar, Kharagpur, Madras, Nabha, Nagpur, New Delhi, Patiala, Poona, Shillong, and Simla.

Nouasseur, Morocco.  
Sidi Slimane, Morocco.

2. Effective as of the beginning of the first pay period following February 16, 1952, paragraph (a) is amended by the addition of the following post:

Cholburi, Thailand.

3. Effective as of the beginning of the first pay period following February 28, 1953, paragraph (a) is amended by the addition of the following post:

Gwallor, India.

4. Effective as of the beginning of the first pay period following February 28, 1953, paragraph (b) is amended by the addition of the following posts:

Frobisher Bay, Baffin Island, Canada.  
Hebron, Labrador, Canada.  
India, all posts except Bombay, Calcutta, Cuddalore, Delhi, Gwallor, Hiralud Dam, Hyderabad, Izatnagar, Kharagpur, Madras, Nabha, Nagpur, New Delhi, Patiala, Poona, Shillong and Simla.

5. Effective as of the beginning of the first pay period following February 28, 1953, paragraph (c) is amended by the addition of the following posts:

Ben Guerir, Morocco.  
Cartwright, Labrador, Canada.  
Hopedale, Labrador, Canada.  
Nouasseur, Morocco.  
Sidi Slimane, Morocco.  
St. Anthony's, Newfoundland, Canada.

6. Effective as of the beginning of the first pay period following February 28, 1953, paragraph (d) is amended by the addition of the following post:

Gander, Newfoundland, Canada.

(Sec. 102, Part I, E. O. 10000, Sept. 10, 1948, 13 F. R. 5453; 3 CFR 1948 Supp.)

Issued: February 20, 1953.

For the Secretary of State.

[SEAL] W. K. SCOTT,  
*Deputy Assistant Secretary.*

[F. R. Doc. 53-2037; Filed, Mar. 4, 1953; 8:53 a. m.]

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## CFR SUPPLEMENTS

(For use during 1953)

The following Supplements are now available:

Title 3 (full text of Proclamations and Executive Orders) (\$1.75)

Title 9 (\$0.40)

Title 24 (\$0.65)

Previously announced: Titles 10-13 (\$0.40); Title 17 (\$0.35); Title 18 (\$0.35); Title 49: Parts 71 to 90 (\$0.45)

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**TITLE 9—ANIMALS AND ANIMAL PRODUCTS**

**Chapter I—Bureau of Animal Industry, Department of Agriculture**

**Subchapter C—Interstate Transportation of Animals and Poultry**

[B. A. I. Order 383, Amdt. 8]

**PART 76—HOG CHOLERA, SWINE PLAGUE, AND OTHER COMMUNICABLE SWINE DISEASES**

**CHANGES IN AREAS QUARANTINED BECAUSE OF VESICULAR EXANTHEMA**

Pursuant to the authority conferred by sections 1 and 3 of the act of March 3, 1905, as amended (21 U. S. C. 123 and 125) sections 1 and 2 of the act of February 2, 1903, as amended (21 U. S. C. 111 and 120) and section 7 of the act of May 29, 1884, as amended (21 U. S. C. 117) § 76.26 in Part 76 of Title 9, Code of Federal Regulations, containing a notice of the existence in certain areas of the swine disease known as vesicular exanthema and establishing a quarantine because of such disease, is hereby amended to read as follows:

§ 76.26 *Notice and quarantine.* (a) Notice is hereby given that the contagious, infectious and communicable disease of swine known as vesicular exanthema exists in the following areas:

- Maricopa County, in Arizona;
- The State of California;
- Hartford, Litchfield and New Haven Counties, in Connecticut;
- Orange County, in Florida;
- De Kalb County, in Georgia;
- Folk County, in Iowa;
- Androscoggin, Cumberland, Kennebec, Somerset, and York Counties, in Maine;
- City of Baltimore, in Maryland;
- Bristol, Essex, Hampden, Middlesex, Norfolk, Plymouth and Worcester Counties, in Massachusetts;
- St. Clair and Livingston Counties, in Michigan;
- De Soto County, in Mississippi;
- Jefferson and St. Louis Counties, in Missouri;
- Bergen, Burlington, Camden, Gloucester, Hudson, Hunterdon, Middlesex, Norris and Ocean Counties, in New Jersey;

- Albany and New York Counties and Clarkstown Township, in Rockland County, in New York;
- Orange County, in North Carolina;
- Lorain County, in Ohio;
- Council Grove, Mustang, Oklahoma and Greeley Townships, in Oklahoma County, in Oklahoma;
- Bucks, Butler, Delaware, Lancaster, Lehigh and York Counties, in Pennsylvania;
- Bristol, Kent and Providence Counties, in Rhode Island;
- Smith County, in Texas;
- Pierce and Whatcom Counties, in Washington;
- Cold Spring, Hebron, Jefferson, Kochkonong, Oakland, Palmyra, Sullivan and Sumner Townships, in Jefferson County, East Troy, Lafayette, La Grange, Richmond, Spring Prairie, Sugar Creek, Troy, and White-water Townships, in Walworth County, in Wisconsin.

(b) The Secretary of Agriculture, having determined that swine in the States named in paragraph (a) of this section are affected with the contagious, infectious and communicable disease known as vesicular exanthema and that it is necessary to quarantine the areas specified in paragraph (a) of this section and the following additional areas in such States in order to prevent the spread of said disease from such States, hereby quarantines the areas specified in paragraph (a) of this section and in addition:

- Essex and Union Counties, in New Jersey;
- Montgomery County, in Pennsylvania.

*Effective date.* This amendment shall become effective upon issuance. It includes within the areas in which vesicular exanthema has been found to exist, and in which a quarantine has been established:

- Orange County, in Florida;
- Folk County, in Iowa;
- Somerset County, in Maine;
- Livingston County, in Michigan;
- St. Louis County, in Missouri;
- Orange County, in North Carolina;
- Lorain County, in Ohio;
- Smith County, in Texas;
- Cold Spring, Hebron, Jefferson, Kochkonong, Oakland, Palmyra, Sullivan and Sumner Townships, in Jefferson County; East Troy, Lafayette, La Grange, Richmond, Spring Prairie, Sugar Creek, Troy, and White-water Townships, in Walworth County, in Wisconsin.

Hereafter, all of the restrictions of the quarantine and regulations in 9 CFR Part 76, Subpart B, as amended, (17 F. R. 10538, as amended) apply with respect to shipments of swine and carcasses, parts and offal of swine from these areas.

This amendment excludes from the areas in which vesicular exanthema has been found to exist, and in which a quarantine has been established;

- Genessee and Washtenaw Counties, in Michigan.

Hereafter, none of the restrictions of the quarantine and regulations in 9 CFR Part 76, Subpart B, as amended, (17 F. R. 10538, as amended) apply with respect to shipments of swine and carcasses, parts and offal of swine from these areas.

The foregoing amendment in part relieves restrictions presently imposed and must be made effective immediately to be of maximum benefit to persons subject to such restrictions. In part the

amendment imposes further restrictions necessary to prevent the spread of vesicular exanthema, a communicable disease of swine, and to this extent it must be made effective immediately to accomplish its purpose in the public interest. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) it is found upon good cause that notice and other public procedure with respect to the foregoing amendment are impracticable and contrary to the public interest and good cause is found for making the amendment effective less than 30 days after publication hereof in the FEDERAL REGISTER.

(Secs. 4, 5, 23 Stat. 32, as amended, sec. 2, 32 Stat. 792, as amended, secs. 1, 3, 33 Stat. 1224, as amended, 1265, as amended; 21 U. S. C. 120, 111, 123, 125. Interprets or applies sec. 7, 23 Stat. 32, as amended; 21 U. S. C. 117)

Done at Washington, D. C., this 27th day of February 1953.

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

[F. R. Doc. 53-2015; Filed, Mar. 4, 1953; 8:48 a. m.]

**Subchapter D—Exportation and Importation of Animals and Animal Products**

[B. A. I. Order 373, Amdt. 8]

**PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE) AND NEWCASTLE DISEASE (AVIAN PNEUMONIA/ENCEPHALITIS) PROHIBITED AND RESTRICTED IMPORTATIONS**

**NON-EXISTENCE OF RINDERPEST AND FOOT-AND-MOUTH DISEASE IN CANADA**

On December 6, 1952, there was published in the FEDERAL REGISTER (17 F. R. 11123) a notice of proposed determination of the non-existence of rinderpest and foot-and-mouth disease in Canada and of a proposed amendment of the regulations relating to prohibitions and restrictions on the importation of certain animals and animal products on account of such diseases. After due consideration of all relevant material submitted in connection with the notice, the Secretary of Agriculture, pursuant to the authority vested in him by section 306 of the Tariff Act of 1930 (19 U. S. C. 1306) and section 2 of the act of February 2, 1903, as amended (21 U. S. C. 111), has determined and notified the Secretary of the Treasury that rinderpest and foot-and-mouth disease do not now exist in Canada, and hereby amends section 94.1 as amended, of Part 94, Subchapter D, Chapter I, Title 9 of the Code of Federal Regulations (§ 94.1 of B. A. I. Order 373, as amended) by striking therefrom the word "Canada."

The determination, notification, and amendment, remove the present prohibitions under section 306 of the Tariff Act upon importation into the United States of cattle, sheep, other domestic ruminants, and swine, and of fresh, chilled, or frozen beef, veal, mutton, lamb, or pork from Canada and render the commodities specified in 9 CFR Part 94, as amended (B. A. I. Order 373, as amended), and originating in said

country, no longer subject to the provisions of that part.

It is hereby declared that the emergency threatening the livestock industry of the country, which the Secretary of Agriculture proclaimed on March 10, 1952, as a result of the presence of foot-and-mouth disease in Canada (17 F. R. 2234) no longer exists.

Since the foregoing amendment relieves restrictions heretofore imposed, it may be made effective under section 4 of the Administrative Procedure Act (5 U. S. C. 1003) less than 30 days after publication in the FEDERAL REGISTER. Accordingly, it shall become effective on March 1, 1953.

(Sec. 2, 32 Stat. 792, as amended, sec. 306, 46 Stat. 689; 19 U. S. C. 1306, 21 U. S. C. 111)

Done at Washington, D. C., this 27th day of February 1953.

[SEAL] EZRA TAFT BENSON,  
Secretary of Agriculture.

[F. R. Doc. 53-2014; Filed, Mar. 4, 1953;  
8:48 a. m.]

## TITLE 32—NATIONAL DEFENSE

### Chapter IV—Joint Regulations of the Armed Forces

#### Subchapter A—Armed Services Procurement Regulations

#### PART 406—CONTRACT CLAUSES AND FORMS MISCELLANEOUS AMENDMENTS

The following amendments and additions to Part 406—Contract Clauses and Forms (32 CFR Part 406) relate to the applicability of the Renegotiation Act of 1951 and exemptions therefrom, and to personal services contracts with individuals other than alien scientists.

1. Section 406.104-10 is revised as follows:

§ 406.104-10 *Renegotiation Act of 1951.* (a) The clause set forth in this paragraph shall, in accordance with the requirements of the Renegotiation Act of 1951 (Pub. Law 9, 82d Cong.) be included in all contracts entered into on or after April 22, 1951, except those contracts which are exempt under section 106 (a) of the act (mandatory exemptions) or which are exempted by the Renegotiation Board pursuant to section 106 (d) of the act (permissive exemptions)

#### RENEGOTIATION

(a) This contract is subject to the Renegotiation Act of 1951 (Pub. Law 9, 82d Cong.) and shall be deemed to contain all the provisions required by section 104 of said act.

(b) The Contractor (which term as used in this clause means the party contracting to furnish the materials or perform the work required by this contract) agrees to insert the provisions of this clause, including this paragraph (b) in all subcontracts as required by section 104 of the Renegotiation Act of 1951. *Provided*, That the Contractor shall not be required to insert the provisions of this clause in any subcontract of a class or type described in section 106 (a) of the Renegotiation Act of 1951.

(b) Section 106 (a) of the Renegotiation Act of 1951 grants a mandatory exemption from the applicability of the act with respect to the following contracts and subcontracts:

(1) Any contract by a Department with any Territory, possession, or State, or any agency or political subdivision thereof, or with any foreign government or any agency thereof;

(2) Any contract or subcontract for an agricultural commodity in its raw or natural state, or if the commodity is not customarily sold or has not an established market in its raw or natural state, in the first form or state, beyond the raw or natural state, in which it is customarily sold or in which it has an established market. The term "agricultural commodity" includes but is not limited to—

(i) Commodities resulting from the cultivation of the soil such as grains of all kinds, fruits, nuts, vegetables, hay, straw, cotton, tobacco, sugarcane, and sugar beets;

(ii) Natural resins, saps, and gums of trees;

(iii) Animals, such as cattle, hogs, poultry, and sheep, fish and other marine life, and the produce of live animals, such as wool, eggs, milk and cream;

(3) Any contract or subcontract for the product of a mine, oil or gas well, or other mineral or natural deposit, or timber, which has not been processed, refined, or treated beyond the first form or state suitable for industrial use;

(4) Any contract or subcontract with a common carrier for transportation, or with a public utility for gas, electric energy water, communications, or transportation, when made in either case at rates not in excess of published rates or charges filed with, fixed, approved, or regulated by a public regulatory body, State, Federal, or local, or at rates not in excess of unregulated rates of such a public utility which are substantially as favorable to users and consumers as are regulated rates. In the case of the furnishing or sale of transportation by common carrier by water, this exemption applies only to such furnishing or sale which is subject to the jurisdiction of the Interstate Commerce Commission under Part III of the Interstate Commerce Act or subject to the jurisdiction of the Federal Maritime Board under the Intercoastal Shipping Act, 1933;

(5) Any contract or subcontract with an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, but only if the income from such contract or subcontract is not includible under section 422 of such code in computing the unrelated business net income of such organization;

(6) Any contract which the Renegotiation Board determines does not have a direct and immediate connection with the national defense;

(7) Any subcontract directly or indirectly under a contract or subcontract exempted under this paragraph.

(c) Under section 106 (d) of the act, the Renegotiation Board is authorized in its discretion to grant permissive exemptions in the following contracts or subcontracts, either individually or by general classes or types:

(1) Any contract or subcontract to be performed outside of the territorial limits of the continental United States or in Alaska,

(2) Any contracts or subcontracts under which, in the opinion of the Board, the profits can be determined with reasonable certainty when the contract price is established, such as certain classes of (i) agreements for personal services or for the purchase of real property, perishable goods, or commodities the minimum price for the sale of which has been fixed by a public regulatory body, (ii) leases and license agreements, and (iii) agreements where the period of performance under such contract or subcontract will not be in excess of thirty days;

(3) Any contract or subcontract or performance thereunder during a specified period or periods if, in the opinion of the Board, the provisions of the contract are otherwise adequate to prevent excessive profits;

(4) Any contract or subcontract the renegotiation of which would jeopardize secrecy required in the public interest;

(5) Any subcontract or group of subcontracts not otherwise exempt if, in the opinion of the Board, it is not administratively feasible in the case of such subcontract or in the case of such group of subcontracts to determine and segregate the profits attributable to such subcontract or group of subcontracts from the profits attributable to activities not subject to renegotiation.

Procedures and instructions with respect to permissive exemptions shall be prescribed by each of the Departments.

(d) The Renegotiation Board has published regulations which set forth procedures and provide interpretations with respect to the applicability of the act.

2. The following Subpart E is added to Part 406:

#### SUBPART E—CLAUSES FOR PERSONAL SERVICES CONTRACTS

Sec.	
406.500	Scope of subpart.
406.501	Effective date of subpart.
406.502	Applicability.
406.503	Required clauses.
406.503-1	Definitions.
406.503-2	Payments.
406.503-3	Assignment of claims.
406.503-4	Disputes.
406.503-5	Officials not to benefit.
406.503-6	Covenant against contingent fees.
406.503-7	Termination.
406.503-8	Approval of contract.
406.503-9	Patents.
406.503-10	Copyrights.
406.504	Clauses to be used when applicable.
406.504-1	Military security requirements.
406.505	Additional clauses.
406.505-1	Alterations in contract.

AUTHORITY §§ 406.500 to 406.505-1 issued under R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. Sup. 151-161.

#### SUBPART E—CLAUSES FOR PERSONAL SERVICES CONTRACTS

§ 406.500 *Scope of subpart.* This subpart sets forth uniform contract clauses for use in personal services contracts referred to in § 406.502.

§ 406.501 *Effective date of subpart.* Notwithstanding any earlier effective date prescribed elsewhere in this subchapter, the contract clauses set forth

or referred to in this subpart shall be inserted as hereinafter prescribed, in all personal services contracts executed on or after April 1, 1953 or with respect to which procurement is initiated on or after March 1, 1953. Use of the contract clauses set forth or referred to herein is authorized from date of issuance.

§ 406.502 *Applicability.* As used throughout this subpart, the term "personal services contract" applies only to a contract entered into with an individual, other than an alien scientist, for personal services to be performed by that individual under Government supervision and paid for on a time basis. It does not apply to contracts with firms or organizations.

§ 406.503 *Required clauses.* The following clauses shall be inserted in all personal services contracts, except as indicated:

§ 406.503-1 *Definitions.* Insert the contract clause set forth in § 406.103-1, omitting paragraph (c)

§ 406.503-2 *Payments.*

#### PAYMENTS

Payment for the services performed by the Contractor, as set forth in the Schedule of this contract, shall be made at the rates prescribed, upon the submission by the Contractor of properly certified invoices or time statements to the office or officer designated herein and at the time provided for herein. In addition to the foregoing the Contractor shall be paid (i) a per diem rate in lieu of subsistence for each day the Contractor is in a travel status away from his home or regular place of employment in accordance with Standardized Government Travel Regulations as authorized in appropriate Travel Orders; and (ii) such other transportation expenses as may be provided for in the Schedule.

§ 406.503-3 *Assignment of claims.*

#### ASSIGNMENT OF CLAIMS

No claim arising under this contract shall be transferred or assigned by the Contractor.

§ 406.503-4 *Disputes.* Insert the contract clause set forth in § 406.103-12. In accordance with Department procedures, the foregoing clause may be modified to provide for intermediate appeal to the Head of the Procuring Activity concerned. The decision of the Contracting Officer referred to in the above clause shall, if mailed, be sent by registered mail, return receipt requested.

§ 406.503-5 *Officials not to benefit.* Insert the contract clause set forth in § 406.103-19, omitting the final clause which begins, "but this provision \* \* \*"

§ 406.503-6 *Covenant against contingent fees.* Insert the contract clause set forth in § 406.103-20.

§ 406.503-7 *Termination.*

#### TERMINATION

This contract may be terminated by the Government at any time within the period of its duration upon not less than 15 days' written notice by the Contracting Officer to the Contractor. The Contractor, with the written consent of the Contracting Officer, may terminate this contract upon not less than 15 days' written notice to the Contracting Officer, and the consent of the Con-

tracting Officer shall not unreasonably be withheld.

§ 406.503-8 *Approval of contract.*

#### APPROVAL OF CONTRACT

This contract shall be subject to the written approval of the Secretary or his duly authorized representative and shall not be binding until so approved.

§ 406.503-9 *Patents.* Insert the clause set forth in § 408.112 of this subchapter, which is based on Executive Order 10096 (3 CFR 1950 Supp.). If, however, a prospective employee is bound by any conflicting obligation which was entered into prior to contemplated employment by the Government and the discharge of which would be inconsistent with the discharge of any obligation arising under Executive Order 10096, the clause may, upon written request by the prospective employee and approval by the head of the procuring activity, be modified or deleted, as the case may be: *Provided*, That the period of employment set forth in the contract is for a period of less than one calendar year of full-time service.

§ 406.503-10 *Copyrights.* In accordance with the requirements of § 408.205 of this subchapter, insert the contract clause set forth in said section.

§ 406.504 *Clauses to be used when applicable.*

§ 406.504-1 *Military security requirements.* Insert the clause set forth in this paragraph in all contracts involving security information which are classified "Top Secret," "Secret," "Confidential," or "Restricted" by a Department, and in any other contract, the performance of which will require access to classified matter.

#### MILITARY SECURITY REQUIREMENTS

(a) The provisions of the following paragraphs of this clause shall apply only if and to the extent that this contract involves access to security information classified "Top Secret," "Secret," "Confidential," or "Restricted."

(b) The Contractor (i) shall be responsible for safeguarding all classified security information in accordance with instructions furnished by the Contracting Officer and shall not supply, disclose or otherwise permit access to classified security information to any unauthorized person, (ii) shall not make or permit to be made any reproduction of matter classified "Top Secret" except with the prior written authorization of the Contracting Officer, (iii) shall not make or permit to be made any reproductions of security information classified "Secret," "Confidential," or "Restricted" except as may be essential to performance of the contract, (iv) shall submit to the Contracting Officer, at such times as the Contracting Officer may direct, an accounting of all reproductions of security information classified "Top Secret," "Secret," or "Confidential," and (v) shall not incorporate in any other project any matter which will disclose classified security information except with the prior written authorization of the Contracting Officer.

(c) Except with the prior written consent of the Secretary or his duly authorized representative, the Contractor (i) shall not permit any alien to have access to classified security information, and (ii) shall not permit any individual to have access to security information classified "Top Secret" or "Secret." Access to security information

classified "Confidential" or "Restricted" will be granted only in accordance with governing regulations of the Department of Defense.

(d) The Contractor agrees to submit immediately to the Contracting Officer a complete confidential report of any information which the Contractor may have concerning existing or threatened espionage, sabotage, or subversive activity.

(e) The Government agrees that when necessary it shall indicate by security classification ("Top Secret," "Secret," "Confidential," or "Restricted"), the degree of importance to the national defence of information to be furnished by the Contractor to the Government or by the Government to the Contractor, and the Government shall give written notice of such security classification to the Contractor and of any subsequent changes thereof. The Contractor is authorized to rely on any letter or other written instrument signed by the Contracting Officer changing the security classification of matter.

(f) Any disagreement concerning a question of fact arising under this clause shall be considered a dispute within the meaning of the clause of this contract entitled "Disputes."

§ 406.505 *Additional clause.* The following clause shall be inserted in personal services contracts in accordance with Department procedures when it is desired to cover the subject matter thereof in such contracts.

§ 406.505-1 *Alterations in contract.* Insert the contract clause set forth in § 406.105-1.

J. C. HOUSTON, JR.,  
Acting Chairman, Munitions Board.

[F. R. Dec. 53-1939; Filed, Mar. 4, 1953;  
8:45 a. m.]

#### PART 411—LABOR

##### MISCELLANEOUS AMENDMENTS

The following amendments to Part 411—Labor, relate to: The use of overtime, extra-pay shifts, or multi-shifts; equal pay for women; and nondiscrimination in employment.

1. Section 411.102 (17 F. R. 5649, June 24, 1952) is revised as follows:

§ 411.102 *Overtime, extra-pay shifts and multi-shift work.* It shall be the policy of each Department that contracts will be performed, so far as practicable, without the use of overtime, extra-pay shifts, or multi-shifts. Overtime, extra-pay shifts and multi-shifts when required shall, to the extent practicable, be limited to and be the minimum required for, the accomplishment of the specific work.

(a) In the negotiation of contracts, the use of overtime, extra-pay shifts and multi-shifts is to be considered a factor by the Contracting Officer along with other factors listed in § 402.101 of this subchapter. Subsequent to the placing of a fixed-price contract, the responsibility for the use of overtime, extra-pay shifts and multi-shifts will generally rest with the Contractor. On cost-type contracts, and to the extent required by the Contracting Officer on redeterminable fixed price contracts, however, the authorization from the Government for the use of overtime, extra-pay shifts and multi-shifts must be obtained to sustain the charge of any premium labor costs to the contract. Such authorizations shall generally be obtained prior to the use of

overtime, extra-pay shifts and multi-shifts. Prior to the authorization of overtime, extra-pay shifts and multi-shifts, whether in pre-award negotiation or specific post-award instances consideration should be given to the practicability of using other sources for the furnishing of all or a portion of the supplies or services.

(b) Where two or more Departments have current contracts at a single facility, so scheduled that the authorization of overtime, extra-pay shifts or multi-shifts by one Department will adversely affect the performance of a contract or contracts of another Department, the Department concerned will wherever practicable agree in advance as to the authorization of such work. Ordinarily, in the absence of evidence to the contrary a Department in authorizing overtime, extra-pay shifts or multi-shifts may rely upon a representation of the Contractor that such authorization will not adversely affect the performance of other defense contracts. In any case where disagreement exists between the Departments concerned, either Department may refer the problem through its Departmental Member to the Munitions Board for decision.

(c) The policy stated in this section shall not be construed to limit the use of or payment for emergency overtime work as may be required. Nothing in this section shall be construed to authorize payment for overtime, extra-pay shifts and multi-shifts where, under an existing contract, the Contractor is already obligated without the right to additional compensation therefor to meet the desired delivery schedule, even though it is necessary for such a Contractor to use overtime, extra-pay shifts or multi-shifts to meet such schedule.

2. Section 411.103 is revised as follows:

§ 411.103 *Federal and State labor requirements.* It shall be the policy of each Department to cooperate and to require Contractors to cooperate, to the fullest extent possible, with Federal and State agencies responsible for enforcing labor requirements with respect to such matters as safety, health and sanitation, maximum hours and minimum wages, equal pay for women, and child and convict labor.

3. Section 411.802 is revised as follows:

§ 411.802 *Applicability.* The requirement set forth in § 411.801 applies, in general, to all contracts involving the employment of labor. The requirement does not apply.

(a) To contracts for work to be performed outside the limits of the continental United States and its territories where no recruitment of workers within said limits is involved; and

(b) To subcontracts for standard commercial supplies or for raw materials.

(R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. Sup. 151-161)

J. C. HOUSTON, Jr.,  
Acting Chairman, Munitions Board.

[F. R. Doc. 53-1998; Filed, Mar. 4, 1953; 8:45 a. m.]

## PART 412—GOVERNMENT PROPERTY

### SUBPART D—INDUSTRIAL FACILITIES

#### SINGLE FACILITIES CONTRACT; RISK OF LOSS OR DAMAGE AND LIABILITY

The following amendments to Part 412—Government Property (32 CFR Part 412) relate to single facilities contracts and to the liability of contractors with respect to government property.

1. Section 412.403 is revised as follows:

§ 412.403 *Single facilities contract.* Except as otherwise provided under § 412.402, or unless in accordance with departmental procedures the Contracting Officer determines it to be impracticable, all industrial facilities provided by a procuring activity for use by a Contractor at any one plant or general location shall be governed by a single facilities contract, amended from time to time as necessary, covering only the facilities at that plant or general location, except that the Contracting Officer may authorize the temporary use of a portion of the facilities at a location other than that covered by the contract. Except as provided in this section and except for facilities for the performance of subcontracts under construction contracts or under contracts for work within establishments or installations operated by the Government, industrial facilities provided to a subcontractor shall be provided pursuant to a separate contract or lease between the Government and the subcontractor.

2. Section 412.411 is revised as follows:

§ 412.411 *Risk of loss or damage and liability.* Each facilities contract:

(a) Shall provide that the Contractor shall not be liable for any loss or damage to the industrial facilities, or for expenses incidental to such loss or damage, except that the Contractor shall be responsible for any such loss or damage (including expenses incidental thereto)

(1) Which results from a risk expressly required to be insured under the facilities contract, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater;

(2) Which results from a risk which is in fact covered by insurance or for which the Contractor is otherwise reimbursed, but only to the extent of said insurance or reimbursement;

(3) Which results from willful misconduct or lack of good faith on the part of any of the Contractor's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of (i) all or substantially all of the Contractor's business, or (ii) all or substantially all of the Contractor's operations at the industrial facility if such facility is a complete plant or unit, or (iii) all or substantially all of the Contractor's operations at any one plant or separate location in which such industrial facilities are installed or located, or (iv) any separate or complete major industrial operation in connection with which the facilities are used; or

(4) Which results from a failure on the part of any of the Contractor's directors, officers, or other representatives mentioned in subparagraph (3) of this paragraph, (i) to maintain and administer, in accordance with sound industrial practices, a program for the maintenance, repair, protection and preservation of the industrial facilities, so as to insure their full availability and usefulness at all times, or (ii) to take all reasonable steps to comply with any appropriate written directions or instructions which the Contracting Officer may prescribe as reasonably necessary for the protection of the industrial facilities: *Provided, That*, with respect to any such loss or damage caused by an excepted peril, the Contractor shall be liable under this subparagraph only where such failure of the Contractor's representative, as set forth herein, results from his willful misconduct or lack of good faith. As used in this section, the term "excepted peril" shall mean any peril set forth in § 412.502 (f) (i) (B).

(b) May also include additional provisions for liability in specific cases, in which case such additional provisions shall be included, or specifically referred to, in the general liability clause.

(Sec. 3, 62 Stat. 259; 50 U. S. C. App. Sup. 1193)

J. C. HOUSTON, Jr.,  
Acting Chairman, Munitions Board.

[F. R. Doc. 53-1997; Filed, Mar. 4, 1953; 8:45 a. m.]

## Chapter VII—Department of the Air Force

### Subchapter J—Procurement Procedures

#### PART 1008—PATENTS AND COPYRIGHTS

Part 1008 is added to Subchapter J as follows:

Sec.	
1008.001	Scope of part.
	SUBPART A—PATENTS
1008.101	Scope of subpart.
1008.102	Definitions.
1008.103	Notice and assistance.
1008.104	Reporting of royalties.
1008.105	Classified contracts.
1008.106	Patent indemnification of Government by contractor.
1008.107	Authorization and consent.
1008.108	Patent rights under research or development contract.
1008.109	Follow-up of patent rights.
1008.110	Adjustment of royalties for the use of inventions.
1008.111	Patent interchange agreements.
1008.112	Processing of infringement claims.
1008.113	Procurement of invention and patent rights.
	SUBPART B—COPYRIGHTS
1008.201	Scope of subpart.
1008.202	Government use and publication of copyrighted material.
1008.203	License under copyrightable material.
1008.204	Material in which no adverse copyright should be established.
1008.205	Contracts for motion pictures.

AUTHORITY: §§ 1008.001 to 1008.205 issued under R. S. 161, sec. 202, 61 Stat. 500, as

amended; 5 U. S. C. 22, 171a. Interpret or apply 62 Stat. 21; 41 U. S. C. 151-161.

DERIVATION: Sec. IX, AFM 70-6.

§ 1008.001 *Scope of part.* This part implements or pertains to Part 408 of this title (Armed Services Procurement Regulation) and sets forth administrative requirements, procedures, and other pertinent information relating to:

(a) Securing to the United States Government in various types of contracts appropriate patent rights and adequate protection against patent infringement risks;

(b) Adjustment of royalties payable by Department of the Air Force contractors and included in the cost price of Air Force contracts;

(c) Claims asserted by nationals of the indemnifying government for compensation for use or practice of inventions furnished the other government under the terms of the Patent Interchange Agreement between the United Kingdom Government and the United States;

(d) Claims arising out of the use by the Department of the Air Force, or by Air Force contractors, of adversely owned patented and unpatented inventions and the settlement or other disposition of such claims;

(e) Procurement by the Department of the Air Force of invention and patent rights, except as incident to the settlement of claims; and

(f) Use of copyright clauses in Department of the Air Force contracts.

#### SUBPART A—PATENTS

§ 1008.101 *Scope of subpart.* This subpart sets forth policy, administrative requirements and procedures, applicable statutes, and other pertinent information relating to:

(a) Securing to the United States Government in various types of contracts appropriate patent rights and adequate protection against patent infringement risks;

(b) Adjustment of royalties for the use of inventions which are charged as an incident of cost in Department of the Air Force procurement;

(c) Claims asserted by nationals of the indemnifying government for compensation for use or practice of inventions furnished the other government under the terms of the Patent Interchange Agreement between the United Kingdom Government and the United States;

(d) Processing of infringement claims; and

(e) Procurement of invention and patent rights.

Sections 1008.102 to 1008.109 set forth the policy, administrative requirements and procedures, applicable statutes, and other pertinent information relating to securing to the United States Government, in various types of contracts, appropriate patent rights and adequate protection against infringement risks.

§ 1008.102 *Definitions.* As used in §§ 1008.103 to 1008.109 the following terms have the meanings here assigned to them.

(a) *Chief, Patents Division.* The term "Chief, Patents Division" means the

Patents Division, Office of The Judge Advocate General, United States Air Force, Headquarters, United States Air Force.

(b) *Experimental, developmental, or research work.* The term "experimental, developmental, or research work" shall be deemed to include any work for further development of an item or method for the Government either as a sole object of the contract or to an extent beyond that normally incident to the performance of a supply contract for the class of item involved.

(c) *First actually reduced to practice.* As used in § 408.101-3 of this title, and elsewhere in Part 408 of this title, the term "first actually reduced to practice" applies to any invention which is embodied for the first time into a satisfactory working model or a physical form operative to accomplish the intended purpose regardless of whether the invention has been constructively reduced to practice by filing an application for patent in the United States Patent Office, even though a patent may have issued on such application. (The definition of a "Foreground Patent" as set forth in § 408.101-3 of this title does not necessarily coincide with the definition of this term as used in industry.)

CROSS REFERENCE: For section of Armed Services Procurement Regulation which this section implements see § 403.101 of this title.

§ 1008.103 *Notice and assistance.* For proper action to be taken by the contracting officer with respect to reports of claims of patent infringement received by him under the provisions of § 408.102 of this title, see § 1003.112 (C).

CROSS REFERENCE: For section of the Armed Services Procurement Regulation which this section implements see § 403.103 of this title.

§ 1008.104 *Reporting of royalties—*  
(a) *Furnishing copies of reports.* The contracting officer shall furnish at least one copy of the royalty information, certificate, or report received under the provisions of § 408.103 of this title. Contracting officers within the Air Materiel Command shall furnish copies to the Chief, Patents and Royalties Division, Office of the Staff Judge Advocate, Headquarters, Air Materiel Command. Contracting officers in commands other than the Air Materiel Command shall forward copies direct to the Chief, Patents Division. (See § 1008.102(a))

(b) *Incomplete reports.* When a contractor presents a royalty report which, upon its face, does not comply with the provisions of § 408.103 of this title, the contracting officer will make an effort to obtain from the contractor a conforming report prior to forwarding said report, as provided in paragraph (a) of this section.

(c) *Additional information to be furnished by contracting officer with copy of report.* If the contractor reports that a royalty has been or is to be paid, the contracting officer shall also furnish, at the time of submitting the above-mentioned copy of the royalty information or report received from the contractor, the following additional information:

(1) *Type of contract.* Identification as to the type of contract, that is whether for Research or Development or for Supplies;

(2) *Subject matter.* The general subject matter of the contract, that is nomenclature or brief description of item of supply; and

(3) *Money involved.* The dollar amount of the contract.

(d) *Responsibility of contracting officer after furnishing copy of report.* After a copy of the report or certificate required by § 408.103 of this title and the additional information required by paragraph (c) of this section has been forwarded in accordance with paragraph (a) of this section, the contracting officer has no further duties or responsibilities in the matter unless some particular further action is specifically requested.

CROSS REFERENCE: For section of the Armed Services Procurement Regulation which this section implements see § 403.103 of this title.

§ 1008.105 *Classified contracts—(a) Filing of patent application.* Any delay in the processing of a request by a contractor for permission to file a patent application in the United States Patent Office may result in the loss to the Government and to the contractor of substantial rights. Accordingly, when a contractor submits a proposed patent application pursuant to the provisions of § 408.104 (a) of this title and requests permission to file the application in the United States Patent Office, the contracting officer is charged with the duty of promptly informing the contractor whether the application may be filed. Therefore, the contracting officer, shall make a survey of the submitted proposed patent application only to the extent necessary to determine whether or not, for security purposes, permission to file the application in the United States Patent Office should be refused, taking into consideration the fact that only under extraordinary circumstances of national security should the right to file an application for a United States patent be denied. Whether or not the submitted proposed patent application should be placed under a Secrecy Order pursuant to Pub. Law 256, 82d Cong., (66 Stat. 3) is a separate question which may be inquired into and determined, pursuant to procedures already set up in the Department, after the application has been filed.

(b) *Applications submitted under contracts classified confidential or lower.* Copies of applications for United States patents submitted to the contracting officer pursuant to the provisions of § 408.104 (c) and (d) of this title should be promptly forwarded to the Chief, Patents Division, for the purpose of determining whether or not the application should be placed under a Secrecy Order in accordance with established procedures in this matter.

CROSS REFERENCE: For section of the Armed Services Procurement Regulation which this section implements see § 403.104 of this title.

§ 1008.106 *Patent indemnification of Government by contractor—(a) Use of patent indemnity clause.* Section 403.105 of this title sets forth instructions for the

use of the patent indemnity clause. In the application of these instructions, the contracting officer should be guided by the following considerations:

(1) *Standard commercial supplies.* The term "standard commercial supplies" as used in the instructions set forth in § 408.105 of this title means supplies which are normally manufactured or supplied by a manufacturer or dealer for sale to the public in the commercial open market. It is intended to cover commodities which are readily procurable through normal trade channels and includes, by way of description but without limitation, "off the shelf" items, items listed in a manufacturer's stock catalog, or supplies for which there is a specified or established commercial price schedule with an offer to supply the same. Generally it does not cover special items that are manufactured solely for the Government unless such items are commercially procurable.

(2) *Determining criteria.* In accordance with the requirements of § 408.105 of this title it is intended that the indemnity article shall be used in the procurement of "standard commercial supplies" whether such supplies are "standard commercial" with the particular contractor who is awarded the contract. The determining criteria shall be whether the items of supplies to be procured are "standard commercial" with any potential supplier (whether a bidder or not)

(3) *Exclusion of items from operation of the indemnity clause.* Items may be excluded from operation of the indemnity clause in the following circumstances:

(i) One or more of the listed items of a contract may not come within the meaning of the term "standard commercial supplies" although such item or items may contain components which do come within such meaning. If separation of the standard commercial components and nonstandard components of the item is impracticable or inexpedient, the item should be excluded in its entirety from the indemnity by listing it under § 408.105 (b) of this title; if all items of a contract come within this category the entire indemnity clause should be omitted. However, if such separation is reasonably possible or expedient, only those components or parts of the item that are not "standard commercial" should be excluded and in such case, only the nonstandard components of the item should be listed under paragraph (b) of the indemnity clause as items to be excluded from the operation of the indemnity.

(ii) When in the interest of the Government, devices, mechanisms or material other than those in the category of nonstandard commercial supplies may be excluded from the indemnity by and with the approval of the Deputy Chief of Staff, Materiel, Headquarters United States Air Force. Requests for such exclusion should be accompanied by a full statement of facts supporting the request.

(iii) When, in the interest of the Government, specific patents and/or applications for patents may be excluded from the indemnity by and with the approval

of the Deputy Chief of Staff, Materiel, Headquarters United States Air Force.

(b) *Indemnification of contractor by the Government.* No provision whereby the Government expressly agrees to indemnify the contractor against liability for patent infringement shall be included in any contract except with the express approval of the Deputy Chief of Staff, Materiel, Headquarters United States Air Force. Ordinarily any demands of a contractor in this respect can be satisfied by the elimination of the patent indemnity clause (when authorized by § 408.105 of this title) and the insertion of the authorization and consent clause section (§ 408.106 of this title)

\* *CROSS REFERENCE:* For section of the Armed Services Procurement Regulation which this section implements see § 408.105 of this title.

§ 1008.107 *Authorization and consent—(a) General information.* This clause is intended merely to set forth affirmatively in a contract the authorization and consent of the Government without which the contractor would be liable to direct suit and injunctive action in the performance of the Government contract. Therefore, its use in any contract is authorized, as set forth in the instructions under § 408.106 of this title.

(b) *Deviation.* Any deviation from the clause as set forth in § 408.106 of this title, or the footnote thereto, may enlarge the liability of the Government unless a proper indemnity clause is included in the contract, and strict adherence to § 408.106 of this title is accordingly mandatory unless a deviation as provided in § 1000.109 of this chapter is obtained.

\* *CROSS REFERENCE:* For section of the Armed Services Procurement Regulation which this section implements see § 408.106 of this title.

§ 1008.108 *Patent rights under research or development contract—(a) License under foreground patents (§ 408.107-1 of this title)—(1) Definitions.* For a definition of the terms "experimental, developmental, or research work" and "first actually reduced to practice," as used in the instructions and clause of § 408.107-1 of this title, see paragraphs (b) and (c) of § 1008.102.

(2) *Exclusion of subject invention from general license.* The definition of Subject Invention as set forth in § 408.107-1 of this title includes inventions "first actually reduced to practice" as well as inventions first conceived in the performance of the contract. The policy of the Department is generally to require a license under contractor's inventions which are "first actually reduced to practice" in the performance of the contract even though the inventions may have been "constructively reduced to practice" by the contractor, that is, by filing of a patent application in the United States Patent Office, prior to performance under the contract. When a contractor requests the exclusion of any Subject Invention from a general license to the Government because of special circumstances (of which representative examples are set forth in the instructions under § 408.107-1 of this

title) the existence of such special circumstances and the propriety of granting the requested exclusion shall be determined by the contracting officer. If the contracting officer determines that such exclusion is proper, he shall advise the Chief, Patents Division of his decision and request the drafting of appropriate language which must be included in the License Rights clause in order to make the exclusion effective.

(3) *Submission of reports.* Contracting officers within the Air Materiel Command shall submit to the Patents and Royalties Division, Office of the Staff Judge Advocate, Headquarters, Air Materiel Command, copies of all material received by them from contractors under the provisions of subparagraph (c) of the Patent Rights clause of § 408.107-1 of this title. Contracting officers in commands other than the Air Materiel Command shall submit their copies direct to the Chief, Patents Division.

(b) *Title to foreground patents (§ 408.107-2 of this title)—(1) Use of patent title clause.* The use of the patent title clause is appropriate only whenever acquisition of title by the Government is warranted by special circumstances in accordance with the provisions of § 408.107-2 of this title.

(2) *Processing of material received under § 408.107-2 (c) of this title.* All disclosures, instruments, reports, and the like required to be delivered to the Government pursuant to § 408.107-2 (c) of this title should be processed in the manner prescribed in paragraph (a) (3) of this section.

(c) *Reproduction rights under background patents (§ 408.107-3 of this title)* Reproduction rights (limited royalty-free license) under contractor's background patents in addition to title or license under foreground patents as provided in §§ 408.107-1 and 408.107-2 of this title should be requested only in cases of contracts that contain research and development work where the requirement is justified by equitable circumstances which fall squarely within any one of the examples given in § 408.107-3 of this title. When there are equitable circumstances which do not fall within these examples but the contracting officer believes that reproduction rights should be required, the matter should be referred to the Deputy Chief of Staff, Materiel, Headquarters United States Air Force for approval.

(d) *Foreign patent rights (§ 408.107-4 of this title)* The words "whenever practicable" as used in Executive Order 9865 (12 F R. 3907; 3 CFR 1947 Supp.) shall be construed to mean whenever a contractor will grant such rights to the Government without an increase in the contract price. If, therefore, the contractor is unwilling to grant title to foreign rights to the Government, the foreign rights clause, § 408.107-4 of this title should be excluded from the contract.

(e) *Contracts relating to atomic energy (§ 408.107-5 of this title)* All contractor-furnished information with respect to Subject Inventions relating to Atomic Energy, received by contracting officers under the provisions of § 408.-

107-5 of this title shall be forwarded to the Chief, Patents Division.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.107 of this title.

§ 1008.109 *Follow-up of patent rights.* In order that inventions under which the Government is entitled to rights may be identified, and formal agreements evidencing the Government's rights therein duly obtained, an appropriate system of follow-up in connection with the provisions of the patents rights articles included in contracts should be established and maintained by the procuring activities in cooperation with the Chief, Patents Division.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.108 of this title.

§ 1008.110 *Adjustment of royalties for the use of inventions—(a) Scope of section.* This section sets forth pertinent information concerning the adjustment of royalties for the use of inventions which are charged as an incident of cost in Department of the Air Force procurement.

(b) *Definitions.* Where used in this section the following terms have the meanings here assigned to them:

(1) *The act.* The act of October 31, 1942 (56 Stat. 1013; 35 U. S. C. 89-96) known as the "Royalty Adjustment Act."

(2) *Notice.* The written notice specified in section 1 of the act and described in paragraph (c) (1) of this section.

(3) *Order.* The order specified in section 1 of the act and described in paragraph (c) (2) of this section.

(4) *Delegate.* Any of the offices, boards, agents, and persons specified in paragraph (e) of this section, together with any other office, board, or individual to whom any of the powers, duties, and authorities of the Secretary of the Air Force under the act have been or may be delegated. (See paragraph (e) (1) to (6) of this section.)

(c) *Applicable statute.* The Royalty Adjustment Act of October 31, 1942 (56 Stat. 1013; 35 U. S. C. 89-96) provides among other objectives, for the adjustment of royalties by order or by agreement when the royalties charged for the use of inventions for the benefit of the United States are believed to be unreasonable or excessive. The following is a summary of the provisions of the act as applied to the Department of the Air Force.

(1) *Applicability and notice.* When an invention, whether patented or unpatented, is manufactured, used, sold, or otherwise disposed of for the United States under the conditions set forth in the act and the license includes provisions for the payment of royalties, the rates or amounts of which are believed by the Secretary of the Air Force to be unreasonable or excessive, the Secretary of the Air Force shall give notice of such fact to the licensor and the licensee. By definition, the manufacture, use, sale, or other disposition of an invention (whether patented or unpatented) by a contractor, subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of

the Government is construed as manufacture, use, sale, or other disposition by and for the United States.

(2) *Fixing of rates and order.* The act further provides that within a reasonable time after the effective date of the notice, in no event less than ten days, the Secretary of the Air Force shall by order fix and specify such rates or amounts of royalties, if any, as he shall determine are fair and just, taking into account the conditions of wartime production, and shall authorize the payment thereof by the licensee to the licensor on account of such manufacture, use, sale, or other disposition. Either the licensor or the licensee may, if he so requests within ten days from the effective date of the notice, present within 30 days from the date of his request, in writing or in person, any facts or circumstances which may in his opinion have a bearing on the rates or amount of royalties, if any, to be determined, fixed, and specified as aforesaid. Any order fixing the rates and amounts of any royalties shall be issued within a reasonable time after such presentation.

(3) *Prohibition against payment of excessive royalties.* The licensee shall not after the effective date of the notice (upon receipt of notice, or five days after the mailing thereof, whichever date is earlier) pay to the licensor, nor charge directly or indirectly to the United States, a royalty in excess of that subsequently specified in the order. It is provided that, whenever a reduction in the rates or amounts of royalties is effected by order, the reduction shall inure to the benefit of the Government by way of a corresponding reduction in the contract price to be paid directly or indirectly for such manufacture, use, sale, or other disposition of such inventions, or by way of refund if already paid to the licensee.

(4) *Remedies of licensor.* The act contains certain provisions as to the remedies of the licensor which, in general, grant him a cause of action against the United States in the Court of Claims or a District Court of the United States.

(5) *Settlement of claims.* The Secretary of the Air Force is authorized, before suit has been instituted against the United States, to enter into an agreement with the owner or licensor of an invention, in full settlement and compromise of any claim accruing under the provisions of the act or any other law, and for compensation to be paid such owner or licensor based upon future manufacture, use, sale, or other disposition of said invention. (See § 1008.112.)

(d) *General policy.* The policy of the Department in the administration of the act is that, so far as practicable in every case where the royalties charged for the use of inventions for the benefit of the United States are believed to be unreasonable or excessive, the licensor shall be given fair opportunity to effect a voluntary adjustment thereof before notice is given. The procedures set forth in this section are designed to effectuate this policy.

(e) *Authority and delegation.* The powers, duties and authority for the adjustment of royalties for the use of inventions, and the delegation of such powers, duties, and authority, as con-

ferred upon the Department by the Royalty Adjustment Act, are as follows:

(1) *Statutory authority of the Secretary.* The Secretary of the Air Force is authorized by section 5 of the Royalty Adjustment Act (sec. 5, 56 Stat. 1014; 35 U. S. C. 93) to delegate, in his discretion and under such rules and regulations as he may prescribe, any powers, duties, and authority conferred by the act to such qualified and responsible officers, boards, agents, or persons he may designate or appoint. He is also authorized to prescribe such rules and regulations and to require such information as may be necessary and proper to carry out the provisions of the act. Pursuant to the foregoing, the Secretary has prescribed the rules and regulations set forth in this section and in §§ 1008.112 and 1008.113.

(2) *Under Secretary.* The Secretary of the Air Force has delegated and assigned his powers, duties, and authorities under the act to the Under Secretary of the Air Force, with the authority in the Under Secretary to redelegate, in whole or in part, such power, duties, and authority to such qualified and responsible officers, boards, or employees as he may designate in the Department of the Air Force.

(3) *Delegation by the Under Secretary.* The Under Secretary of the Air Force has delegated to the Chief of Staff, United States Air Force; Vice Chief of Staff, United States Air Force; Deputy Chief of Staff, Materiel, Headquarters United States Air Force; and while he is so acting, to any person acting for the time being as Chief of Staff, United States Air Force; Vice Chief of Staff, United States Air Force; and Deputy Chief of Staff, Materiel (with the right of redelegation to The Judge Advocate General United States Air Force; the Commanding General, Air Materiel Command; the Director, Procurement and Production, Headquarters Air Materiel Command; and the Chief, Procurement and Production Division, Office of the Director, Procurement and Production, Headquarters, Air Materiel Command, respectively, without power of other or further delegation or redelegation), the power, discretion, and authority to designate, and appoint, and to revoke any designation and appointment of any commissioned officer of the Air Force within his command, or any civilian employee of the Department of the Air Force within his jurisdiction for the exercise by such officer or employee, either individually or as a member of a Royalty Adjustment Board, of such of the powers, duties, and authorities conferred by the act upon the Secretary of the Air Force as set forth in subdivisions (i) (ii) (iii) and (iv) of this subparagraph, the exercise of such authority, powers, and duties to be in accordance with these procedures and such other procedures, rules, or regulations as may from time to time be prescribed by the Under Secretary of the Air Force.

(4) To determine that notice should be given and to give notice of the fact that the rates or amounts of royalties are believed to be unreasonable or excessive; and to withdraw any such notice

## RULES AND REGULATIONS

previously given, provided that no such notice shall be withdrawn unless the licensor shall have first agreed substantially as follows:

The undersigned hereby consents to the withdrawal of the notice issued (date of notice) under the Royalty Adjustment Act of 1942 (Public Law 768, 77th Congress; 35 U. S. C. 89-96; WD Bui 56, 1942) and in consideration of such withdrawal hereby releases any and all claims or demands now held by the undersigned against the United States, or any officer or agent thereof arising out of the issuance of said notice.

In particular cases for good cause shown, The Judge Advocate General, United States Air Force may authorize substantial deviation from or omission of the foregoing consent and release.

(ii) After notice, to receive and hear such facts and circumstances as may be presented by the licensee or licensor, and such other facts and circumstances which are relevant to a determination of a fair and just royalty.

(iii) To fix and specify, by order, fair and just rates or amount of royalties, and to authorize the payment thereof, if any royalty be allowed, by the licensee to the licensor, subject, however, to the approval of such order by The Judge Advocate General, United States Air Force.

(iv) To execute contracts on behalf of the United States, before suit against the United States has been instituted, with the owner or licensor of an invention or of the Letters Patent therefor, effecting a voluntary adjustment of royalties charged or chargeable to the United States, or in settlement and compromise of any claim against the United States accruing to such owner or licensor under the provisions of the Act or any other law by reason of the manufacture, use, sale, or other disposition of an invention, or for compensation to be paid such owner or licensor based upon future manufacture, use, sale, or other disposition of such invention, subject, however, to the approval of The Judge Advocate General, United States Air Force.

(4) *Redelegation by Deputy Chief of Staff, Materiel.* The foregoing power and authority of designation and appointment has been redelegated by the Deputy Chief of Staff, Materiel to the Commanding General, Air Materiel Command and to The Judge Advocate General, United States Air Force.

(5) *Reservation of authority.* The redelegation of authority by the Deputy Chief of Staff, Materiel is without prejudice to the authority of the Deputy Chief of Staff, Materiel to make such other or further delegations of authority as he may from time to time deem proper under the act.

(6) *Existing delegations under subparagraph (3) (i) (ii) (iii) and (iv) of this paragraph.* The powers, duties, and authorities described in subparagraph (3) (i) (ii) (iii) and (iv) of this paragraph have been delegated by the Under Secretary of the Air Force or by the officers designated in subparagraph (3) of this paragraph to each of the following offices, boards, agents, or persons as indicated in the following tabulation:

Delegate	Powers, duties, and authorities described in § 1008.110 (e) (3)			
	(i)	(ii)	(iii)	(iv)
Commanding General, Air Materiel Command	X	X	X	X
The Judge Advocate General, USAF	X	X	X	X

(f) *Boards.* Where any of the powers, duties, and authorities set forth in paragraph (e) (3) of this section have been or are hereafter delegated to a board, the following rules shall apply:

(1) *Name of board.* The name of the board shall be specified in the request for appointment and in the instrument appointing the board.

(2) *Composition of board.* Unless otherwise provided in the instrument of delegation, the said board shall consist of three officers or employees who shall be designated by name and appointed as provided in paragraph (e) (2) of this section.

(3) *Appointment of boards.* Appointment of all such boards, or of new personnel to such boards, shall be upon request made to the office having appointing authority. The appointing officer may appoint any commissioned officer of the department within his command, or any civilian employee in the department within his jurisdiction.

(4) *Action of board.* Unless otherwise provided in the instrument of delegation, a majority of the said board shall determine its action; any instrument or contract whatsoever evidencing action taken by the board may be signed in the name of the board by any member of the board; and any two members of such board shall constitute a quorum.

(g) *Sources of information relating to procedure.* When a contracting officer within the Air Materiel Command has reason to believe that the amount of royalties being assessed against any of the procurement of that command is excessive, information and advice may be obtained concerning the procedure to follow in order that the powers and authority of the Act may be utilized, by communicating with the Royalty Adjustment Board, Headquarters, Air Materiel Command. Contracting officers within commands other than the Air Materiel Command may obtain this information by communicating with the Chief, Patents Division.

(h) *Duties of delegates.* Subject to the provisions set forth in this section, delegates are, in matters properly before them and acting under the direction of the Under Secretary of the Air Force, under the duty of causing the powers, duties, and authorities delegated under the Act to be exercised in such manner and at such times as may be necessary to prevent unreasonable or excessive royalties from being charged to the Department of the Air Force. This duty shall be discharged pursuant to the instructions and procedures prescribed by this section and such implementing instructions as may be issued by the appointing officers for the guidance of the delegates within their jurisdiction.

(i) *Factors to be considered.* In determining fair and just rates or amounts with respect to royalties to which the act applies, the following factors will be taken into account:

(1) *Wartime or emergency production.* The conditions of wartime or emergency production.

(2) *Production and use prior to wartime or emergency procurement.* The production and use of the invention prior to any increase due to wartime or emergency procurement, including:

(i) Any established royalty rate;

(ii) The volume on which royalty was paid;

(iii) The yearly aggregate royalty paid, and

(iv) The circumstances under which the licensing and the establishment of the royalty rate occurred.

(3) *Invention involved.* The character of the invention and any patent protection therefor, the value of its contribution to the art in which it is used, and the character and expense of research and development that have been devoted to the invention.

(4) *Use by other Government departments.* The extent of use and proposed use of the invention by other departments or agencies of the Government and the amounts of royalties involved in the aggregate in such use, and properly taken into account in determining fair and just royalties, or which appear to be appropriate to the particular case.

(j) *Procedure with respect to notice.* Before notice is given, the following actions shall be taken:

(1) *Inquiry.* Upon receipt of information by the delegate that royalties are being charged to the Government, either directly or indirectly, an inquiry will be forwarded by the delegate either to the licensor or a licensee requesting relevant information such as: a list of all patents and patent applications involved; copies of the license agreement; and a statement of total royalties received during each calendar year from January 1, 1936, to date of inquiry.

(2) *Clearance.* No delegate, who contemplates administrative action under the act, shall issue the statutory notice without first having requested and obtained clearance to do so from the Chief, Patents Division.

(3) *Action of the Chief, Patents Division.* On receipt of a request from a delegate for clearance to issue the notice, the Chief, Patents Division shall ascertain what, if any, departments or agencies of the Government other than the Department of the Air Force are or may be concerned in the payment of royalties for the same invention and shall thereupon grant or refuse such clearance as appears proper in the light of the information ascertained.

(4) *Copies of notice.* Copies of all notices issued by a delegate shall be forwarded to the Chief, Patents Division.

(5) *Withdrawal of notice.* Notice under the act once given by any delegate shall not be vacated or withdrawn in whole or in part without the authority of The Judge Advocate General, United States Air Force, except upon execution by the licensor of the consent and re-

lease as specified in paragraph (e) (3) (i) of this section.

(k) *Procedure with respect to order*. After proper clearance and notice as above, the following procedure shall be observed with respect to the processing of an order under the act:

(1) *Preparation and signing*. The proposed order shall be prepared and signed by the delegate exercising authority in the matter.

(2) *Submission for approval*. Every original order, after signature by the delegate and prior to service of the order, shall be submitted to the Chief, Patents Division for approval and execution by The Judge Advocate General, United States Air Force. When submitting an order for approval, the delegate shall transmit the following papers:

(i) A short statement of the history of the case;

(ii) A copy of the notice, if any;

(iii) A statement or resume of any facts or circumstances presented under the terms of the Act by the licensor or the licensee;

(iv) A statement of the basis for the conclusions that the rates or amounts of royalty, if any, fixed in the order are fair and just.

(3) *Actions following approval of order*. Upon approval and execution of an order by The Judge Advocate General, United States Air Force the following actions will be taken:

(i) The Judge Advocate General, United States Air Force will retain, as the Department of the Air Force's permanent file in the matter, the original order and copies transmitted to him of the papers mentioned in subparagraph (2) of this paragraph; return the required executed number of copies of the order (one for each party named therein as licensor or licensee) to the originating delegate; and shall cause to be distributed a copy of the order to interested activities within the Department of the Air Force and to other interested departments or agencies of the Government.

(ii) The originating delegate, upon receipt of the executed copies of the order from The Judge Advocate General, United States Air Force, shall forward an executed copy of the order to each party named therein at his last known address, by registered mail, return receipt requested.

(4) *Rehearing or reconsideration*. Any delegate, who recommended or made an order may reconsider such order, permit the licensee or licensor to present further facts or circumstances having a bearing on the matters dealt with therein, and recommend or make an order supplemental thereto within the scope of the delegate's existing authority as set forth in paragraph (e) of this section.

(1) *Voluntary adjustment of royalties by agreement*. Voluntary adjustment of royalties may be effected by agreements entered into either before or after notice or order but before suit against the United States has been instituted. The delegate, when negotiating settlement by this mode of adjustment, shall be guided by the following considerations and instructions.

(1) *Available procedures for voluntary adjustments*. The delegate having the matter in hand, may, subject to the limitation prescribed above and the instructions hereinafter set forth, negotiate a voluntary adjustment of royalties in any of the following manners:

(i) Before notice under the act has been given: (a) By receiving a supplemental agreement entered into between the licensor and the licensee and executed by each of them for the benefit of the Government without the Government's being a direct party to the agreement; (b) By receiving a unilateral agreement executed by the licensor alone and not by the licensee or the Government; and (c) By causing the United States to execute a bilateral settlement agreement with the licensor alone or with the licensor and all licensees materially affected.

(ii) After notice under the act has been given (but before an order is made) in any of the manners above set forth: *Provided*, That, in addition, the notice is withdrawn in the manner provided in paragraphs (e) (3) (1) and (j) (5) of this section.

(iii) Either before or after notice or order (but before suit has been instituted) subject to the above-cited provisions and the provisions of § 1008.112, by causing the United States to execute a settlement agreement with the licensor, or licensor and licensee, which in addition to adjusting royalties contains a release of all claims against the Government for past infringement (see § 1008.112 (m)).

(2) *Royalty adjustment agreements requiring approval*. No agreement made under the provisions of this section for effecting a voluntary adjustment of royalties shall be accepted or executed on behalf of the Government by a delegate without the approval of The Judge Advocate General, United States Air Force when such agreement:

(i) Contains any provision which would prejudice or impair in any way the right of the head of any department or agency of the Government to make other or further adjustments of the rate or amount of royalties specified in the original license or in the contract adjusting the royalties.

(ii) Provides that no further adjustment of the rates or amounts of royalties will be made for any specified period after the date of the agreement, and hence must be executed by or on behalf of the head of each department or agency to which such royalties may be charged or chargeable.

(iii) Provides that royalties to be collected pursuant to the terms of the agreement are exempt from renegotiation.

(iv) Is to be entered into after a notice under the Act has been given, but before an order is made, and when such agreement does not contain or is not accompanied by a signed consent and release as required by paragraph (j) (5) of this section.

(v) Is in settlement and compromise after an order is made or withdrawn with the approval of The Judge Advocate General, United States Air Force,

and before suit against the United States has been instituted.

(vi) Is between the Government, the licensor, and a licensee who uses the licensed invention solely in connection with articles which he sells direct to the Government, and contains no provision that the future benefits of the royalty adjustment shall inure to the Government in the form of a corresponding price reduction.

(3) *Delegate not to prejudice the Government's rights*. When the licensor, prior to the making of an order, voluntarily agrees to reduce the rates or amounts of royalties which are charged or are chargeable to the Department of the Air Force and the Government does not execute the agreement which effects such reduction, the delegate having the matter in hand shall not, in correspondence or otherwise, purport to agree that the Secretary of the Air Force or the head of any department or agency of the Government will for any period forbear to exercise his power under the act.

(4) *Action required when royalties have been voluntarily adjusted*. When royalties chargeable to the Department of the Air Force have been voluntarily adjusted with the participation of any delegate, he shall promptly report the adjustment to The Judge Advocate General, United States Air Force. Such report is required whether the United States is party to any contract in connection therewith, and whether the approval of The Judge Advocate General, United States Air Force is required for such contract. The report shall include a memorandum of facts, and in addition:

(i) A statement of the nature and extent of the adjustment, estimated benefits to the Government, methods proposed for supervision or control of the Government's interest, and future action contemplated.

(ii) Sufficient copies of the agreement for distribution by The Judge Advocate General, United States Air Force to interested agencies (a total number equal to the number of licensors and licensees, plus three).

(iii) Three copies of the withdrawal of Notice or Order, if a Notice or Order had previously been given or made, and three copies (one duly executed by the licensor) of the consent and release specified in paragraph (e) (3) (i) of this section.

(iv) If the adjustment is embodied in a contract, executed on behalf of the Government and requiring approval of The Judge Advocate General, United States Air Force, the contract shall be transmitted in form ready for signature by The Judge Advocate General, United States Air Force, accompanied by the recommendation of the delegate.

(5) *Contract numbering*. Royalty Adjustment Agreements are required to be numbered only when such agreements are executed by the Government and involve the payment of money in the amount of \$5,000 or more to the contractor for licenses, assignments, or releases of past infringement.

(6) *Acquisition of original agreement*. The delegate will obtain for the Depart-

ment the executed original and at least one executed duplicate original of every Royalty Adjustment Agreement (whether or not executed by the Government) made under the provisions of this section.

(7) *Contract distribution.* Distribution of Royalty Adjustment Agreements will be made as follows: The original and an executed duplicate original of every Royalty Adjustment Agreement with a third copy (photostatic is preferred) shall be transmitted by the delegate without delay to the Chief, Patents Division.

(8) *Moneys recovered from licensees or licensors.* Moneys received from any source by a procuring activity of the Department of the Air Force either as a result of an order or pursuant to an agreement effecting a voluntary adjustment of royalties shall be paid to the Treasurer of the United States and deposited to the credit of miscellaneous receipts under Treasury Symbol 214238, "Refund of Royalties." Provision may be made in any order or in any contract adjusting royalties for transmittal of remittances through any designated officer.

CROSS REFERENCE: For section of Armed Services Procurement Regulation which this section implements see § 408.109 of this title.

§ 1008.111 *Patent interchange agreements*—(a) *Scope of section.* This section sets forth the policy administrative requirements and procedures, applicable statutes, and other pertinent information relative to claims for compensation for the use or practice of inventions, presented by nationals of the United Kingdom under the Patents Interchange Agreement; of lend-lease beneficiary countries; and of countries whose governments are within the scope of the Mutual Defense Assistance Program.

(b) *Agreement between the United States of America and the United Kingdom.* Under date of August 24, 1942, an agreement was entered into between the United States of America and the United Kingdom of Great Britain and Northern Ireland with relation to the interchange of patent rights, information, inventions, designs or processes (Executive Agreement Series 268). This agreement, titled "Agreement with the United Kingdom for the Interchange of Patent Rights and Industrial Information," was terminated on April 8, 1946, but without prejudice to any liability which then had occurred or which might thereafter arise pursuant to certain continuing obligations undertaken by each Government. The following is a summary of the terms of the Agreement remaining in effect:

(1) *Indemnification.* Each Government agrees to indemnify and save harmless the other Government against claims asserted by nationals of the indemnifying Government for compensation for the use or practice of inventions furnished the other Government under the terms of the Patent Interchange Agreement. The obligation of the United States is limited to claims of which the Government of the United States is notified before July 1, 1949. There is no time limit running to the obligation of the British Government.

(2) *Notification.* Each Government agrees to notify the other Government as soon as practicable after receiving notice of any claim by which the liability might fall upon the other Government.

(3) *Information and assistance.* Each Government will give to the other Government all possible information and other assistance required in connection with computing any payments to be made to nationals of the other Government with respect to the use of their patent rights, information, inventions, designs, or processes.

(c) *Agreements entered into with Governments other than the United Kingdom.* Lend-Lease Settlement Agreements have been negotiated by the State Department with France, Belgium, Luxembourg, Norway, and the Netherlands, containing provisions generally to the effect that the respective foreign governments will assume the obligations of the United States or its war contractors with respect to claims of patent infringement, or other liability for the use of inventions, made against the United States by nationals of the respective foreign governments, or to pay royalties to nationals of the respective foreign governments, which claims or royalties are in connection with war production.

(d) *Proprietary rights in connection with the Mutual Defense Assistance Act of 1949.* The bilateral agreements between the United States and MDAP countries contain a clause to the effect that the two contracting governments will negotiate appropriate arrangements with respect to responsibility for claims for the use or infringement of inventions and proprietary information. It is anticipated that those arrangements will be similar to the Patent Interchange Agreement with the British Government. These matters have not progressed to a point where definitive rules and regulations have been formulated. In implementation of the program, all claims for the use and infringement of such inventions or proprietary information will be referred to the Chief, Patents Division.

(e) *Handling of patent problems relating to agreements.* Patent problems arising under the Agreement will be handled in accordance with the following instructions:

(1) *Policy and procedure.* All questions of policy and procedure shall be referred to the Chief, Patents Division.

(2) *Claims or information.* Notices of all claims or information received by heads of procuring activities concerning the patent liability of the United States, or its contractors, to nationals of any foreign country which is a beneficiary under any of the agreements listed in paragraphs (b) (c) and (d) of this section, shall be reported to the Chief, Patents Division.

(3) *Settlement with foreign claimants.* Heads of procuring activities shall make no settlement of claims for compensation for the use of inventions when such claims are made by or in behalf of any foreign claimant without first referring the matter to, and obtaining the approval of, the Chief, Patents Division.

CROSS REFERENCE: For section of Armed Services Procurement Regulation which this section implements see § 408.110 of this title.

§ 1008.112 *Processing of infringement claims*—(a) *Scope of section.* This section relates to the processing of infringement claims made by domestic and foreign claimants, except claims presented by nationals of the United Kingdom under the Patent Interchange Agreement; nationals of lend-lease beneficiary countries, and nationals of countries whose governments are within the scope of the Mutual Defense Assistance Program. (See § 1008.111.)

(b) *Definitions.* The following terms, as used in this section, have the meanings here assigned to them:

(1) *Secretary.* The Secretary, the Under Secretary, or the Assistant Secretary of the Air Force.

(2) *Delegate.* Any office, board, agent, or person within the Department of the Air Force to whom the powers, duties, and authorities set forth in § 1008.110 (e) have been delegated. (See paragraph (e) of this section.)

(3) *Such Claim, Such a Claim.* A claim against the United States which has in fact been asserted, or a claim (based upon actual past procurement and not contemplated procurement) which may reasonably be anticipated will be asserted, under any of the applicable statutes (see paragraph (c) of this section) for compensation for the alleged use of inventions by or for the Department of the Air Force.

(c) *Applicable statutes*—(1) *Act of June 25, 1948, as amended (62 Stat. 941, as amended, 28 U. S. C. 1498)* This act, hereinafter called the "act of 1948," provides that where an invention covered by a patent of the United States is without license or other right used or manufactured by the United States, or by any person, firm, or corporation for the United States and with its authorization and consent, the patent owner's remedy shall (except as hereinafter stated) be by suit against the United States in the Court of Claims for recovery of his reasonable and entire compensation for such use or manufacture. The benefits of the foregoing statute do not inure to any patentee or the assignee of any patentee, who, when he makes Such Claim is in the employment or service of the Government, nor does the foregoing statute apply in respect to any patent based upon an invention made during the time the inventor was in the employment or service of the Government.

(2) *Sec. 4900, Revised Statutes (35 U. S. C. 49)* This section hereinafter called "The Patent Marking Statute" precludes the recovery by a patent owner of damages or profits for infringement occurring prior to the earlier of (i), the date of marking the patented article with the word "Patent," together with the number of the patent, or, if the patent was issued prior to April 1, 1927, with the word "Patented" and the day and year the patent was granted, or (ii) the day on which the patent owner notified the alleged infringer of the claimed infringement. This statute has been interpreted as not barring recovery where (a), the patent is exclusively for

a process or (b) neither the owner nor any licensee of the owner has made or sold the patented article.

(3) *Pub. Law 256, 82d Cong. (66 Stat. 3)* This act provides that the owner of a patent application, which has been ordered by the Commissioner of Patents to be kept secret, who has faithfully obeyed such order shall, if and when he ultimately receives a patent, have the right to compensation to begin from the date of the use of the invention by the Government.

(4) *Act of July 2, 1926 (sec. 10, 44 Stat. 784; 10 U. S. C. 310 (i))* This act, hereinafter called "The Air Corps Act", provides that whenever a design, whether or not inventive in character, relating to aircraft or any components thereof is used or manufactured by or for any department of the Government without just compensation, the owner of such design may within four years from the date of such use file suit against the United States in the Court of Claims for recovery of his reasonable and entire compensation for such use and manufacture.

(5) *Act of October 31, 1942 (sec. 3, 56 Stat. 1014; 35 U. S. C. 91)* This act, known as the "Royalty Adjustment Act" provides that the head of any department or agency of the Government which has ordered, authorized, or consented to the manufacture, use, sale, or other disposition of an invention "whether patented or unpatented," by or for the Government, is authorized to enter into an agreement with the owner thereof, before suit against the United States has been instituted, in full settlement and compromise of any claims against the United States accruing by reason of such manufacture, use, sale, or other disposition of the invention.

(6) *Pub. Law 165, 82d Cong. (65 Stat. 373)* This act, known as the "Mutual Security Act of 1951," provides that whenever, in connection with the furnishing of any assistance in furtherance of the purpose of this act:

(i) Use within the United States, without authorization by the owner, shall be made of an invention, or

(ii) Damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees the exclusive remedy of the owner of such invention or information shall be by suit against the United States in the Court of Claims or in the District Court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure.

(d) *General policy.* To maintain the good will of United States industry to encourage invention and the development of the scientific arts related to the National Defense; to dispose of past infringement and avoid future infringement of privately-owned rights in inventions and under United States Letters Patent; and to avoid litigation and attendant nonproductive time, the policy of the Department is to settle claims for compensation for past infringement of such invention rights, and

also to obtain necessary rights with respect to such inventions in view of contemplated future Departmental procurement when it is in the Government's interest to do so and when such rights can be obtained at not more than their fair value. To this end, an investigation of each Such Claim shall be made in accordance with the instructions and procedures set forth in paragraphs (g) through (l) of this section. If any patent upon which Such Claim is based is found to be infringed and is believed to be valid and enforceable, and if settlement is deemed advisable by the delegate, efforts to settle such claim before suit against the United States has been instituted shall be made in accordance with the instructions and procedures set forth in paragraphs (m) through (p) of this section. Coordination with the Army and the Navy in the processing and final disposition of each Such Claim will be effected by the Chief, Patents Division (see § 1008.111) to such extent as is deemed necessary to avoid unnecessary duplication of work on identical claims received in the Military Establishment, and to settle such of said claims as are valid in a manner in keeping with the interests of each said Departments involved.

(e) *Authority and delegation.* The powers, duties, and authority of the Secretary to effect a settlement or compromise of infringement claims, and the delegation of such powers, duties, and authority, as conferred upon the Department by the Royalty Adjustment Act, are set forth in § 1008.110 (e) and paragraph (c) (6) of this section.

(f) *Boards.* Where the powers, duties, and authority to effect settlement or compromise of infringement claims have been or are hereafter delegated to a board, the rules set forth in § 1008.110 (f) shall apply to said board.

(g) *Reporting of claims.* All infringement claims shall be reported for appropriate processing as follows:

(1) *Heads of procuring activities.* The head of each procuring activity shall issue necessary instructions to all officers and employees under his jurisdiction to provide for the prompt referral to the cognizant chief legal or patent officer in his activity, for appropriate action of all communications asserting such claims and of all reports of infringement claims received by contracting officers from contractors under the provisions of § 408.102 of this title.

(2) *Air Materiel Command.* The reports required by subparagraph (1) of this paragraph, shall, in the case of the Air Materiel Command, be made to the Chief, Patents and Royalties Division, Office of the Staff Judge Advocate.

(3) *Procuring activities other than the Air Materiel Command.* The referrals required by subparagraph (1) of this paragraph, shall, in the case of procuring activities or commands other than the Air Materiel Command, be made to the Chief, Patents Division, Headquarters United States Air Force. (See § 1008.102 (b)).

(4) *Other activities or agencies of the Department.* All communications as-

serting Such Claims and all reports of Such Claims received by offices, activities, commands, and agencies of the department other than those specified in subparagraphs (2) and (3) of this paragraph, shall be referred for appropriate action to the Chief, Patents Division, Headquarters, United States Air Force. Such other offices, activities, commands, and agencies of the department shall issue the necessary instructions in this connection.

(h) *Duties and authority of the Commanding General, Air Materiel Command.* The Commanding General, Air Materiel Command, or such other delegate within his command as he may designate, is charged with the duty of taking appropriate action on each Such Claim pertaining to the procurement responsibilities of his command promptly after knowledge thereof is brought to his attention where either Such a Claim has been made or may be reasonably anticipated. Such action includes:

(1) *Correspondence.* Writing the claimant or his representative, acknowledging receipt of the communication in which Such Claim is asserted. An authorized form of acknowledgment is set forth in paragraph (j) of this section;

(2) *Copies.* Transmitting direct to the Chief, Patents Division a copy of the communication in which any Such Claim is asserted or reported;

(3) *Clearance.* Requesting clearance from the Chief, Patents Division to investigate each Such Claim, pursuant to paragraph (k) of this section;

(4) *Procedure after clearance.* Investigating each Such Claim upon clearance from the Chief, Patents Division and, if deemed appropriate by the delegate, settling same pursuant to paragraph (l) of this section.

(5) *Final report.* Preparing and transmitting to the Chief, Patents Division pursuant to paragraph (o) of this section, a final report.

(6) *Contract distribution.* Making the required distribution of each contract of settlement or partial settlement of Such Claim pursuant to paragraph (s) (1) and (2) of this section.

(i) *Actions by authorized representative of the delegate.* The actions set forth in paragraph (h) of this section, and wherever referred to in other paragraphs hereof, may be performed by an authorized representative of the delegate, except for the execution of contracts entered into pursuant to paragraph (h) (4) of this section and the execution of reports prepared pursuant to paragraph (h) (5) of this section.

(j) *Correspondence with claimant.* No delegate shall concede in writing, addressed to any claimant, potential claimant, or the representative of either, the merit or value of Such Claim except so far as such concession may be embodied in an agreement executed by the United States in settlement and compromise thereof in compliance with the pertinent sections hereof. Upon receipt of a notice of infringement, the delegate shall acknowledge receipt thereof. The following form of letter is authorized for that purpose, subject to such modifica-

tions as may be required by the nature of the claim presented:

(Letterhead of Delegate)

(Date)

JOHN DOE,  
Title Guarantee Building,  
Miami, Florida.

DEAR SIR: Your letter to \_\_\_\_\_ dated \_\_\_\_\_, stating that United States Letters Patent \_\_\_\_\_, granted (date of patent) to (patentee's full name), of (city and State), for ("title of invention") is (are) infringed by item or process allegedly being used by the (Department of the Air Force), has been referred to this office for necessary action and reply.

I am directed by the Secretary of the Air Force to inform you that the matter presented in your letter will be carefully investigated and that you will be informed of the Department of the Air Force's conclusions upon completion of such investigation.

To aid in such investigation, it is requested that you furnish this office as promptly as possible the following information and material: (1) a copy of the file wrapper and contents of the patent(s) in question, (2) copies of all patents and publications cited by the Patent Office during the prosecution of the application(s) for such patent(s), (3) the names and addresses of licensees, if any, (4) copies of license agreements, (5) a brief statement of any litigation in which the patent(s) have been or are now involved, and (6) a list of all alleged infringers of the patent (except the alleged infringers included in your statement of litigation to whom you have sent notices of infringement), including but not limited to any other departments and agencies of the Government.

Very truly yours,

(Signature of delegate)

(k) *Clearance to investigate.* Promptly after receipt of a notice or report of Such a Claim, the delegate shall prepare and forward to the Chief, Patents Division, a memorandum requesting clearance to investigate and settle Such Claim. Each memorandum requesting clearance shall be submitted in duplicate and shall include the following information:

(1) *Claimant.* The name and address of each claimant or prospective claimant and a copy of the communication, if any, from the claimant.

(2) *Contractor.* The name and address of each contractor and subcontractor who is believed, to the extent disclosed by a cursory search in the headquarters of the delegate, to have performed the alleged infringing acts.

(3) *Patent.* The number and date of each patent, the serial number and filing date of each patent application involved.

(4) *Infringing subject matter.* A description of the alleged infringing subject matter in sufficient detail to permit other procuring services to determine therefrom whether they have an interest in the matter.

(l) *Investigation and settlement.* Upon being granted clearance by the Chief, Patents Division, the delegate shall in accordance with paragraph (h) of this section proceed on behalf of the Department of the Air Force to investigate the claim and, if deemed appropriate by him, to settle the same pursuant to the provisions of paragraphs (m) (n) (q) and (r) of this section. So far as

practicable, one delegate shall represent the Department in the investigation and settlement of each Such Claim.

(m) *Procedure available to delegate for the settlement of Such Claims.* The delegate to whom the claim has been cleared may, subject to the availability of appropriations and the allotments of funds in the Department and subject also to such rules and regulations governing the exercise of delegated powers as are or may be from time to time prescribed, settle Such Claim by:

(1) *Unilateral contract.* Receiving from the claimant a contract of license or assignment or release and license, or release and assignment.

(2) *Bilateral contract.* Causing the United States to execute such a contract.

(3) *Release of past infringement.* By receiving from the legal and equitable owner a release of all claims against the Government for past infringement in connection with a voluntary adjustment of royalties under § 1008.110 (1) (1) (iii)

(n) *Fiscal procedures and considerations governing settlement.* The delegate, in effecting settlement or compromise of any Such Claim, shall be governed by the following considerations:

(1) *Agreement to pay fixed amount.* An agreement to pay a fixed amount for the purchase of a paid-up license (with or without release) or a release either by way of lump-sum payment or an amount determinable at the time of execution of the contract, is subject to the provision that allotment of funds made for supplies will not be exceeded. Officers charged with making contracts will submit, prior to the incurrence of obligations, all proposed contracts to the fiscal officer for verification as to the sufficiency of funds for that purpose. The following statement will be included on the face of the contract:

The supplies and services to be obtained by this instrument are authorized by, are for the purpose set forth in, and are chargeable to the following allotments, the available balance of which are sufficient to cover the cost of the same.

(2) *Agreement to pay running royalties.* An agreement to pay running royalties on future procurement proportioned to use is not subject to the provision mentioned in subparagraph (1) of this paragraph, nor need the period of payment be limited to the period for which existing appropriations are available. The Comptroller General has ruled (MS Comp. Gen. A-76676, dated May 5, 1937) that such an agreement takes effect only in connection with, and to the extent of, future procurement under the license, and if such procurement is within appropriations and allotments then existing, they will cover the royalty agreed to be paid in respect thereto.

(3) *Available funds.* The annual military appropriations acts for a number of years have contained the following provision or substantially its equivalent.

The appropriations contained in this Act for the Air Force, Navy, and for the Army, which are available for the procurement or manufacture of supplies, materials, and equipment of special or technical design may be used for the development and procurement of gages, dies, jigs, and other special aids and appliances, production

studies, factory plans, and other production data, including specifications and detailed drawings, and for the purchase of designs, processes and manufacturing data, copyrights and letters patent, applications therefor, and licenses thereunder pertaining to such supplies, equipment, and materials for which the appropriations are made.

These funds are available for the payment of releases, licenses, and assignments entered into in accordance with the provisions of this section: *Provided however,* That no payment shall be made for the release of Such a Claim or any portion of Such a Claim, the liability for which is barred by the statute of limitations or by other statute.

(4) *Nonavailable funds.* Where it is determined to be in the interest of the Government to settle Such a Claim, but no funds therefor are available or appropriated, the contract shall be made with the payment being conditioned on availability of appropriations, and a request for appropriations for the purpose shall be made through the appropriate fiscal channels.

(5) *Releasing contractor from obligation of indemnity.* No contract shall be made which includes a release of Such a Claim, or a license, which will inure to the benefit of a contractor who has agreed to indemnify the Government (see § 408.105 of this title) by releasing or discharging such contractor in whole or in part from his obligation of indemnity, unless such contractor is made a party to the contract and appropriate arrangements are made to the end that the contractor shall pay all money consideration flowing to the claimant or potential claimant which is attributable to that part of the release or license which benefits the contractor.

(6) *Settlement with foreign claimant.* No contract of settlement of patent infringement liability, or other liability for use of inventions, shall be made with a national of any foreign lend-lease beneficiary government without first obtaining the written approval of the Chief, Patents Division. (See § 1008.111 (c) (3))

(7) *Disclosure of information to claimants and their representatives.* In order that settlements advantageous to the Government may be secured, any delegate holding the powers, duties, and authorities referred to in paragraph (c) of this section, and any authorized representative of such delegate, may, in the performance of his official duties and when he has reason to believe that such action would be to the advantage of the United States, disclose to the claimant, potential claimant, or authorized representative of either, any fact or matter of evidence which appears to bear upon his claim or its value, except as considerations of military security may indicate such disclosure to be inadvisable.

(o) *Final report by delegate where no settlement is made.* A final written report of the results of the investigation made on behalf of the Department, including recommendations and conclusions of the delegate, will be made by him to the Chief, Patents Division, with respect to each Such Claim in which settlement is believed to be inadvisable or which the delegate has been unable to settle upon terms deemed reasonable

by him, whether or not Such Claim is covered by an indemnity agreement. Each such report shall be clearly marked "Legal Memorandum for the Guidance of Administrative Officials" and in addition, shall bear such military classification marking, if any, as shall be deemed appropriate by the command, agency, or other activity of the Department having jurisdiction of the delegate.

(p) *Duties and authority of the Chief, Patents Division.* The duties and authority of the Chief, Patents Division include:

(1) *Coordination.* The Chief, Patents Division, shall coordinate the processing of Such Claims, under this section with other departments and agencies of the Government and may request such status reports from the delegates as are necessary for this purpose.

(2) *Clearance.* Upon receipt from a delegate of a request for clearance to investigate and settle a claim, the Chief, Patents Division shall determine from his files, from the Government Register of Patents Rights, United States Patent Office (provided for in Executive Order 9424, 9 F. R. 1959; 3 CFR 1944 Supp.) and ascertain whether any other department or agency of the Government has investigated or settled, or received a report or notice of, a claim pertaining to the same subject matter, and shall then grant such clearance as appears proper.

(3) *Final report.* On receipt from a delegate of a final report made in accordance with paragraph (o) of this section, the Chief, Patents Division shall proceed as follows:

(i) He shall review the report and determine the sufficiency and completeness thereof:

(ii) If, upon reviewing the report, he is of the opinion that action other than that recommended by the delegate should be taken, he may, subject to the approval of The Judge Advocate General, United States Air Force, take such other action in respect to such claim as he deems advisable.

(iii) If he approves the report, he shall write a letter to claimant, or the claimant's representative, stating the final conclusions of the Department upon Such Claim.

(4) *Statement to Attorney General.* Upon completion and approval of the final report, the Chief, Patents Division, shall advise the Attorney General thereof.

(5) *Foreign claimants.* The Chief, Patents Division, shall take such action as may be required in connection with settlement of claims of foreign claimants, including claimants under the Patent Interchange Agreement.

(a) *Contracts requiring approval.* All contracts for the purchase of patents, applications for patents, licenses under patents or applications for patents, must be approved by The Judge Advocate General, United States Air Force.

(r) *Submission of contracts for approval.* When a contract made under the provisions of this section requires the approval of The Judge Advocate General, United States Air Force, it shall be submitted to that office with the number of

copies desired approved and returned (plus one copy for the files of the Patents Division) There shall also be submitted a memorandum of facts signed by the delegate containing the following:

(1) *Subject matter involved.* Identification and brief description of the subject matter of the patent, patent application or invention involved in the claim being settled.

(2) *Clearance.* Date of clearance granted by the Chief, Patents Division, to investigate or negotiate the claim.

(3) *Delegate's conclusions.* A brief statement of the Delegate's conclusions regarding validity and infringement, and the reasons therefor.

(4) *Government use.* A statement of the extent of Government use of the invention(s) including the estimated money value of the claim, if any, and an estimate of future procurement, if any, involving possible increase of the claim.

(5) *Contract approval.* Specific reference to the sections of this part which require the approval of the contract.

(6) *Contract article omitted or changed.* Reasons for omission of, or deviation in, any prescribed Article, if such be the fact, together with statement of efforts made to obtain inclusion of such Article or acceptance thereof in its prescribed form. If there is a deviation in a prescribed Article, the deviation shall be pointed out preferably by a composite draft of the Article, showing new material added, by underscoring, and matter deleted, by lining out such deleted matter.

(7) *Recommendation.* Delegate's recommendation that the contract be approved and the reasons therefor.

(s) *Contract distribution.* Distribution of contracts will be made as follows:

(1) *Chief, Patents Division.* The original and an executed duplicate original of every license, assignment, and release, together with a third copy (photostatic copy is preferred) shall be transmitted without delay by the delegate to the Chief, Patents Division, for recording in the United States Patent Office under the provision of Executive Order 9424 (9 F. R. 1959; 3 CFR 1944 Supp.) and for permanent filing thereafter.

(2) *Head of procuring activity (running royalties)* A copy of each license or agreement which provides for the payment of running royalties shall be transmitted by the delegate to the head of the procuring activity, for the attention of the chief legal or patent officer thereof. Receipt of such copy shall place the recipient head of the procuring activity on notice that future procurement of the licensed subject matter requires the payment of royalties to the licensor. The head of the procuring activity shall notify or cause to be notified the procurement and price analysis offices affected.

CROSS REFERENCE: For section of Armed Services Procurement Regulation which this section implements see § 403.111 of this title.

§ 1008.113 *Procurement of invention and patent rights*—(a) *Scope of section.* This section sets forth the policy of the Department, applicable statutes, administrative requirements and procedures,

and other pertinent information pertaining to the procurement of invention and patent rights, except as an incident to the settlement of claims for the use of inventions which is provided for in § 1008.112.

(b) *Definitions.* As used in this section the following terms have the meanings set forth below:

(1) *Secretary.* The Secretary of the Air Force.

(2) *Chief, Patents Division.* The Chief, Patents Division, Office of The Judge Advocate General, United States Air Force, Headquarters United States Air Force, Washington 25, D. C.

(3) *Delegate.* Any office, board, agency, or officer to whom the powers, duties, and authorities set forth in § 1008.112 (c) (6) have been delegated. (See paragraph (e) of this section.)

(4) *Contracting officer* As defined in § 400.201-5 of this title and § 1000.402 of this chapter.

(5) *Proffered license or assignment.* A license or an assignment which is offered to the Department by the owner of an invention.

(6) *Proposed license or assignment.* A license or assignment the acquisition of which is initiated or proposed to the owner by the Department.

(c) *General policy.* To avoid infringement of privately-owned rights in inventions and under United States patents, and to avoid litigation and attendant nonproductive time, the policy of the Department is to obtain necessary rights under patents and applications for patents which are pertinent to contemplated future procurement activities, where it is in the interest of the Government to do so and the desired rights can be obtained at not more than their fair value. In furtherance of this policy, appropriate action shall be taken as follows:

(1) *Consideration.* Each license or assignment or rights under patents or applications for patents proffered to the Department by the owner thereof and each license or assignment proposed by the Department shall be processed for consideration on behalf of the Department in accordance with the instructions contained in such of paragraphs (f) through (m) of this section, as are applicable to the particular type of license or assignment (Proffered or Proposed)

(2) *License or assignment.* If, following such consideration, it is believed that any patent included in such license or assignment covers contemplated procurement and is valid and enforceable, and it is deemed advisable by the delegate or the contracting officer to whom the matter has been cleared, efforts shall be made to consummate an appropriate license or assignment with said owner pursuant to the instructions and procedures set forth in this section.

(d) *Authority and delegation.* The statutory authority of the Secretary to delegate his power to enter into license and assignment agreements, as set forth in paragraphs (c) (1) and (e) of this section and prescribe necessary rules and regulations in this connection, is stated in paragraph (e) (1) of this section. Section 1008.110 (f) lists the offices, boards,

agencies, and officers (herein called "delegates") to whom such power has been delegated. The prescribed rules and regulations appear in the following paragraphs.

(e) *Reporting of proffered and proposed licenses and assignments.* All proffered and proposed licenses and assignments shall be reported for appropriate processing, as follows:

(1) *Heads of procuring activities.* The head of each procuring activity shall issue necessary instructions to all officers and employees under his jurisdiction to provide for the prompt referral to the cognizant chief legal or patent officer in his activity for appropriate action of:

(i) All communications received in his activity from patent owners proffering licenses and assignments, and

(ii) All contemplated licenses and assignments initiated in his activity which it is proposed be procured by the Department from the owners of inventions.

(2) *Air Materiel Command.* The referrals required by subparagraph (1) of this paragraph, shall, in the case of the Air Materiel Command, be made to the Chief, Patents and Royalties Division, Office of the Staff Judge Advocate.

(3) *Procuring activities other than the Air Materiel Command.* The referrals required by subparagraph (1) of this paragraph shall, in the case of procuring activities or commands other than the Air Materiel Command, be made to the Chief, Patents Division, Headquarters United States Air Force.

(4) *Other activities or agencies of the Department.* All communications proffering licenses and assignments received by offices, activities, commands, and agencies of the Departments other than those specified in subparagraphs (2) and (3) of this paragraph, and all contemplated licenses and assignments initiated in such other offices, activities, commands, and agencies of the Department shall be referred for appropriate action to the Chief, Patents Division, Headquarters United States Air Force. Such other offices, activities, commands, and agencies of the Department shall issue necessary instruction in this connection.

(f) *Duties of Commanding General, Air Materiel Command.* The Commanding General, Air Materiel Command, or such other delegate within his command as he may designate, is charged with the duty of taking appropriate action with respect to each proffered or proposed license or assignment pertaining to the procurement responsibilities of his command promptly after knowledge thereof has been brought to his attention. Such action includes:

(1) *Correspondence.* In the case of a proffered license or assignment, writing the invention owner or his representative, acknowledging receipt of the communication in which the license is proffered (a suggested form of acknowledgment appears in paragraph (i) of this section). In the case of a proposed license or assignment, writing the invention owner at the appropriate time to ascertain the terms upon which the proposed license or assignment may be obtained.

(2) *Clearance.* Requesting clearance from the Chief, Patents Division to consider each proffered or proposed license or assignment, and to procure such license or assignment on behalf of the department, pursuant to paragraph (j) of this section.

(3) *Procedure after clearance.* Considering each such proffered license or assignment upon clearance from the Chief, Patents Division and, if deemed appropriate by delegate, procuring such proffered or proposed license or assignment pursuant to paragraphs (j) through (o) of this section.

(4) *Final report.* Preparing and transmitting to the Chief, Patents Division pursuant to paragraph (k) of this section, a final report with respect to each such proffered or proposed license or assignment which is not procured.

(g) *Representative of delegate.* The actions specified in paragraph (f) of this section, and wherever referred to elsewhere in these paragraphs, may be performed by an authorized representative of the delegate, including a contracting officer.

(h) *Correspondence with invention owner or his representative.* Upon receipt of a communication from an invention owner, or his representative, proffering a license or an assignment, the delegate shall acknowledge receipt thereof. The following form of letter is suggested for such purpose, subject to such modifications and additions as may be required by the nature of the license or assignment offered and the desire, if any, of the delegate for additional information to aid in considering the offer, such as the names and addresses of any licensees, copies of their license agreements, and so forth.

(Letterhead of Delegate)

-----  
(Date)

JOHN DOE,  
Title Guarantee Building,  
Miami, Florida.

DEAR SIR: Your letter to -----, dated -----, 19-----, offering (to grant a nonexclusive license to the Air Force under)<sup>1</sup> (to assign to the Government the entire right, title, and interest in)<sup>1</sup> U. S. Letters Patent No. -----, granted (date of patent), to (patentee's full name), of (city and State), for ("Title of Invention"), at suitable terms to be agreed upon, has been referred to this office for necessary action and direct reply.

I am directed by the Secretary of the Air Force to inform you that your offer will be carefully considered and that you will be notified of the conclusions of the Air Force in this connection upon completion of such consideration.

Sincerely yours,

-----  
(Signature of delegate)

(i) *Clearance to consider and procure licenses and assignments.* Promptly after receipt of a communication proffering a license or an assignment, or after a determination has been reached to endeavor to obtain a license or an assignment from a patent owner, the delegate shall prepare and forward to the Chief, Patents Division a memorandum requesting clearance to consider and

<sup>1</sup>The applicable bracketed part should be used.

procure such proffered or proposed license or assignment on behalf of the Department. Each memorandum requesting such clearance shall be submitted in duplicate and shall include the following information:

(1) *Invention owner.* The name and address of the invention owner and a copy of the communication, if any, from the patent owner (or his representative) making the offer.

(2) *Patent.* The number and date of each patent, the serial number and filing date of each patent application involved, and the inventor's name.

(3) *Subject matter.* Description of the subject matter of the patent (or application) in such detail to permit other procuring services to determine therefrom whether they have any interest in the matter.

(4) *Terms.* A résumé of the nature and terms of the proffered or proposed license or assignment, and a copy of such license or assignment, if any.

(5) *Other information.* Any other pertinent information to aid other possible interested Department of Defense agencies in determining whether they have any interest in the matter.

(j) *Procurement of licenses and assignments.* Upon being granted clearance by the Chief, Patents Division the delegate shall, in accordance with paragraph (g) (3) of this section and on behalf of the Department, proceed to consider the proffered or proposed license or assignment and, if deemed advisable by him, to procure the same pursuant to the provisions of paragraphs (k) through (o) of this section. The delegate, to whom such clearance has been granted, may procure a desired license or assignment, with or without a release of past infringement, as set forth in § 1008.112 (m), subject to the instructions in § 1008.112 (n)

(k) *Final report by delegate when no license or assignment is procured.* A final report (in duplicate) of the results of the consideration on behalf of the Department, including a statement of the final conclusions and the recommendation of the delegate relating thereto on behalf of the Department, will be made by the delegate to the Chief, Patents Division with respect to each such proffered or proposed license or assignment the procurement of which is believed by the delegate to be inadvisable or the delegate is unable to accomplish upon terms deemed reasonable by him.

(1) *Duties and authority of the Chief, Patents Division.* The duties and authorities of the Chief, Patents Division include the following:

(1) *Coordination.* The Chief, Patents Division will be responsible for coordinating the processing, under this section, of licenses and assignments with the Departments of the Army and the Navy, and any other department or agency of the Government which might be interested in the Proffered or Proposed License or Assignment.

(2) *Clearance.* The Chief, Patents Division, on receipt of the request for clearance, shall determine from his files, and by coordination with other departments as indicated in subparagraph (1) of this paragraph, whether the Govern-

ment has any license or other interest in the title to any patent or patent application involved, and shall then grant such clearance in writing as appears proper, including therein any pertinent information in his files.

(3) *Final report.* Upon receipt from a delegate of a final report made in accordance with this section, the Chief, Patents Division, shall proceed as follows:

(i) He shall review the report and determine the sufficiency and completeness thereof.

(ii) If, upon reviewing the report, he is of the opinion that action other than that recommended by the delegate should be taken, he may, subject to the approval of The Judge Advocate General, United States Air Force, take such other action in respect to such Proffered or Proposed License or Assignment as he deems advisable.

(iii) If he approves the report, he shall write a letter to the invention owner, or his representative, stating the final conclusions of the Department with respect to the procurement of the Proffered or Proposed License or Assignment.

(m) *Fiscal procedures.* The fiscal procedures, provisions and requirements set forth in § 1008.112 (n) are applicable to the procurement of a license (with or without a release) or an assignment (with or without a release).

(n) *Contracts of license and assignment requiring approval.* The requirements of § 1008.112 (q) with respect to approval by The Judge Advocate General, United States Air Force, of all contracts made under the provisions of § 1008.112, are also applicable to all contracts made under the provisions of this section.

(o) *Submission of contracts for approval.* The requirements of § 1008.112 (r) relating to the submission for approval of contracts made under the provisions of § 1008.112, also apply to contracts made under the provisions of this section, including the required memorandum of facts from the delegate with subparagraphs (1) to (4) of § 1008.112 (r) changed to read:

(1) *Subject matter involved.* Identification and brief description of the subject matter of the patent or patent application involved in the license or assignment.

(2) *Clearance.* Date of clearance the Chief, Patents Division to consider the license or assignment and to procure the same, if deemed advisable.

(3) *Delegate's conclusions.* A brief statement of the delegate's conclusions regarding potential infringement of the patent by contemplated future Department of Defense procurement and the validity of the patent, including the reasons therefor.

(4) *Procurement.* A statement of the estimated extent of contemplated future Department of Defense procurement involving use of the invention, including the estimated money value of a potential claim for infringement of the patent based on such procurement, broken down according to the Departments of the Army, the Navy, and the Air Force.

No. 43—3

#### SUBPART B—COPYRIGHTS

§ 1008.201 *Scope of subpart.* This subpart sets forth the administrative requirements and procedures and other pertinent information relating to the use and publication of copyrighted materials and the use of copyright clauses in Department of the Air Force contracts for the procurement of material subject to copyright.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.200 of this title.

§ 1008.202 *Government use and publication of copyrighted material—(a) Source of information relating to policy.* Information covering the general policy and procedures relating to the reproduction of copyrighted material in Air Force publications is contained in Air Force Regulation 6-1. Copyright problems arising within the Air Materiel Command should be referred to the Patents and Royalties Division, Office of the Staff Judge Advocate, Air Materiel Command, Wright-Patterson Air Force Base, Ohio. Copyright problems arising outside the Air Materiel Command should be referred direct to the Chief, Patents Division, Office of The Judge Advocate General, United States Air Force, Headquarters United States Air Force, Washington 25, D. C.

(b) *Consent of copyright owner.* Whenever the consent in writing of the copyright owner has been obtained as required by Air Force Regulation 6-1, a copy of the written consent shall be forwarded to the Chief, Patents Division, Office of The Judge Advocate General, United States Air Force, Headquarters United States Air Force, along with information identifying the copyrightable matter.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.201 of this title.

§ 1008.203 *License under copyrightable material—(a) Deviations from § 408.202 of this title.* No deviation or modification shall be made in the clause set forth in § 408.202 of this title without the approval of the Deputy Chief of Staff, Materiel, Headquarters United States Air Force.

(b) *Contractor-furnished reports of copyright infringement.* At least one copy of the contractor-furnished information and report of notice or claim of copyright infringement received under the provisions of § 408.202 of this title in the Air Materiel Command shall be furnished by the contracting officer to the Patents and Royalties Division, Office of the Staff Judge Advocate, Air Materiel Command, Wright-Patterson Air Force Base, Ohio. The copies of contractor-furnished reports that may be received outside the Air Materiel Command should be forwarded direct to the Patents Division, Office of The Judge Advocate General, Headquarters United States Air Force.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.202 of this title.

§ 1008.204 *Material in which no adverse copyright should be established.* When it is desirable to provide, in accordance with the provisions of § 408.203 of this title, that no adverse copyright should be established in copyrightable material produced under contract for the Government, the contracting officer shall so advise the Chief, Patents Division, and request the drafting of an appropriate clause which must be included in the contract in order to make the provision effective. (Air Materiel Command officers shall advise Patents and Royalties Division, Headquarters, Air Materiel Command.)

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.203 of this title.

§ 1008.205 *Contracts for motion pictures—(a) Production and preparation of motion pictures and allied copyrightable material.* The contract clause set forth in § 408.204 of this title shall be used in all contracts for the production of motion pictures and in all contracts for the preparation of scripts, translations, sound tracks, musical compositions or any other copyrightable material for use in connection with motion pictures. Any request for deviation from this requirement shall be made as set forth in § 1008.203 (a)

(b) *Procurement of unmodified existing motion pictures and allied copyrightable material.* With respect to contracts which are exclusively for the procurement of unmodified existing motion pictures or other existing copyrightable material (that is, scripts, translations, sound tracks, or musical compositions) for use in connection with motion pictures, the contract clause set forth in § 408.204 of this title may be modified or omitted entirely by the procuring activity consistent with the purpose for which material covered by the contract is being procured.

(c) *Procurement of modified versions of existing motion pictures and allied copyrightable material.* Contracts for the procurement of motion pictures or other copyrightable material (such as scripts, translations, sound tracks, or musical compositions) for use in connection with motion pictures, in which the modification of existing copyrightable material through the addition of subject matter specified by the contract is involved, will contain the clause set forth in § 408.204 of this title. The clause shall be used without modification, unless prior approval of the Deputy Chief of Staff, Materiel, Headquarters United States Air Force has been obtained, except that the word "copyrightable" may, at the discretion of the procuring activity be inserted before the word "material" in the first line of paragraph (a) of such clause.

**CROSS REFERENCE:** For section of Armed Services Procurement Regulation which this section implements see § 408.204 of this title.

[SEAL] K. E. THEBAUD,  
Colonel, U. S. Air Force,  
Air Adjutant General.

[F. R. Doc. 53-2000; Filed, Mar. 4, 1953; 8:46 a. m.]

## TITLE 32A—NATIONAL DEFENSE, APPENDIX

### Chapter I—Office of Defense Mobilization

[Defense Manpower Policy 11]

#### DMP 11—PROVIDING VOCATIONAL ASSISTANCE TO MEN BEING RELEASED FROM THE ARMED FORCES

*Preface.* This policy has been recommended by the interagency Manpower Policy Committee and by the national Labor-Management Manpower Policy Committee of the Office of Defense Mobilization. It is issued for information and guidance to all concerned, and assigns to Government agencies the responsibility for providing assistance and leadership in the fields of action required of them.

*I. Introduction.* Current national security policy calls for the maintenance of an armed forces strength of 3,700,000 for so long a time as present international tensions continue. Such a program for high-level military strength will require the entrance of about one million able-bodied males each year; a similar number will be released each year for return to civilian life. Annual military separations in the number of one million will constitute a large and significant source of civilian labor supply.

Release to the civilian labor force of these one million men each year involves numerous complicated problems for the individuals involved and for the agencies attempting to serve them.

Those with previous civilian work experience are entitled by law to reemployment rights as set forth in the Universal Military Training and Service Act of 1951.

It has been estimated that at the present time about half of all returning veterans will have had civilian work experience and thus will be entitled to exercise reemployment rights.

The large number of new veterans without civilian work experience, but in many instances with experiences in the armed forces which can be related to the needs of the civilian economy, provides a need for appropriate counselling, training, and placement of large numbers of young men each year to meet the manpower needs of civilian activities, the long-range as well as immediate opportunities which are and will become available and the kinds of training necessary to achieve proficiency in these fields. In addition to available counselling facilities, both public and private, the availability of publicly financed training and education under provisions of the Veterans' Readjustment Assistance Act of 1952 constitutes a valuable resource for meeting current and anticipated shortages in the skilled trades, scientific, technical, professional, and managerial fields of work.

Explicit standards regarding training programs and the approval of educational institutions and training establishments are set forth in the Veterans' Readjustment Assistance Act of 1952. Such standards, properly administered and enforced, are essential if veterans are to attain effective utilization of abili-

ties and development of skills through the education and training benefit provided.

Civilian activities have, since the outbreak of the Korean engagement, faced certain difficulties because individuals who would normally enter the civilian labor market have become members of the armed forces for an average service period of about two years. Delaying the entry of these individuals into the civilian labor force has compelled employers to modify their general recruitment policies and practices for many "entry" and subprofessional occupations.

The current situation regarding the separation of servicemen from the armed forces is considerably different from that which existed at the close of World War II. Specifically, (1) during the demobilization period following World War II, war production had ceased and there were no significant shortages of critical skills, whereas under the present emergency there is a continuing need for critical skills in the defense production program, including a persistent problem of maintaining an adequate agricultural work force; (2) currently the induction and training activities of the armed forces result in a relatively stable and continuous flow of separations, in contrast with the demobilization program following World War II when there was large scale discharge of servicemen in a very short period of time; and (3) men released from the armed forces during the present emergency are generally younger than servicemen of World War II.

*II. Policy statement.* It is the policy of the Federal Government to take action through appropriate governmental agencies and to encourage the taking of actions by employers, unions, community groups, and appropriate local and State agencies which will aid in achieving the following objectives:

1. To assist individuals being released from the armed forces in securing suitable employment, in exercising their reemployment rights, or in undertaking an appropriate program of education and training so that with full knowledge of available opportunities they may select the type of employment or education and training they desire.

2. To provide information on educational, training and unemployment compensation benefits which provide assistance in the readjustment process.

3. To assist defense-supporting and essential civilian activities in meeting their needs for skilled and trained manpower.

The attainment of these broad policy objectives will require the coordinated effort of all concerned, (1) to provide adequate information and counselling regarding employment and training opportunities, and (2) to insure effective job placement.

*II. What non-governmental agencies can do.* Community groups, educational institutions, management and labor have an important responsibility to assist in achieving these objectives. In order that they may do their full part, it is recommended that:

A. Community, civic bodies, including veterans' organizations and service clubs:

1. Establish active informational programs designed to keep the community alert to the needs of returned servicemen, and to encourage community action toward meeting them;

2. Establish special scholarship and loan funds to supplement training allowances for returned servicemen with family obligations who wish to avail themselves of training and educational opportunities;

3. Organize the various community resources so as to provide maximum service at minimum cost, and avoid unnecessary duplication of effort.

B. Educational institutions should:

1. Review their programs to assure suitable curricula (accelerated where needed and when possible and desirable) to serve returned servicemen, and

2. Review their fiscal arrangements and procedures with a view to taking appropriate steps for facilitating the enrollment of those desiring training;

3. Review the adequacy of their housing facilities, particularly for married students, and take appropriate steps toward facilitating the enrollment of returned servicemen through the provision of adequate housing;

4. Provide counselling and placement services to former graduates being released from the armed forces on the same basis as these services are provided for graduating seniors.

C. Management and labor groups should review their policies and practices with a view to expanding available opportunities for returned servicemen. Desirable objectives include:

1. Making certain that veterans returning to their former employment are offered jobs that will utilize their highest skill, with due regard for experience gained in the armed forces;

2. Maintaining review of apprentice programs to adapt them to the problems of returning veterans, including consideration of the following: Possible acceleration of apprentice period; granting credit for experience acquired or study pursued in the armed forces; any special arrangements necessary for disabled veterans;

3. Increasing on-the-job training opportunities and developing improved standards of training for all veterans including appropriate training opportunities for disabled veterans;

4. Recognition of usefulness and transferability of skills acquired in military experience and establishment of employer hiring practices and union membership requirements giving credit for such skills.

*IV. Responsibilities of Federal agencies.* The primary objective of this program is promptly to bring together men being released from the armed forces and job or training opportunities, depending upon which each individual determines best meets his interests and abilities. Achievement of this objective involves the participation of labor, management and various public agencies. In order that the Federal Government may do its full part, the responsibilities indicated below will be carried out by the specified departments and agencies of Government. In listing these responsibilities, it is to be understood that they

do not, in all cases, represent new responsibilities, and that many of the activities referred to are already under way. A complete enumeration is given in order to indicate the over-all responsibility of these Government departments and agencies in implementing national policies with respect to the counselling, education, training, and assistance in finding suitable employment for individuals being released from the armed forces. In carrying out their responsibilities these agencies will draw upon other Government agencies for specialized information in various fields of vocational interest, such as agriculture, industry and commerce, for use in developing materials needed in carrying out these programs.

**A. The Department of Defense shall:**

1. In its separation processing, continue to inform individuals being separated of the various Government agencies which are available for assistance in obtaining civilian employment or training.

2. Continue to cooperate with the Veterans' Administration, the Department of Labor, and the Federal-State public employment offices in establishing satisfactory arrangements for the provision of information to be furnished and services to be rendered at separation points.

**B. The Veterans' Administration shall:**

1. Provide individuals who are being released from military service with information concerning education and training benefits under the Veterans' Readjustment Assistance Act of 1952, vocational rehabilitation under Pub. Law 894, and other benefits available to veterans under laws administered by the Veterans' Administration.

2. Provide at service hospitals, which serve as separation points for disabled servicemen, comprehensive vocational counselling to servicemen being released who are eligible for vocational rehabilitation benefits under Pub. Law 894.

3. Continue to provide information and administer benefits provided under applicable laws to veterans at local Veterans' Administration offices. Discharge of this responsibility will involve the following elements of service:

a. Provide individuals who have been released from the armed forces with information on education and training benefits and other benefits provided under the Veterans' Readjustment Assistance Act of 1952.

b. Provide education and training benefits including voluntary vocational counselling services to eligible veterans in accordance with the provisions of the Veterans' Readjustment Assistance Act of 1952.

c. Continue to provide vocational rehabilitation benefits including vocational counselling under provisions of Pub. Law 894 to veterans of the current national emergency having vocational handicaps resulting from service-connected disabilities.

4. Develop cooperative agreements with State and local agencies for the approval of courses of education and training under the Veterans' Readjustment Assistance Act of 1952, and in cooperation with the Office of Education,

work with these agencies in developing and improving policies and standards for approval of educational institutions and training programs under this act.

5. Make available from time to time information respecting the need for general education and for trained personnel in the crafts, trades, and professions, employing, to the maximum extent possible, the facilities of other Federal agencies to collect such information.

**C. The Department of Labor shall:**

Through the Federal-State system of public employment offices:

1. Continue to provide general employment counselling and informational services at separation points to assist individuals who are being released from military service in finding suitable employment or in considering the employment opportunities which might be open to them if they decided to participate in education or training programs. Discharge of these responsibilities will involve the following elements of service at such separation points:

a. Providing information which will encourage the veteran to utilize the many special services of the local public employment office in the community in which the individual resides.

b. Acquainting individuals with the available information on opportunities in the various fields of industrial and agricultural employment, including the critical need for trainees in apprenticeship and other on-the-job training, and for individuals qualified for scientific and technical pursuits.

c. Providing general information on reemployment rights and the unemployment insurance provided under the Veterans' Readjustment Assistance Act of 1952.

2. Provide for continuing job counselling and employment placement assistance to veterans at local employment offices, including aptitude testing as needed.

3. Arrange to the maximum extent practicable for employers seeking employees to interview men who desire employment.

Through other appropriate facilities of the Department:

4. Assist veterans in determining and, where necessary, in obtaining their reemployment rights as provided by law.

5. Encourage and assist management and labor to expand apprenticeship opportunities for veterans; and advise them on methods and standards for other types of training on the job.

6. As requested provide technical advice and assistance to the Administrator of Veterans' Affairs on matters pertaining to courses of apprentice or other training on the job, and the approval of such courses in connection with the training of veterans under Public Law 550, 82d Congress.

7. Develop and disseminate to Federal departments and agencies, State and local school systems, institutions of higher learning, other interested public and private agencies and the general public information on current and future manpower resources and requirements. This will include the best available information on characteristics of occupations, training required, and on earnings and

conditions of employment which may be encountered in various major occupational fields.

Special attention will be given to manpower needs in occupations in which (a) shortages now exist (b) shortages are anticipated as a result of the growth of the national economy and (c) shortages would occur in the event of a higher level of mobilization.

**D. The Federal Security Agency shall:**

1. Provide assistance to the Veterans' Administration in developing cooperative agreements between the Veterans' Administration and State and local agencies for the approval of courses of education or training under the Veterans' Readjustment Assistance Act of 1952 and render technical assistance to such State and local agencies in developing and improving policies and standards related to the approval of courses of education or training under the aforementioned act.

2. Cooperate with the Department of Defense, Department of Labor, and Veterans' Administration in bringing together and disseminating for use by State and local school systems and institutions of higher learning pertinent information on manpower needs in regard to careers within the armed forces, and current anticipated shortages in the skilled trades, scientific, technical, and professional fields.

**E. The Selective Service System shall:**

1. Through local selective service boards, make available to registrants who have completed their military service, information and literature on employment and training services provided by public agencies within the community.

V. This policy shall take effect on March 6, 1953.

OFFICE OF DEFENSE  
MOBILIZATION,  
ARTHUR S. FLEMMING,  
Acting Director.

[F. R. Dec. 53-2078; Filed, Mar. 4, 1953;  
10:58 a. m.]

**Chapter III—Office of Price Stabilization, Economic Stabilization Agency**

[Ceiling Price Regulation 30, Amdt. 7 to  
Supplementary Regulation 4]

**CPR 30—MACHINERY AND RELATED  
MANUFACTURED GOODS**

**SR 4—ADJUSTMENT UNDER SECTION 402  
(d) (4) OF THE DEFENSE PRODUCTION  
ACT OF 1950, AS AMENDED**

**EXTENSION OF DATE**

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105) and Economic Stabilization Agency General Order No. 2 (16 F. R. 738) this amendment to Supplementary Regulation 4 to Ceiling Price Regulation 30 is hereby issued.

**STATEMENT OF CONSIDERATIONS**

Amendment 4 to SR 4 to CPR 30 added a new section to SR 4 to permit manufacturers who desire to determine a so-called "Capehart adjustment" for their

ceiling prices to calculate the permissible increases in overhead costs by the use of an "overhead cost adjustment factor" for a product line, category, or unit, or for the entire business.

In addition Amendment 5 to SR 4 provided that "on and after February 28, 1953, you may not sell any formula priced commodity or service at a ceiling price in excess of the properly determined CPR 30 ceiling price exclusive of any so-called 'Capehart Adjustment' under SR 4 or SR 5 to CPR 30 unless you have made the computations and filed the forms required by this supplementary regulation or SR 8, as amended, to CPR 30." Since the President of the United States stated that the present price control program would not be continued beyond April 30, 1953, it would be unduly burdensome and would serve no useful purpose to require manufacturers to make the required computations on or before February 28, 1953. This amendment, therefore, extends the date on and after which a manufacturer may not sell a formula priced commodity or service at a ceiling price in excess of the properly determined CPR 30 ceiling prices, exclusive of any so-called "Capehart Adjustment" under SR 4 or SR 5 to CPR 30, unless the manufacturer has complied with the requirements of either SR 8 to CPR 30, as amended, or SR 4 to CPR 30, as amended, from February 28, 1953 to such date as the Director of Price Stabilization may designate by subsequent action.

In view of the technical nature of the changes made by this amendment, and the desirability of immediate action, the Director of Price Stabilization has found that special circumstances have rendered consultation with industry representatives, including trade association representatives, impracticable.

#### AMENDATORY PROVISIONS

Supplementary Regulation 4 to Ceiling Price Regulation 30 is amended in the following respects:

1. Paragraph (b) of section 15 of SR 4 to CPR 30 is amended to read as follows:

(b) You manufacture commodities or supply services for which you determine base period prices under section 9 of CPR 30 (formula priced commodities and services) The application for adjustment for these commodities and services may be made separately from your application for other commodities and services covered by CPR 30, and you may adjust ceiling prices for these formula priced commodities and services separately. You may determine an adjustment for formula priced commodities and services under this supplementary regulation by making the necessary computations and filing an OPS Public Form No. 100 as required, or you may use SR 8 to CPR 30 to determine adjusted ceiling prices for such commodities and services. However, you need not make the computations or file the form required by this supplementary regulation or SR 8 to CPR 30, as amended, until further action by the Director of Price Stabilization.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

*Effective date.* This amendment is effective as of February 28, 1953.

JOSEPH H. FREEHILL,  
*Director of Price Stabilization.*

MARCH 3, 1953.

[F. R. Doc. 53-2067; Filed, Mar. 3, 1953;  
4:00 p. m.]

[Ceiling Price Regulation 30, Amdt. 5 to  
Supplementary Regulation 8]

#### CPR 30—MACHINERY AND RELATED MANUFACTURED GOODS

#### SR 8—ADJUSTMENT OF PRICING FORMULAS UNDER SECTION 402 (D) (4) OF THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

##### EXTENSION OF DATE

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105) and Economic Stabilization Agency General Order No. 2 (16 F. R. 738) this amendment to Supplementary Regulation 8 to Ceiling Price Regulation 30 is hereby issued.

##### STATEMENT OF CONSIDERATIONS

Amendment 3 to Supplementary Regulation 8 to Ceiling Price Regulation 30 made certain changes in the provisions of SR 8 to CPR 30 which involve the relationship between SR 8 and Supplementary Regulation 4 to CPR 30 (Adjustment under section 402 (d) (4) of the Defense Production Act of 1950, as amended)

In addition, Amendment 4 to SR 8 states that "on and after February 28, 1953, you may not sell any formula priced commodity or service at a ceiling price in excess of the properly determined CPR 30 ceiling price exclusive of any so-called 'Capehart Adjustment' under SR 4 or SR 5 to CPR 30 unless you have made the computations and filed the forms required by this supplementary regulation or SR 4, as amended, to CPR 30." Since the President of the United States stated that the present price control program would not be continued beyond April 30, 1953, it would be unduly burdensome and would serve no useful purpose to require manufacturers to make the required computations on or before February 28, 1953. This amendment, therefore, extends the date on and after which a manufacturer may not sell a formula priced commodity or service at a ceiling price in excess of the properly determined CPR 30 ceiling prices, exclusive of any so-called "Capehart Adjustment" under SR 4 or SR 5 to CPR 30 unless the manufacturer has complied with the requirements of either SR 8 to CPR 30, as amended, or SR 4 to CPR 30, as amended, from February 28, 1953 to such date as the Director of Price Stabilization may designate by subsequent action.

In view of the technical nature of the changes made by this amendment, and the desirability of immediate action, the Director of Price Stabilization has found that special circumstances have rendered consultation with industry repre-

sentatives, including trade association representatives, impracticable.

#### AMENDATORY PROVISIONS

Supplementary Regulation 8 to Ceiling Price Regulation 30 is amended in the following respect:

1. Subparagraph (3) of section 9 (b) of SR 8 to CPR 30 is amended to read as follows:

(3) *Relation to Supplementary Regulation 4 to Ceiling Price Regulation 30.* You may, at your option, use either this supplementary regulation or SR 4, as amended, to CPR 30 to determine adjusted ceiling prices for formula priced commodities and services. If you have already adjusted your ceiling prices under SR 4 to CPR 30 for commodities and services other than formula priced commodities and services, you may now file a separate application to adjust ceiling prices for formula priced commodities and services under this supplementary regulation or you may file an amended application under SR 4, as amended, to CPR 30 to adjust ceiling prices for such commodities or services. However, you need not make the computations or file the form required by this supplementary regulation or SR 4 to CPR 30, as amended, until further action by the Director of Price Stabilization.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

*Effective date.* This amendment is effective as of February 28, 1953.

JOSEPH H. FREEHILL,  
*Director of Price Stabilization.*

MARCH 3, 1953.

[F. R. Doc. 53-2066; Filed, Mar. 3, 1953;  
3:59 p. m.]

#### Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-80 as Amended Mar. 4, 1953]

#### M-80—IRON AND STEEL—ALLOYING MATERIALS AND ALLOY PRODUCTS

This order as amended is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amended order, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all trades and industries affected in advance of the issuance of this amended order has been rendered impracticable due to the necessity for immediate action and because the order affects a large number of different trades and industries.

NPA Order M-80, as last amended by Amendment 4 of November 5, 1952, is affected as follows:

1. Section 18 is amended to exclude boron, calcium, and ferro-silicon from inventory restriction.

2. The definition of nickel appearing in List I is changed.

3. The quantity of silicon indicated in List II is raised.

This amended order embodies the substance of Amendment 1 of May 7, 1952 (17 F. R. 4238) Amendment 2 of August 25, 1952 (17 F. R. 7785) and Amendment 3 of October 21, 1952 (17 F. R. 9587) Amendment 4 of November 5, 1952 (17 F. R. 9982) was revoked December 17, 1952, at 17 F. R. 11445.

As amended, NPA Order M-80 reads as follows:

#### INTRODUCTORY

##### Sec.

1. What this order does.
2. Definitions.

#### PRODUCTION OF ALLOY PRODUCTS BY MELTING

3. Restrictions on melt.
4. Applications and reports from melters.
5. Changes in melting schedules.

#### PRODUCTION OF PROCESSED PRODUCTS BY MEANS OTHER THAN MELTING

6. Restrictions on processing.
7. Applications and report from processors.
8. Changes in processing schedules.

#### ALLOCATIONS OF ALLOYING MATERIALS

9. Alloying materials subject to complete allocation.
10. Restrictions on deliveries and exceptions thereto.
11. Allocation authorizations.

#### PROHIBITED PRODUCTS AND USES

12. Prohibited uses of alloying materials.
13. Prohibited uses of alloy products or processed products.

#### GENERAL PROVISIONS

14. Schedules.
15. Conservation required.
16. Imports.
17. Relation to other NPA orders and regulations.
18. Limitation on inventories of alloying materials.
19. Export of alloying materials.
20. Request for adjustment or exception.
21. Records and reports.
22. Communications.
23. Violations.

**AUTHORITY:** Sections 1 to 23 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2 E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

#### INTRODUCTORY

**SECTION 1. What this order does.** This order in general covers alloying materials and alloy products. It requires all melters and processors to file proposed melting or processing schedules and data concerning inventories. It requires authorization of melting or processing schedules by National Production Authority (hereinafter called "NPA") and permits NPA to make changes therein. Certain schedules issued under this order require complete allocation of certain alloying materials and provide for the filing of applications with NPA for allocation authorizations; and these schedules also prohibit certain uses of specific alloying materials and alloy products. The order provides for the issuance of additional schedules when and if other alloying materials are to be made subject to allocation or to use limitations, or the use of any other alloy product is to be limited or prohibited. It contains

provisions incidental to the effectuation of the foregoing in support of the Controlled Materials Plan and other programs requiring these alloying materials.

**SEC. 2. Definitions.** As used in this order:

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States or any other government. A person who keeps separate inventory records for any separate operating or producing unit shall treat each such separate operating or producing unit as a separate person for the purposes of this order, unless NPA otherwise directs or permits upon application of such person.

(b) "Alloying material" means any one of the forms or compounds of the elements as listed and defined in List I appearing at the end of this order. This term does not include pure tungsten or pure molybdenum, both of which are covered by NPA Order M-31.

(c) "Restricted alloying material" means any alloying material made subject to complete allocation under the provisions of this order.

(d) "Alloy product" means and includes those kinds of steel or iron hereafter defined as "alloy steel," "alloy iron," "stainless steel," "low-alloy high-strength steel," or "tool steel," and "non-ferrous wrought or cast alloys," including high temperature heat- and corrosion-resisting alloys, and nickel anodes:

(1) "Alloy steel" means steel containing 50 percent or more of iron or steel and any one or more of the following elements in the following amounts: Manganese, maximum of range in excess of 1.65 percent; silicon, maximum of range in excess of 0.60 percent (excepting electrical sheets and strip); copper, maximum of range in excess of 0.60 percent; aluminum, boron, chromium, cobalt, columbium, molybdenum, nickel, tantalum, titanium, tungsten, vanadium, zirconium, or any other alloying element, in any amount specified or known to have been added to obtain a desired alloying effect. For operations beginning with the second calendar quarter of 1952, clad steels which have an alloy steel base or carbon steel for which nickel and/or chromium is contained in the coating or cladding material (e. g., Inconel, monel, or stainless) are alloy steels.

(2) "Stainless steel" means heat- and corrosion-resisting steel containing 50 percent or more of iron or steel and 10 percent or more of chromium whether with or without nickel, molybdenum, or other elements.

(3) "Low-alloy high-strength steel" means only the proprietary grades promoted and sold for this purpose, and Navy high-tensile steel Grade HT Specification Mil-S-16113 (Ships).

(4) "Nonferrous wrought or cast alloys" means nickel, cobalt, copper, aluminum, and other alloys containing one or more of the elements defined in List I of this order, and with less than 50 percent iron.

(5) "Tool steel" means any steel, except plain carbon steel, used for the manufacture of tools for use in mechanical fixtures, precision gages, or for hand

or power hacksaws. This term includes the high-speed steels defined in Schedule B of this order.

(6) "Alloy iron" means any iron (cast or pig) containing one or more of the elements defined in List I of this order in any amount specified or known which have been added to obtain a desired alloying effect.

(e) "Melter" means a person who produces alloy products by melting.

(f) "Alloying material supplier" means a person who produces alloying materials.

(g) "Processed product" means a product derived wholly or partially from an alloying material, by any means or process other than melting.

(h) "Processor" means a person who produces a processed product.

All definitions contained in this section 2 or List I of this order shall be applicable to the schedules at any time issued under the provisions of this order. The word "order" as used herein may include all schedules and lists issued as parts of this order.

#### PRODUCTION OF ALLOY PRODUCTS BY MELTING

**SEC. 3. Restrictions on melt.** No melter, who melts during any calendar month a greater quantity of any alloying material than shown on List II of this order, shall melt any such alloying material into an alloy product, except in accordance with a melting schedule which has been duly authorized by NPA under section 5 of this order. For the purpose of the preceding sentence, any columbium, molybdenum, nickel, or tantalum, procured from scrap (except when present at residual contamination) shall be considered an alloying material. Whenever an allocation authorization for the same period authorizes the use of a lesser amount of any alloying material (which is a restricted alloying material) than permitted by the melting schedule, then the use of any such restricted alloying material shall be governed by the allocation authorization rather than by the melting schedule.

**SEC. 4. Applications and reports from melters.** Each melter, who uses during any calendar month a greater quantity of any alloying material than shown in List II of this order, is hereby required to apply to NPA for approval of any proposed melting schedule on Form NPAF-60. Such application shall be filed with NPA not later than the first day of the month preceding the melt month, commencing September 1, 1951. Each melter, who uses during any calendar month a greater quantity of any alloying material than shown in List II, shall also file with NPA not later than September 7, 1951, a statement on Form NPAF-113 indicating the quantities of each alloying material in his inventory on certain dates, and shall furnish all other data required by that form. If any melter requires delivery or use of any restricted alloying material, he shall also file, simultaneously with Form NPAF-113, an application on Form NPAF-114. He shall file a separate application for each restricted alloying material required by him. Applications for alloca-

tion of restricted alloying materials are required whether or not a proposed melting schedule is approved. Authorization of a melting schedule does not carry with it authorization of an application for allocation. Whenever it is necessary in order to complete any of the above forms required to be filed under the provisions of this section, any person who orders alloy products from a melter shall state in his order the end use (by classification and specific part name) for which such alloy product will be used. A melter may file an additional melting schedule or schedules for authorization at any time.

**SEC. 5. Changes in melting schedules.** NPA may make such changes, modifications, postponements, or deletions in any proposed melting schedule filed by a melter as, in the discretion of NPA, may be deemed necessary or advisable in order to bring about the maximum possible conservation of alloying materials in the interest of national defense. Modifications or changes required by NPA in the alloy content of a product shall be binding upon a melter whether the alloy content of such product is procured from alloying materials, as defined in List I of this order, and/or from scrap containing usable quantities of such alloying material. Upon completion of the review of any proposed schedule or modification thereof as provided in this section, the approval of the melting schedule as originally filed or as modified will be mailed on Form GA-35, the Melting Schedule Metallurgical Authorization, to each melter at least 10 days prior to the first day of the melt month.

**PRODUCTION OF PROCESSED PRODUCTS BY MEANS OTHER THAN MELTING**

**SEC. 6. Restrictions on processing.** No processor, who processes during any calendar month a greater quantity of any alloying material than shown on List II of this order, shall incorporate any such alloying material into any processed product, except in accordance with a processing schedule which has been duly authorized by NPA under section 8 of this order. For the purpose of the preceding sentence, any columbium, molybdenum, nickel, or tantalum, procured from scrap (except when present as residual contamination) shall be considered an alloying material. Whenever an allocation authorization for the same period authorizes the use of a lesser amount of any alloying material (which is a restricted alloying material) than permitted by the processing schedule, then the use of any such restricted alloying material shall be governed by the allocation authorization rather than by the processing schedule.

**SEC. 7. Applications and reports from processors.** Each processor, who uses during any calendar month a greater quantity of any alloying material than shown in List II of this order, is required to apply to NPA for approval of any proposed processing schedule on Form NPAF-102. Such application shall be filed with NPA not later than the first day of the month preceding the processing month, commencing with Septem-

ber 1, 1951. Each processor who uses during any calendar month a greater quantity than shown on List II of any alloying material, shall also file with NPA on the seventh day of the month preceding the processing month, commencing September 7, 1951, a statement on Form NPAF-113 indicating the quantities of each alloying material in his inventory on certain dates, and shall furnish all other data required by that form. If any processor requires delivery or use of any restricted alloying material, he shall also file simultaneously with Form NPAF-113, an application for allocation on Form NPAF-114. He shall file a separate application for each restricted alloying material required by him. Applications for allocation of restricted alloying materials are required whether or not a proposed processing schedule is authorized. Authorization of a processing schedule does not carry with it authorization of an application for allocation. Whenever it is necessary in order to complete any of the above forms required to be filed under the provisions of this section, each person who orders processed products from a processor shall state in his purchase order the end use (by classification and specific part name) for which such processed product will be used. A processor may file an additional processing schedule or schedules for authorization at any time.

**SEC. 8. Changes in processing schedules.** NPA may make such changes, modifications, postponements, or deletions in any proposed processing schedule filed by a processor, as in the discretion of NPA, may be deemed necessary or advisable in order to bring about the maximum possible conservation of alloying materials in the interests of national defense. Modifications or changes required by NPA in the alloy content of a product shall be binding upon a processor whether the alloy content of such product is procured from alloying materials, as defined in List I of this order, and/or from scrap containing usable quantities of such alloying materials. Upon completion of the review of any proposed processing schedule or modification thereof as provided in this section, the approval of the processing schedule, as originally filed or as modified, will be mailed on Form GA-41, Processing Schedule Authorization, to each processor prior to the first day of the processing month.

**ALLOCATION OF ALLOYING MATERIALS**

**SEC. 9. Alloying materials subject to complete allocation.** Schedules 1 through 5, inclusive, of this order continue complete allocation of nickel, cobalt, tungsten, molybdenum, and columbium and tantalum. These alloying materials are termed "restricted alloying materials." Separate schedules numbered consecutively from 6 upwards will be issued under this order for each alloying material to be made subject to complete allocation after the effective date of this order. Each numbered schedule makes a particular alloying material subject to complete allocation and contains any special requirements, exemp-

tions, prohibited uses, or provisions pertaining to the particular alloying material that are not contained in this order.

**SEC. 10. Restrictions on deliveries and exceptions thereto.** (a) No alloying material supplier shall deliver to any person any restricted alloying material, except in accordance with the terms of an NPA directive, an allocation authorization issued to such alloying material supplier by NPA, or except upon receipt of the certification for users of limited quantities as required by the schedules of this order.

(b) No person shall accept delivery of a restricted alloying material from an alloying material supplier except in accordance with the terms of an allocation authorization or except upon delivery of the certificate for users of limited quantities as required by the schedules of this order.

(c) No alloying material supplier shall deliver any alloying material if he knows or has reason to believe that the person receiving the alloying material may not accept delivery thereof under this order or that he will use the alloying material in violation of this order.

(d) No melter or processor shall use in any calendar month a greater quantity of a restricted alloying material than that shown in List II of this order, or the quantity he is authorized to use for that month by Form NPAF-114 issued by NPA. *Provided*, That commencing with any calendar month in which a melter's or processor's method and rate of operations for that month did not make it practicable for him to use the total quantity of any restricted alloying material which he was authorized to use for such month by Form NPAF-114 issued by NPA, he may, during the immediately ensuing two consecutive calendar months, exceed his authorized monthly use of such restricted alloying material during each of such 2 months up to a maximum of 130 percent of the quantity authorized for use during each such month by Form NPAF-114. *Provided further* That no person shall use in any period of three consecutive calendar months, commencing with January 1, 1952, a greater quantity of any restricted alloying material than the total weight of such material which he is authorized to use during such 3-month period by Form NPAF-114 issued by NPA. Any person who, pursuant to this paragraph, varies his actual monthly use from the authorized monthly use of a restricted alloying material over a successive 3-month period, or any portion thereof, shall by the seventh day of the month following each month of such 3-month period, report to NPA on Form NPAF-113 the exact quantity of the restricted alloying material used during each preceding month. When the amount of a restricted alloying material contained in the melting schedule authorization or processing schedule authorization is not the same as the amount allocated for use on Form NPAF-114, the lesser of the authorized amounts must not be exceeded, except as herein provided.

(e) The foregoing restrictions of this section with respect to deliveries shall

not apply to deliveries of restricted alloying materials made to General Services Administration or to any other duly authorized Government agency of the United States for the purpose of stock piling.

**Sec. 11. Allocation authorizations.** (a) As set forth in sections 4 and 7 of this order, each melter and processor desiring to receive an allocation authorization for any restricted alloying material is required, commencing September 7, 1951, to file with NPA an application on Form NPAF-114. This form is required to be filed simultaneously with Form NPAF-113 on or before the seventh day of the month preceding the month in which delivery of the restricted alloying material is required. NPA may grant the application in whole or in part or may reject the application. Whenever an application is granted, in whole or in part, an authorization will be issued at least 10 days prior to the first day of the delivery month to the appropriate alloying material supplier and a copy furnished to the applicant. The copy returned to the applicant will show the amount of restricted alloying material he is authorized to use and the amount he is allowed for inventory purposes to permit continuous operation from month to month. The alloying material supplier to whom the allocation authorization is issued, shall fill orders of the applicant within the limits of the allocation authorization. No person receiving any restricted alloying material may use such restricted alloying material except in accordance with an allocation authorization. An allocation authorization issued by NPA to any person shall terminate at the close of the calendar month for which such allocation authorization was granted, except where a person varies his use of the restricted alloying material allocated, pursuant to section 10 (d) of this order.

(b) Notwithstanding the provisions of sections 4 and 7 of this order, any melter or processor (except a supplier) who requires nickel anodes, nickel salts, chemicals, oxides, and catalysts or ceramic grades of cobalt, shall place, unless otherwise instructed by NPA, a purchase order therefor with his usual supplier, in lieu of filing Form NPAF-113, Form NPAF-114, and Form NPAF-60 or Form NPAF-102. The supplier shall then make application to NPA, pursuant to section 4 or 7 of this order, on the applicable forms for allocation of the total quantity of nickel anodes, nickel salts, chemicals, oxides and catalysts, or ceramic grades of cobalt represented by such purchase orders received from all of his melter and processor customers, together with his own requirements. Whenever such an application is approved by NPA, the supplier shall then allot among his melter or processor customers (in all cases, however, within the limit of the quantity approved by NPA, on Form GA-35 or Form GA-41, for melting or processing purposes by each such customer) the nickel anodes, nickel salts, chemicals, oxides, and catalysts or ceramic grades of cobalt, as the case may be, in the same proportion that the total quantity of

such nickel anodes, nickel salts, chemicals, oxides, and catalysts or ceramic grades of cobalt, as the case may be, allocated to such supplier by NPA on Form NPAF-114, bears to the total quantity of such nickel anodes, nickel salts, chemicals, oxides, and catalysts or ceramic grades of cobalt, as the case may be, approved by NPA for melting or processing purposes on Form GA-35 or Form GA-41. Each melter or processor who, during any calendar month, obtains any restricted alloy material from his supplier pursuant to the provisions of this paragraph, shall be deemed to have received an approved melting or processing schedule and allocation authorization, for such month, from NPA covering the quantity of such material allotted to him by his supplier, and he shall use the restricted alloying material so acquired only in conformance with the provisions of this order and the schedules thereto.

#### PROHIBITED PRODUCTS AND USES

**Sec. 12. Prohibited uses of alloying materials.** If the use of any alloying material for any particular purpose or product is to be prohibited, the provisions concerning such prohibition are, or will be, set forth in a schedule issued with or pursuant to this order concerning that alloying material. No person shall use any alloying material in violation of the provisions of any schedule issued with this order or which may be issued by NPA from time to time under this order.

**Sec. 13. Prohibited uses of alloy products or processed products.** Separate schedules lettered alphabetically may be issued under this order from time to time covering additional classes of alloy or processed products. Each schedule will contain specific prohibitions or restrictions as to specific classes of alloy products or processed products and additional requirements that are not now covered in this order. No person shall use or manufacture any alloy product or processed product in violation of the provisions of any schedule issued or which may be issued by NPA from time to time under this order.

#### GENERAL PROVISIONS

**Sec. 14. Schedules.** Schedules issued under this order shall be numbered consecutively beginning with "1" or lettered alphabetically beginning with "A" and shall be designated according to number or letter as "Schedule \_\_\_\_\_ of NPA Order M-80." A schedule may be issued or amended without any change in the text of this order, and without any republication of this order or of any provision of this order. All provisions of any schedule shall be deemed to be incorporated into and made a part of this order as of the effective date of the schedule or amendment thereto, as the case may be. In the event of an inconsistency or conflict between the provisions of any schedule issued or which may be issued by NPA from time to time under this order and the provisions of this order, the provisions of the schedule shall govern. Schedules may be issued or amended at any time and from time to time and shall remain in full force and effect until individually amended, super-

seded, or revoked. This order may be amended without any change in the text of any schedule issued from time to time under this order.

**Sec. 15. Conservation required.** No person shall use a restricted alloying material in the production, processing, or manufacture of an alloy or processed product when it is commercially feasible to substitute some material therefor other than a restricted alloying material. No person shall use a greater quantity or higher quality of an alloying material in the production, processing, or manufacture of any alloy or processed product than is necessary to produce, process, or manufacture any such alloy or processed product on a commercially feasible basis, unless required to meet military material specifications.

**Sec. 16. Imports.** Nothing contained in this order shall prohibit the importation of any restricted alloying material: *Provided*, That any such restricted alloying material after importation and delivery to or for the account of the importer shall not be further delivered, used, or consumed except in accordance with the provisions of this order.

**Sec. 17. Relation to other NPA orders and regulations.** All provisions of any NPA regulation or order are superseded to the extent that they are inconsistent with this order or with the schedules issued from time to time under this order, but in all other respects the provisions of such regulations and orders shall remain in full force and effect. Except as otherwise directed in writing by NPA, restricted alloying material shall be delivered only under an allocation authorization pursuant to the provisions of this order and, accordingly, DO rated orders or other preference orders shall have no effect, except to the extent that NPA takes such DO or preference rating into account in granting an allocation authorization.

**Sec. 18. Limitation on inventories of alloying materials.** No melter or processor, notwithstanding any allocation authorization received by him, shall place an order for any alloying material (except boron, calcium, ferro-manganese, and ferro-silicon) calling for delivery of, and no such person shall accept delivery of, any such alloying material at a time when his inventory thereof exceeds, or by acceptance of such delivery would be made to exceed, 60 calendar days' requirements at his then scheduled rate and method of operation. Any melter or processor who at any time has outstanding orders for any alloying material calling for delivery earlier than, or in quantities greater than, he would be permitted to receive under this section, shall forthwith notify his supplier of the extent to which delivery cannot be accepted as scheduled, and such orders shall be adjusted accordingly. Imported as well as domestic alloying materials are subject to this order and are to be included in computing inventory. *Provided*, That any alloying material acquired prior to landing may be imported even though a person's inventory thereby becomes in excess of the amount herein permitted, but, that in such event,

such person may not receive further deliveries from domestic sources until his inventory is reduced to permitted levels. Any alloying material which has been processed to any degree, but has not yet been actually incorporated into a finished or partially finished product is likewise to be included in computing inventory. The provisions of NPA Reg. 1 shall continue to apply to ferro-manganese.

**SEC. 19. Export of alloying materials.** Alloying materials exported from the United States, its territories or possessions, pursuant to a validated export license issued by the Office of International Trade, Department of Commerce, are exempt from all provisions of this order and of the schedules issued or which may be issued by NPA from time to time under this order, except for the provisions of section 9, and paragraphs (a) and (b) of section 10 of this order, and the provisions of this order requiring the keeping of records and the making of reports.

**SEC. 20. Request for adjustment or exception.** Any person affected by any provision of this order may file a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. In examining requests for adjustment or exception claiming that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing, by letter in triplicate, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

**SEC. 21. Records and reports.** (a) Commencing September 1, 1951, every person who, at any time in a calendar month, had in his possession or under his control or who, during a calendar month, consumed any restricted alloying material in greater quantities than the minimum permitted by List II of this order shall report to NPA on Form NPAF-113 on or before the seventh day of the following month. However, if he applies on such form for an allocation of restricted alloying material for delivery during the succeeding month, his application serves also as the required report.

(b) Each person participating in any transaction covered by this order shall make and preserve, for at least 3 years thereafter, accurate and complete records of receipts, deliveries, inventories, production and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this order. This order does not specify any particular accounting method and does not require alteration of the system of records customarily used, provided such records supply an adequate basis for audit. Records may

be retained in the form of microfilm or other photographic copies instead of the originals by those persons who, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(c) All records required by this order shall be made available for inspection and audit by duly authorized representatives of the National Production Authority, at the usual place of business where maintained.

(d) Persons subject to this order shall make such records and submit such additional reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139F)

**SEC. 22. Communications.** All communications concerning this order shall be addressed to the National Production Authority Washington 25, D. C., Ref: NPA Order M-80.

**SEC. 23. Violations.** Any person who wilfully violates any provision of this order, or any other order or regulation of NPA, or who wilfully furnishes false information or conceals any material fact in the course of operation under this order, is guilty of a crime and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

Note: All reporting and record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order as amended shall take effect March 4, 1953.

NATIONAL PRODUCTION  
AUTHORITY,  
By GEORGE W AUXIER,  
Executive Secretary.

**LIST I—DEFINITIONS OF ALLOYING MATERIALS**

1. *Boron* means ferro-boron, boron metal, and all other alloys used as sources of boron.

2. *Calcium* means calcium-silicon, calcium-manganese-silicon, and metallic calcium.

3. *Chromium* means all forms of ferro-chromium including those alloys known as ferro-silicon chromium and ferro-chromium silicon, chromium nickel, chromium metal, and all other compositions containing more than 25 percent chromium, which are used as sources of chromium in commercial manufacture or processing.

4. *Cobalt* means and includes cobalt metal, cobalt fines, cobalt oxide, cobalt powder, and all other cobalt compounds produced from ores, metals, concentrates, and/or refinery residues, as well as scrap containing more than 5 percent cobalt, which are used as sources of cobalt in commercial manufacture and processing.

5. *Columbium and tantalum* mean ferro-columbium and ferro-columbium tantalum.

6. *Manganese* means ferro-manganese, manganese metal, silicomanganese, silico-spiegel, spiegelisen, and all other compositions used as sources of manganese in the manufacture of any alloy products.

7. *Molybdenum* means ferro-molybdenum, all grades of molybdenum oxide, and all primary molybdates and other molybdenum compounds used as a source of molybdenum

in commercial manufacture and processing. It does not include the molybdenum present in steel scrap or pure molybdenum metal or scrap molybdenum-metal.

8. *Nickel* means only the following forms of primary nickel: electrolytic nickel, ingots, pigs, rondelles, cubes, and pellets, rolled and cast anodes, shot, oxides, salts, and chemicals and residues derived directly from new nickel, including residues containing nickel derived as a byproduct from copper refinery operations.

9. *Silicon* means all grades of ferro-silicon including silvery iron or silicon pig, all grades of silicon metal, and all other compositions containing more than 6 percent metallic silicon, which are used as sources of silicon in the manufacture of any alloy products.

10. *Titanium* means all grades of ferro-titanium, titanium metal, and other alloys used to add titanium in the manufacture of any alloy products.

11. *Tungsten* means ferro-tungsten, tungsten scrap, and tungsten ores and concentrates. It does not include pure tungsten metal.

(a) Tungsten scrap means steel or alloy scrap containing 1 percent or more tungsten.

(b) Tungsten ores and concentrates means any ore or concentrate, either natural or synthetic, when used as a source of tungsten in the manufacture of any alloy products.

12. *Vanadium* means all forms of ferro-vanadium, vanadium pentoxide, and all other alloys and compositions used as sources of vanadium in commercial manufacture and processing.

13. *Zirconium* means zirconium metal, ferro-aluminum-zirconium, zirconium-silicon alloys, and all other metallic compositions used as sources of zirconium in the manufacture of any alloy products.

**LIST II—QUANTITIES OF CONTAINED METALS IN ALLOYING MATERIALS EXEMPTED PER MONTH**

1. Boron—100 pounds.
2. Calcium—1,000 pounds.
3. Chromium—2,000 pounds; except chromium metal—50 pounds.
4. Cobalt—25 pounds.
5. Columbium and tantalum—10 pounds.
6. Manganese—15 tons; except manganese metal—100 pounds.
7. Molybdenum—200 pounds.
8. Nickel—100 pounds.
9. Silicon—50 tons; except silicon metal—100 pounds.
10. Titanium—200 pounds.
11. Tungsten—25 pounds.
12. Vanadium—500 pounds.
13. Zirconium—15 tons.

[F. R. Doc. 53-2079; Filed, Mar. 4, 1953; 10:59 a. m.]

[NPA Order M-80, Schedule 1, as Amended March 4, 1953]

**M-80—IRON AND STEEL—ALLOYING MATERIALS AND ALLOY PRODUCTS**

**SCHEDULE 1—NICKEL**

This schedule, as amended, is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amended schedule, there was consultation with industry representatives, including trade association representatives, and consideration was given to their recommendations.

**EXPLANATORY**

This schedule as hereby amended affects Schedule 1 as amended September 3, 1952, to NPA Order M-80, by reword-

ing the definition of nickel appearing in section 1 (b) (1) by redesignating sections 5 to 8 as sections 6 to 9, respectively and by adding a new section designated as 5 to said schedule.

## REGULATORY PROVISIONS

## Sec.

1. Definitions.
2. Nickel subject to allocation.
3. Applications for allocation.
4. Exceptions to allocation requirements.
5. Certification required.
6. Products prohibited.
7. Exceptions.
8. Records.
9. Communications.

**AUTHORITY:** Sections 1 to 9 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp.; secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

**SECTION 1. Definitions.** (a) All definitions contained in NPA Order M-80, including the definition of "nickel" in List I of that order, are applicable to this schedule.

(b) As used in this schedule:

(1) "Nickel" means only the following forms of primary nickel: electrolytic nickel, ingots, pigs, rondelles, cubes, and pellets, rolled and cast anodes, shot, oxides, salts, and chemicals and residues derived directly from new nickel, including residues containing nickel derived as a byproduct from copper refinery operations.

(2) "Nickel-plating" means all methods of nickel-plating regardless of plating procedure.

**Sec. 2. Nickel subject to allocation.** Nickel is subject to complete allocation by NPA.

**Sec. 3. Applications for allocation.** Section 10 of NPA Order M-80 prohibits deliveries or use of an alloying material made subject to complete allocation, except in accordance with an allocation authorization. Application for allocation authorizations for deliveries of nickel during the month of October 1951 may be made to NPA on or before September 7, 1951, on Form NPAF-114. Thereafter, such applications may be made on or before the seventh day of any month for delivery in the succeeding month.

**Sec. 4. Exceptions to allocation requirements.** The provisions of sections 2 and 3 of this schedule shall not apply to deliveries to any persons whose total receipts from all sources during any calendar month are not thereby made to exceed 100 pounds of nickel and who delivers a signed certificate to his supplier as follows:

The undersigned, subject to statutory penalties, certifies that acceptance of delivery and use by the undersigned of the nickel herein ordered will not be in violation of NPA Order M-80 or of Schedule 1 of that order.

This certification constitutes a representation by the purchaser to the seller and to NPA that delivery of the nickel ordered may be accepted by the pur-

chaser under NPA Order M-80 and this schedule, and that such nickel will not be used by the purchaser in violation of that order or this schedule.

**Sec. 5. Certification required.** Any person who orders any nickel from a supplier pursuant to the provisions of section 11 (b) of NPA Order M-80 shall endorse on his purchase order, or deliver with such purchase order, the following certification which shall be signed as provided in section 8 of NPA Reg. 2:

Certified under Schedule 1 to NPA Order M-80

This certification constitutes a representation by the purchaser to the supplier and to NPA that he will accept delivery of the nickel ordered for consumption by him only in accordance with the provisions of NPA Order M-80 or of any schedule thereto.

**Sec. 6. Products prohibited.** No person shall consume any nickel, secondary nickel, or nickel-bearing scrap containing 6 percent or more nickel for nickel-plating any product included in the list at the end of this schedule except products specifically excepted therein. No person shall consume in nickel-plating any product, whether or not included in that list, including any component parts of any product, a greater quantity of nickel, secondary nickel, or nickel-bearing scrap containing 6 percent or more nickel, than is necessary for the functional or operational purposes of such product. No person shall consume any nickel, secondary nickel, or nickel-bearing scrap containing 6 percent or more nickel in nickel-plating any product for decorative or ornamental purposes, and no nickel-plated product shall be used for decorative or ornamental purposes. No person shall use any nickel-plated material in the production, manufacture, or assembly of any product included in the list at the end of this schedule, except products specifically excepted therein.

**Sec. 7. Exceptions.** (a) The prohibitions contained in section 6 of this schedule with respect to products included in subheading A of the list at the end of this schedule shall not apply to the use of nickel anodes in nickel plating if (1) such nickel anodes were in the inventory of the person doing the nickel plating on March 1, 1951, and (2) such anodes cannot be used by such person on a commercially feasible basis for nickel-plating items other than those prohibited by section 6 of this schedule.

(b) The prohibitions contained in section 6 with respect to products included in subheading B of the list shall not apply to the use of nickel anodes in nickel plating if (1) such nickel anodes were in the inventory of the person doing the nickel plating on April 15, 1951, and (2) such anodes cannot be used by such person on a commercially feasible basis for nickel-plating items other than those prohibited by section 6.

(c) Any unassembled component parts produced prior to the effective date of this schedule, or in conformity with this schedule of products subject to the prohibitions of section 6 may be sold at any time, and the purchaser thereof may assemble such component parts into

products subject to the prohibitions of section 6 at any time, provided such component parts are wholly unsuitable for use in the production, manufacture, or assembly of any products not subject to such prohibitions.

(d) The prohibitions contained in section 6 of this schedule, with respect to all products included in the list at the end of the schedule, shall not apply to the use of nickel anodes and nickel chemicals in the application of a nickel strike of not more than an average of 0.00005 inch thick, to any item of any product prior to chromium plating.

**Sec. 8. Records.** Every person who relies on the provisions of paragraphs (a) (b), or (c) of section 7 of this schedule shall prepare a detailed record showing: (a) the quantity of nickel-plated materials, or component parts made therefrom, which were in his inventory on December 1, 1950, January, February, March, and April, 1951, which were wholly unsuitable for use by him in the production, manufacture, or assembly of any product not included in the list at the end of this schedule, and (b) the quantity of such nickel-plated materials wholly unsuitable for such use by him which were delivered to him on or after March 1, 1951, with reference to subheading A of that list, or April 15, 1951, with reference to subheading B of that list, the names and addresses of the suppliers thereof, and the dates and acceptances covering such materials. Such records shall be retained for at least 2 years and shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of the NPA.

**Sec. 9. Communications.** All communications concerning this schedule shall be addressed to the National Production Authority, Washington 25, D. C., Ref: M-80, Schedule 1.

This schedule, as amended, shall take effect March 4, 1953.

NATIONAL PRODUCTION  
AUTHORITY,  
By GEORGE W. AUXIER,  
Executive Secretary.

SCHEDULE 1—LIST OF PROHIBITED PRODUCTS  
NICKEL-PLATING

## A

Communications:  
Escutcheon plates.  
Knobs.  
Name plates.  
Radio and television, decorative trim.  
Speaker grilles.  
Hardware:  
Bells.  
Boat trim and accessories.  
Builders' finishing hardware (except half trim for bathroom and toilet side of door).  
Casket hardware.  
Chimes.  
Curtain hooks.  
Door catches.  
Door knobs.  
Door mockers.  
Drawer pulls.  
Harnesses.  
Hinges.  
Kick plates.  
Leashes.  
Letter boxes.

**Hardware—Continued**

Locks.  
Luggage hardware.  
Nails.  
Picture frames.  
Picture hangers.  
Push plates.  
Screen door and window hardware exclusive of screen.  
Screws.  
Switch plates.  
Tacks.  
Valve handles (except for bathroom and kitchen fixtures).  
Household appliances (except parts subject to abrasion or heat, and except the strike prior to silver-plating or vitreous enameling) including but not limited to:  
Food mixers.  
Heaters.  
Polishers.  
Refrigerators (except shelving and door handles).  
Washing machines.  
Waxers.  
Vacuum cleaners (except runners).

**Jewelry—clocks:**  
Alarm clocks (except for internal parts).  
Clocks (except for internal parts).  
Costume jewelry (except for 0.0001 inch thickness or less as an undercoating for gold, silver, or platinum-group metals).  
Trim and optical glasses (except frames).

**Metal furniture and fixtures:**  
Commercial furniture, all decorative parts.  
Electrical fixtures.  
Home furniture, all decorative parts.  
Napkin dispensers.  
Store display cases.  
Store fixtures.  
Straw dispensers.

**Motor vehicles:**  
Accessories.  
Dash panels (including instruments, controls, and appearance items mounted in or on dash panels).  
Escutcheon plates.  
Gas caps.  
Gravel guards.  
Grilles.  
Horns.  
Interior trim.  
Lamp housing.  
License frames.  
Name plates.  
Ornamental trim around windows.  
Radiator trim.  
Trim rings.  
Wheel discs.  
All other parts (except for window frames and slide channels, external and internal door handles, ventilator and regulator handles for windows and doors, the bumpers, bumper guards, bumper bolts, rear deck handles, windshield wiper assemblies, hub caps, and exposed screws where no satisfactory substitutes are practicable. The nickel employed for protection of bumper guards and bumpers should not exceed that amount equivalent to an average thickness of 0.001 inch on outside surfaces).

**Novelties:**  
Ash trays.  
Coasters.  
Cocktail shakers and accessories.  
Clothing ornamentation.  
Cosmetic containers.  
Hair curlers.  
Handbag trim.  
Humidors.  
Ornamental buttons.  
Smoking stands.

**Plumbing:**  
Basin supports.  
Cabinet trim.  
Soap dishes.  
Shower curtain rods and rings.  
Shower doors and trim.

**Plumbing—Continued**

Tooth brush holders.  
Towel racks.  
Tumbler holders.  
Sheet, strip, and wire products:  
All decorative parts fabricated from plated sheets, strips, or wire.  
Bird cages.  
Clothes hangers.  
Display stands.  
Lamp shades.  
Shopping carts.

**Tools:**  
Drills.  
Flexible metal tapes (except measuring tape).  
Hammers.  
Office machines and business machines, decorative trim.  
Planes.  
Pliers.  
Power tools (except for functional parts).  
Punches.  
Rules.  
Saws.  
Screw drivers.  
Wrenches.

**Toys:**  
Mechanical toys.  
Pistols.  
Toys.  
Trains.  
Tricycles.  
Wagons.

**Utensils (except the strike necessary prior to silver plating or vitreous enameling)**  
Flatware.  
Hollow ware (except for hotel, restaurant, institution, or ecclesiastical use).  
Serving dishes.  
Serving utensils.  
Racks.  
Trays.

**Miscellaneous:**  
Bicycles (except handlebars, sprockets, spokes, and hubs).  
Electric fans.  
Gambling equipment.  
Lighters.  
Ornamentation on musical instruments.  
Pin ball machines.  
Slot machines.  
Sporting goods.  
Tonsorial equipment (except tools).  
Vending machines.

**B****Hardware:**

Collars and tags for pets.  
Bolts, washers, and similar fastening devices.  
Household appliances (except parts subject to abrasion or heat, and except the strike prior to silver-plating or vitreous enameling), including but not limited to:  
Cooking stoves and ranges (except door and drawer handles).  
Electric housewares including:  
Heating and cooking appliances.  
Motor-driven appliances.  
Personal appliances.  
Home and farm freezers.  
Laundry equipment including:  
Clothes driers.  
Ironing machines.  
Sewing machines.

**Metal furniture and fixtures:**  
Commercial furniture.  
Home furniture.

**Motor vehicles:**  
Hub caps.

**Miscellaneous:**  
Bicycle handlebars, sprockets, spokes, and hubs.  
Juke boxes.  
Insignia, buttons, buckles, decorations, awards, and badges (except military).

[F. R. Doc. 53-2080; Filed, Mar. 4, 1953; 10:59 a. m.]

**TITLE 49—TRANSPORTATION****Chapter I—Interstate Commerce Commission****Subchapter B—Carriers by Motor Vehicle [No. MC-C-1]****PART 170—COMMERCIAL ZONES AND TERMINAL AREAS****ST. LOUIS, MO.—EAST ST. LOUIS, ILL., COMMERCIAL ZONE**

At a session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 19th day of February A. D. 1953.

It appearing, that on April 5, 1937, the Commission, Division 5, made and filed its report, 1 M. C. C. 656, modified on June 30, 1937, in its report, 2 M. C. C. 285, and orders<sup>1</sup> in the above-entitled proceeding defining the limits of the zone adjacent to and commercially a part of St. Louis, Mo.—East St. Louis, Ill.,

It further appearing, that, by petition dated June 20, 1951, The St. Louis Chamber of Commerce seeks redefinition and extension of the said St. Louis, Mo.—East St. Louis, Ill., commercial zone limits;

And it further appearing, that section 203 (b) (8) of the Interstate Commerce Act (49 U. S. C. 303 (b) (8)) and the transportation of passengers and property by motor vehicle, in interstate or foreign commerce, wholly within a municipality, or between contiguous municipalities, or within a zone adjacent to and commercially a part of any such municipality being under consideration, and good cause appearing therefor.

*It is ordered*, That said proceeding be, and it is hereby reopened for further consideration.

*It is further ordered*, That § 170.3 *St. Louis, Mo.—East St. Louis, Ill.*, the orders entered in this proceeding on April 5, 1937, and June 30, 1937 (49 CFR 170.3), be, and are hereby, vacated and set aside and the following is hereby substituted in lieu thereof.

§ 170.3 *St. Louis, Mo.—East St. Louis, Ill.* (a) The zone adjacent to and commercially a part of St. Louis, Mo.—East St. Louis, Ill., in which transportation by motor vehicle, in interstate or foreign commerce, not under a common control, management or arrangement for a continuous carriage or shipment to or from a point beyond the zone is partially exempt under section 203 (b) (8) of the Interstate Commerce Act (49 U. S. C. 303 (b) (8)) from regulation, includes and is comprised of all the areas as follows:

(1) All points within the corporate limits of St. Louis, Mo., and (2) all points in St. Louis County, Mo., within a line drawn 0.5 mile south, west, and north of the following line, but not including points beyond the established corporate boundaries, of Kirkwood, Huntleigh, and St. Ferdinand, Mo.. Beginning at the Jefferson Barracks Bridge across the Mississippi River and extending westerly along Missouri Highway 77 to junction U. S. Highway 61 and thence along U. S. Highway 61 to junction U. S. Highway 60, thence northerly along U. S. Highway 60

<sup>1</sup> Filed as part of the original document.

(Lindbergh Boulevard) to the southern boundary of Kirkwood, Mo., thence along the southern, western, and northern boundaries of Kirkwood to the western boundary of Huntleigh, Mo., thence along the western and northern boundaries of Huntleigh to junction U. S. Highway 66, thence in a northerly direction along U. S. Highway 66 (Lindbergh Boulevard) to junction Natural Bridge Road, thence in an easterly direction along U. S. Highway 66 to the western boundary of St. Ferdinand (Florissant), Mo., thence along the western, northern, and eastern boundaries of St. Ferdinand to junction U. S. Highway 66 and thence along U. S. Highway 66 (Taylor Road) to the corporate limits of St. Louis (near Chain of Rocks

Bridge); and (3) all points within the corporate limits of East St. Louis, Belleville, Granite City, Madison, Venice, Brooklyn, National City, Fairmont City, Washington Park, and Monsanto, Ill.

(b) The exemption provided by section 203 (b) (8) of the Interstate Commerce Act in respect of transportation by motor vehicle, in interstate or foreign commerce, between Belleville, Ill., on the one hand, and, on the other, any other point in the commercial zone the limits of which are defined in paragraph (a) of this section, is hereby removed and the said transportation is hereby subjected

to all the applicable provisions of the Interstate Commerce Act.

(49 Stat. 546, as amended; 49 U. S. C. 304. Interprets or applies 49 Stat. 543, as amended, 544, as amended; 49 U. S. C. 302, 303)

And it is further ordered, That this order shall become effective March 31, 1953, and shall continue in effect until the further order of the Commission.

By the Commission, Division 5.

[SEAL]

GEORGE W. LAIRD,  
Acting Secretary.

[F. R. Doc. 53-2030; Filed, Mar. 4, 1953; 8:51 a. m.]

## PROPOSED RULE MAKING

### DEPARTMENT OF AGRICULTURE

#### Production and Marketing Administration

#### 17 CFR Part 927 ]

[Docket No. AO-71-A-24]

#### HANDLING OF MILK IN NEW YORK METROPOLITAN MILK MARKETING AREA

#### SUPPLEMENTAL NOTICE OF HEARING ON PROPOSED AMENDMENTS TO TENTATIVE AGREEMENT AND TO ORDER, AS AMENDED

Notice was issued on January 8, 1953 and published in the FEDERAL REGISTER on January 13, 1953 (18 F. R. 256) of a public hearing to be held on March 10, 1953, at the Mark Twain Hotel in Elmira, New York, on certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the New York metropolitan milk marketing area.

Notice is hereby given, pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 C. F. R. Part 900) that, in addition to the proposed amendments contained in the notice of January 8, 1953, evidence will also be received at said public hearing with respect to the proposed amendments hereinafter set forth or appropriate modifications thereof. Such additional proposed amendments have not received the approval of the Secretary of Agriculture.

Notice is also hereby given that sessions of the hearing will be held at the Grange Hall in Malone, New York, on March 18; at the City Hall in Ogdensburg, New York, on March 19; and at the Hotel Woodruff in Watertown, New York, on March 20, beginning in each instance at 10:00 a. m., e. s. t.

#### ADDITIONAL PROPOSED AMENDMENTS

Proposed by Production and Marketing Administration:

21. Amend § 927.8 by deleting the words "pursuant to § 927.18 (j) "

22. Amend § 927.18 (j) to read as follows:

(j) Answer a written request of any person as to whether a plant exists at a specific location, and answer a written request of any handler for a determination as to whether one or more plants exist at a specific location, whether any specific item constitutes a part of his plant and its equipment, and in the event that more than one plant exists, a determination as to which plant a specific item is a part: *Provided*, That if the request is for a revised determination or for affirmation of a previous determination, there shall be set forth in such request the changed conditions which he believes make or may make a new determination necessary. Any revision in a determination of which a handler or other person has been notified in writing shall be effective not earlier than the date of the notice of such revised determination.

23. Add a new paragraph (e) in § 927.54 as follows:

(e) Make inspection of the buildings, facilities and surroundings of plants and ascertain what constitutes a plant and its equipment.

Proposed by Milk Dealers' Association of Metropolitan New York, Inc., and Sheffield Farms Company, Inc..

24. Add to proposed § 927.21 a new paragraph (f) to read as follows:

(f) *Withdrawal of plants from pool upon notification.* Within 30 days after the Secretary announces that this paragraph is going into effect, handlers can withdraw plants from the pool upon written notification to the market administrator, the withdrawal date to be effective when this paragraph goes into effect.

25. Add Addison County, Vermont to the list of Vermont counties included in the hearing notice, § 927.21 (e)

26. a. Amend the proviso in § 927.33 by changing the phrase "in the form of milk or cream" to read as follows: "in the form of milk, cream or skim milk."

b. Amend § 927.33 (d) to provide that the classification of skim milk derived from pool milk may be determined at the second non-pool plant, if shipped in the form of fluid skim milk from the first non-pool plant.

c. Amend § 927.33 by adding a new paragraph to provide that the classification of skim milk shipped to a plant in the marketing area in the form of fluid skim milk shall be determined, if such skim milk is moved from the plant at which it is first received in the form of skim milk, at the first plant to which the skim milk is shipped from the plant where first received in the marketing area.

Proposed by Production and Marketing Administration:

27. Amend § 927.33 by changing paragraphs (d) and (e) and by adding a new paragraph (f) to read as follows:

(d) Except as set forth in paragraphs (e) and (f) of this section, the classification of milk shipped in the form of milk and of milk the butterfat from which is shipped in the form of cream or the skim milk which is shipped in the form of fluid skim milk to a non-pool plant shall be determined at the non-pool plant, unless the handler operating the pool plant from which such shipments are made to the non-pool plant elects in writing on his monthly reports to have classification of all milk, skim milk or cream shipped as milk, fluid skim milk or cream to the non-pool plant determined at the pool plant from which the milk, skim milk or cream is shipped to the non-pool plant.

(e) The classification of milk shipped in the form of milk more than 65 miles from the plant where received from dairy farmers and of milk the butterfat from which is shipped in the form of cream or skim milk is shipped in the form of fluid skim milk more than 65 miles from the plant where the milk was separated to a plant outside Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York State, Pennsylvania or New Jersey shall be determined at the plant from which the milk, cream or fluid skim milk is so shipped.

(f) The classification of skim milk shipped in the form of milk to a non-pool plant and thereafter shipped in the form of fluid skim milk from the non-pool plant to another plant shall be classified at such other plant.

28. Amend § 927.35 by relettering paragraph (c) as paragraph (e), and by

substituting for paragraph (b) the following:

(b) After the assignments prescribed in paragraph (a) of this section, the remaining whole milk received at a plant from producers or from pool plants and in like form from dairy farmers not producers or from non-pool plants shall be assigned prorata to the total classification of all milk on hand at or leaving such plant as whole milk which is classified as Class I-B and I-C.

(c) After the assignments prescribed in paragraphs (a) and (b) of this section, the then remaining milk or cream received from producers or from pool plants and the milk or cream received from dairy farmers not producers or from non-pool plants shall be assigned prorata to the total remaining classification of such products received in like form.

(d) After the assignment of skim milk prescribed in paragraph (a) of this section, skim milk received from dairy farmers not producers or from non-pool plants shall be assigned to the remaining skim milk subject to the fluid skim differential.

29. Amend § 927.32 or such other provision as may be necessary for the purpose of providing a period longer than now specified for the handling of milk in the form of cream as a basis for establishing the classification of such milk.

30. Amend paragraph (c) of § 927.50 by deleting therefrom the following: "such disposition to be covered by a signed statement of the plant operator if such other plant is not a pool plant."

31. Amend the first paragraph in § 927.40 by changing to "§ 927.45" all references therein to "§ 927.44," and by adding a new sentence at the end thereof to read as follows: "Any payment to the cooperative by the handler shall be considered first to be a payment for those items in a written contract which are not required by this subpart."

By Eastern Milk Producers Cooperative Association, Inc..

32. Amend § 927.40 (d) to read as follows:

(d) For Class I-C milk (as defined at present) the price during each month shall be the price for Class I-A milk: *Provided*, That during any month when the provisions of § 927.24 (g) (2) are in effect, the price shall be the Class I-A price plus 50 cents per hundredweight.

Proposed by Milk Dealers' Association of Metropolitan New York, Inc., and Sheffield Farms Company Inc..

33. Amend § 927.66 (b) by deleting the 5 cents.

34. Bulk tank pickup. Consider at the hearing a proposed amendment whereby milk purchased on a bulk tank pickup basis can be priced specifically under the order.

Proposed by Production and Marketing Administration:

35. Supplementing proposal No. 34, it is proposed that specific consideration be given to the pricing of bulk tank pickup milk on an f. o. b. farm basis by counties and to the status under the order of bulk tank pickup milk in the

event of delivery for a portion of a month to non-pool plants.

Copies of this supplemental notice of hearing, the said order, as amended, and the tentative marketing agreement may be procured from the Market Administrator, 205 East 42nd Street, New York 17, New York, or from the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., or may there be inspected.

Dated: February 27, 1953, at Washington, D. C.

[SEAL] ROY W LENNARTSON,  
Assistant Administrator

[F. R. Doc. 53-2016; Filed, Mar. 4, 1953;  
8:48 a. m.]

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

#### [ 25 CFR Part 130 ]

#### FLATHEAD INDIAN IRRIGATION PROJECT, MONTANA

#### ORDER FIXING OPERATION AND MAINTENANCE CHARGES

FEBRUARY 24, 1953.

Pursuant to section 4 (a) of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238) and authority contained in the acts of Congress approved August 1, 1914; May 18, 1916; and March 7, 1928 (38 Stat. 583; 39 Stat. 1942; and 49 Stat. 210) and by virtue of authority delegated by the Secretary of the Interior to the Commissioner of Indian Affairs August 28, 1946, and by virtue of the authority delegated by the Commissioner of Indian Affairs to the Regional Director September 10, 1946 (11 F. R. 10267) notice is hereby given of the intention to modify §§ 130.16 and 130.17 of Title 25, Code of Federal Regulations, dealing with the irrigable lands of the Flathead Indian Irrigation Project not subject to the jurisdiction of the several irrigation districts, as follows:

§ 130.16 *Charges, Jocko Division.* (a) An annual minimum charge of \$2.64 per acre, for the season of 1953 and thereafter until further notice, shall be made against all assessable irrigable land in the Jocko Division that is not included in an Irrigation District organization, regardless of whether water is used.

(b) The minimum charge when paid shall be credited on the delivery of the

pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and seventy-six cents (\$1.76) per acre foot or fraction thereof.

§ 130.17 *Charges, Mission Valley and Camas Divisions.* (a) (1) An annual minimum charge of \$2.78 per acre, for the season 1953 and thereafter until further notice, shall be made against all assessable irrigable land in the Mission Valley Division that is not included in an Irrigation District organization regardless of whether water is used.

(2) The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and eighty-five cents (\$1.85) per acre foot or fraction thereof.

(b) (1) An annual minimum charge of \$3.25 per acre, for the season of 1953 and thereafter until further notice, shall be made against all assessable irrigable land in the Camas Division that is not included in an Irrigation District organization regardless of whether water is used.

(2) The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of two dollars and sixteen cents (\$2.16) per acre foot or fraction thereof.

Interested parties are hereby given opportunity to participate in preparing the proposed amendments by submitting their views and data or argument, in writing, to Paul L. Fickinger, Area Director, U. S. Bureau of Indian Affairs, 804 North 29th Street, Billings, Montana, within 30 days from the date of publication of this notice of intention in the daily issue of the FEDERAL REGISTER.

Amendment to order dated April 3, 1952 (17 F. R. 3146) signed by Paul L. Fickinger, Area Director.

PAUL L. FICKINGER,  
Area Director

[F. R. Doc. 53-2002; Filed, Mar. 4, 1953;  
8:46 a. m.]

## NOTICES

### DEPARTMENT OF AGRICULTURE

#### Office of the Secretary

#### LOUISIANA AND SOUTH DAKOTA

#### DESIGNATION OF DISASTER AREAS HAVING NEED FOR AGRICULTURAL CREDIT

Pursuant to the authority contained in section 2, 63 Stat. 44; 12 U. S. C. 1148a-2, the following counties and

parishes were designated as disaster areas having a need for agricultural credit.

#### LOUISIANA

On December 17, 1952, St. Helena and Washington parishes were designated as disaster areas due to drought. After December 31, 1953, disaster loans will not be made except to borrowers who previously received such assistance.

## SOUTH DAKOTA

On January 8, 1953, the following counties were designated as disaster areas as a result of adverse weather conditions. After December 31, 1953, disaster loans will not be made except to borrowers who previously received such assistance.

Armstrong.	Hughes.
Aurora.	Hyde.
Beadle.	Jackson.
Brown.	Jerauld.
Campbell.	Marshall.
Charles Mix.	Meade.
Clark.	McPherson.
Codington.	Potter.
Corson.	Roberts.
Day.	Sanborn.
Dewey.	Spink.
Douglas.	Stanley.
Edmunds.	Sully.
Faulk.	Tripp.
Haakon.	Washabaugh.
Hamlin.	Walworth.
Hand.	Ziebach.

Done at Washington, D. C., this 27th day of February 1953.

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

[F. R. Doc. 53-2017; Filed, Mar. 4, 1953;  
8:49 a. m.]

## DEPARTMENT OF STATE

[Public Notice 123]

AMERICAN-KOREAN FOUNDATION, INC.  
ADDITION TO REGISTER OF VOLUNTARY  
FOREIGN AID AGENCIES

Pursuant to section 4 of the act of May 26, 1949 (63 Stat. 111, 5 U. S. C. Sup. 151 (c)) and Public Notice 32, effective February 17, 1950 (15 F. R. 1049) notice is hereby given that Public Notice 111, July 21, 1952, Register of Voluntary Foreign Aid Agencies (17 F. R. 6991) is amended in accordance with 22 CFR 98.4 by the addition of the following organization to the list:

The American-Korean Foundation, Inc.,  
303 Lexington Avenue, New York 16, New  
York.

Issued: February 25, 1953.

HAROLD F. LINDER,  
*Assistant Secretary of State.*

[F. R. Doc. 53-2036; Filed, Mar. 4, 1953;  
8:52 a. m.]

## DEPARTMENT OF COMMERCE

Office of International Trade

[Case No. 149]

SUN TRANSPORTERS, INC., ET AL.

ORDER REVOKING AND DENYING  
LICENSE PRIVILEGES

In the matter of Sun Transporters, Inc., Franklyn Sheps, President, Harry Beckerman, Manager, 48 White Street, New York 13, New York; Tropical Express, Inc., Harry Beckerman, President, c/o Harry Zuckernick, 420 Lincoln Road, Miami Beach, Florida, Continental Enterprise, Harry Beckerman, Owner, Room 1311, Congress Building, Miami, Florida; respondents; Case No. 149.

Sun Transporters, Inc., Tropical Express, Inc., Franklyn Sheps, and Harry Beckerman, individually, the latter also doing business under the firm name and style of Continental Enterprise, having been charged by the Director, Investigation Staff, with a series of violations of the Export Control Act of 1949, as amended, and the regulations promulgated thereunder, duly appeared herein and were represented by counsel. They waived their right to an oral contested hearing, did not contest the charges, and elected to submit to the Compliance Commissioner, pursuant to Export Regulations, § 382.10 (15 CFR Part 382) a proposal for the issuance of a consent order revoking and denying to them license privileges as will hereinafter appear.

The Compliance Commissioner construed the proposal as reserving to the respondents the right to appear before him for the purpose of submitting such explanations or mitigating circumstances as they might deem advisable. He thereupon convened a hearing for that purpose and the respondents, together with counsel, attended and participated therein. Full opportunity was accorded to them to present argument and explanations, the case was finally submitted for consideration by the Compliance Commissioner, he has reviewed the same, has approved the proposal, and has reported the facts with his recommendations to the undersigned Acting Assistant Director for Export Supply.

Now, upon considering the facts of this case and the report of the Compliance Commissioner, I hereby make the following findings of fact:

A1. Sun Transporters, Inc., is and at all times hereinafter mentioned was a corporation engaged in the freight forwarding business in New York and Cuba, Franklyn Sheps is its president, and Harry Beckerman is its manager.

A2. Tropical Express, Inc., is and at all times hereinafter mentioned was a corporation engaged in the freight forwarding business in Miami, Florida, and Harry Beckerman is its president.

A3. Harry Beckerman, at all times hereinafter mentioned, was also engaged in the freight forwarding business under the firm name and style of Continental Enterprise in New York and Miami.

A4. All these respondents were closely associated or allied in the conduct of export trade and in the acts hereinafter found.

A5. Sun Transporters, Inc., by Harry Beckerman, its manager, prepared six separate applications for export licenses, all dated either July 16 or July 17, 1951, in which three dealers in woolen goods were named as exporters and applicants, and in which export licenses for the export of varying quantities of wool or wool and rayon material were requested.

A6. In each of the said applications it was stated and represented, in accordance with requirements in such cases, that the applicants named therein, at the time of execution thereof, had and possessed an accepted order for the export of the goods for which the export license was being requested and it was further stated and represented therein

that the said applicants had already purchased the said goods from their suppliers.

A7. Beckerman knew or should have known that said statements were false and untrue, that none of the said applicants possessed an accepted order in writing for the said goods and that none had already purchased the same. Beckerman, nevertheless, prepared the applications so stating, induced the applicants to sign them, and caused them to be submitted to the Office of International Trade.

B1. During the month of August 1951, Sun Transporters, Inc., the security owner of certain woolen jackets, by Sheps, arranged with Beckerman, Tropical Express, Inc., and Continental Enterprise, that the said jackets be exported from the United States and, for the purpose of so exporting the said jackets, Continental Enterprise delivered the same to a carrier and filed, with the United States Collector of Customs in Miami, a Customs Declaration in which it named itself as the exporter, principal or seller, described the goods as rayon jackets, and claimed the right to export them under General License, G. L. V.

B2. The jackets, being wool and not rayon, could not be exported under General License, a validated license being at that time required for such goods. Upon detection, they were seized by the Collector of Customs.

B3. Upon learning that under some circumstances goods so seized by Customs could be released upon presentation of an export license, Sheps instructed Beckerman to obtain such a license.

B4. Beckerman thereupon called upon a supplier in New York from whom a portion of the jackets so seized had been purchased and induced that supplier to sign, as applicant, and exporter, an application for license to export 500 woolen jackets at \$5.00 each, despite the fact that he knew that the supplier did not own the jackets, had not purchased them, had no accepted export order for them as warranted in the application, and had protested that the \$5.00 price was a much higher price than that normally charged by him. The application further did not disclose that the jackets to which reference was made therein had been seized by Customs.

B5. Said application was then submitted to the Office of International Trade and, in reliance thereon, the Office of International Trade issued to the supplier the export license so requested. Said supplier thereupon delivered the same to Sun Transporters.

B6. Sun Transporters caused the said license to be offered to the Collector of Customs in an attempt thereby to obtain the release of the jackets which had been seized.

From the foregoing, I have concluded that the respondents did make representations and statements which they knew or should have known were false, in applications for export licenses submitted to the Office of International Trade in violation of § 381.1 (b) (1) and (2) Export Regulations (17 F. R. 6339) and

further, in violation of § 372.8 (a) Export Regulations (17 F. R. 6313) that they failed and omitted to disclose in an application for an export license affecting goods seized by the United States Customs that the goods had been so seized.

The Compliance Commissioner, in his report, has stated that the goods involved in all the charges were of no strategic importance, that following the acts charged the requirement of validated export licenses for these types of goods was removed, that the place of destination was Cuba, that there is no indication of an intent or desire to transship, that the profit motive was negligible in that all the acts charged were committed with the ultimate objective of rendering a service to customers, that respondents are freight forwarders acting principally for others and the proposed period of suspension will be during a month when the business of the respondents is normally at its height.

For these reasons, considered by me to be proper, I have concluded that the terms of the proposed order, as modified during the hearing, with the consent of all parties, are reasonable, necessary, and proper to achieve effective enforcement of the law and they are, accordingly, adopted: *It is, now, therefore ordered:*

I. Sun Transporters, Inc., Tropical Express, Inc., Franklyn Sheps, individually and as president of Sun Transporters, Inc., Harry Beckerman, individually as manager of Sun Transporters, Inc., and as president of Tropical Express, Inc., and also doing business under the firm name and style of Continental Enterprise, are hereby denied and declared ineligible to exercise the privileges of exporting, receiving, or otherwise participating directly or indirectly in any exportation of any commodity from the United States to any foreign destination, including Canada. Without limitation of the generality of the foregoing, participation in an exportation is deemed to include any action by the named respondents, or any of them, directly or indirectly in any manner or capacity (a) in the obtaining or using of export licenses, including general as well as validated export licenses and any export control documents relating thereon; (b) as a party or a representative of a party to any export license application; (c) in any exportation from the United States to Canada or to any other foreign destination; (d) in the financing, forwarding, transporting or other servicing of exports from the United States; and (e) in the receiving in any foreign country of any exportation from the United States.

II. Subdivision (e) of Part I hereof shall be deemed to include any and all shipments and exports of whatsoever kind or nature and by whomsoever shipped from the United States, if shipped from the United States during the effective period of this order but shall not extend to nor be deemed to include any shipment or export prior to such effective date.

III. All outstanding validated export licenses held by or issued in the name

of any of the said respondents be and they hereby are revoked and shall be returned forthwith to the Office of International Trade for cancellation.

IV. Such denial of export privileges shall extend not only to the named respondents, and each of them, but also to any person, firm, corporation or other business organization with which said respondents or any of them may be now or hereafter related by ownership, control, position of responsibility, or other connection in the conduct of trade involving exports from the United States.

V. This order shall be and is effective from 12:01 a. m., March 16, 1953, until, to and including 12:00 p. m., March 22, 1953.

VI. No person, firm, corporation, or other business organization shall knowingly apply for or obtain any license, shipper's export declaration, bill of lading, or other export control document relating to any exportation from the United States under validated and general licenses, or otherwise, to or for the named respondents or any of them, or any person, firm, corporation, or other business organization covered by Part IV above, without prior disclosure of such facts to, and specific authorization from, the Office of International Trade.

Dated: February 27, 1953.

WALLACE S. THOMAS,  
Acting Assistant Director  
for Export Supply.

[F. R. Doc. 53-2012; Filed, Mar. 4, 1953;  
8:48 a. 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, as amended (52 Stat. 1068, as amended; 29 U. S. C. and Sup. 214) 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 period for certificates issued under the general learner regulations (§§ 522.1 to 522.14) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Single Pants, Shirts and Allied Garments, Women's Apparel, Sportswear and Other Odd Outerwear, Rainwear, Robes and Leather and Sheep-Lined Garments Divisions of the Apparel Industry Learner Regulations (29 CFR 522.160 to 522.166, as amended December 31, 1951, 16 F. R. 12043, and June 2, 1952; 17 F. R. 3818).

Bastian Sportswear, Inc., Bastian, Va., effective 2-19-53 to 2-18-54; 10 learners for normal labor turnover purposes (children's sportswear).

Bastian Sportswear, Inc., Bastian, Va., effective 2-19-53 to 8-18-53; 10 learners for expansion purposes (children's sportswear).

Berlin Manufacturing Co., Inc., Berlin, Md., effective 2-20-53 to 2-19-54; 5 learners (cotton work clothing).

H. Bomze & Bro., Inc., 124 North 15th Street, Philadelphia, Pa., effective 2-20-53 to 2-19-54; 10 percent of the factory production force for normal labor turnover purposes (dresses).

Carol Fashion, 48 North Eighth Street, Bangor, Pa., effective 2-20-53 to 2-10-54; 5 learners (ladies' blouses).

Champ Trouser Co., Inc., Winfield, Ala., effective 2-23-53 to 8-22-53; 25 learners for expansion purposes (men's dress trousers).

Fawn Grove Manufacturing Co., Inc., Rising Sun, Md., effective 2-20-53 to 2-19-54; 10 learners (cotton work clothing).

Fawn Grove Manufacturing Co., Inc., Fawn Grove, Pa., effective 2-20-53 to 2-19-54; 10 percent of the factory production force for normal labor turnover purposes (cotton work clothing).

Forest City Manufacturing Co., Du Quoin, Ill., effective 2-19-53 to 5-1-53; 15 additional learners for expansion purposes (supplemental certificate) (dresses).

Freeland Manufacturing Co., 150 Rldgo Street, Freeland, Pa., effective 3-1-53 to 2-28-54; 10 percent of the factory production workers for normal labor turnover purposes (men's sport shirts, jackets, work clothing).

J. Freezer & Son, Inc., Radford, Va., effective 2-18-53 to 2-17-54; 10 percent of the factory production workers for normal labor turnover purposes (men's dress and sport shirts).

Fuller Sportswear Co., Inc., 1123 Broad Street, Fullerton, Pa., effective 2-19-53 to 2-18-54; 10 percent of the factory production workers for normal labor turnover purposes (women's blouses).

Kane Manufacturing Co., Morgantown, Ky., effective 2-18-53 to 8-17-53; 25 learners for expansion purposes (sport jackets).

W. Koury Co., Inc., 633 Chatham Street, Sanford, N. C., effective 2-23-53 to 2-22-54; 10 percent of the factory production workers for normal labor turnover purposes (shirts, pants).

Martin Shirt Co., 27 East Poplar Street, Shenandoah, Pa., effective 2-19-53 to 2-18-54; 10 percent of the factory production force for normal labor turnover purposes (blouses and shirts).

Morehead City Garment Co., Inc., 1504-08 Bridges Street, Morehead City, N. C., effective 2-19-53 to 2-18-54; 10 percent of the factory production workers for normal labor turnover purposes (sport and utility shirts).

Oberman Manufacturing Co., Morrilton, Ark., effective 2-20-53 to 8-19-53; 35 learners for expansion purposes (pants).

Philippine Artcraft, Inc., 18 Washington Street, Camden, Maine, effective 2-20-53 to 2-19-54; 10 learners for normal labor turnover purposes (children's dresses).

Play-Craft Corp., Saltillo, Miss., effective 2-20-53 to 2-19-54; 10 learners (juvenile sportswear, cotton).

Quality Garments Inc., South Main Street, Mocksville, N. C., effective 2-19-53 to 2-18-54; 10 learners for normal labor turnover purposes (ladies' pajamas).

Regal Shirt Corp., Second and Pine Streets, Catawissa, Pa., effective 2-22-53 to 2-21-54; 10 percent of the factory production force for normal labor turnover purposes (sport and dress shirts).

William Rifkin & Sons, 324 Market Street, Philadelphia 6, Pa., effective 2-18-53 to 2-17-54; 10 percent of the factory production force for normal labor turnover purposes

(women's and children's cotton, woven underwear).

M. Schwartz, Inc., 47-49 Chestnut Street, New Haven, Conn., effective 2-19-53 to 2-18-54; 10 percent of the factory production workers for normal labor turnover purposes (house dresses and blouses).

Henry I. Siegel Co., Inc., Dickson, Tenn., effective 3-1-53 to 2-28-54; 10 percent of the factory production force for normal labor turnover purposes (men's and boys' shirts and pants).

Henry I. Siegel Co., Inc., Trezevant, Tenn., effective 3-1-53 to 2-28-54; 10 percent of the factory production force for normal labor turnover purposes (men's and boys' pants).

Henry I. Siegel Co., Inc., Bruceston, Tenn., effective 3-1-53 to 2-28-54; 10 percent of the factory production force for normal labor turnover purposes (men's and boys' shirts, pants, coats, jackets and dungarees).

Snowdon, Inc., Osceola, Iowa, effective 2-19-53 to 2-18-54; 5 learners to be employed in the manufacture of women's lingerie from woven fabric only (lingerie).

Southeastern Garment Co., Ltd., Monroe, Ga., effective 2-21-53 to 2-20-54; 10 percent of the factory production force for normal labor turnover purposes (pants).

Toll Gate Garment Co., Inc., Hamilton, Ala., effective 2-23-53 to 2-22-54; 10 percent of the factory production force for normal labor turnover purposes (sport shirts).

Trouser Corp. of America, 201 Chestnut Street, Dunmore, Pa., effective 2-19-53 to 2-18-54; 10 percent of the factory production workers for normal labor turnover purposes (men's and boys' trousers).

Trouser Corp. of America, Meadow Avenue and Maple Street, Scranton, Pa., effective 2-20-53 to 2-19-54; 10 percent of the factory production force for normal labor turnover purposes (men's and boys' trousers).

The Warner Bros. Co., Malone, N. Y., effective 2-19-53 to 7-24-53; 50 additional learners for expansion purposes (supplemental certificate) (corsets and brassieres).

York Springs Dress Co., York Springs, Pa., effective 2-23-53 to 2-22-54; 10 learners for normal labor turnover purposes (dresses).

**Glove Industry Learner Regulations** (29 CFR 522.220 to 522.231, as amended October 26, 1950; 15 F. R. 6883).

St. Johnsbury Glovers, Inc., St. Johnsbury, Vt., effective 2-20-53 to 8-19-53; 15 learners for expansion purposes (ladies' knit fabric gloves).

**Hosiery Industry Learner Regulations** (29 CFR 522.40 to 522.51, as revised November 19, 1951; 16 F. R. 10733)

C. W. Anderson Hosiery Co., Clinton, S. C., effective 2-24-53 to 2-23-54; 5 learners.

Bland Hosiery Mills, Inc., Bland, Va., effective 2-20-53 to 2-19-54; 5 learners.

Delaware Knitting Mills, Elkton, Md., effective 2-20-53 to 2-19-54; 5 percent of the total number of factory production workers (not including office and sales personnel).

Grace Hosiery Mills, Inc., Tucker Street, Burlington, N. C., effective 2-20-53 to 2-19-54; 5 percent of the total number of factory production workers (not including office and sales personnel).

Hansen Hosiery Mills, Inc., 176 South Coldbrook Avenue, Chambersburg, Pa., effective 2-17-53 to 2-16-54; 5 learners.

Sewel Textile Co., Lewes, Del., effective 2-20-53 to 2-19-54; 5 learners.

Strutwear, Inc., Clarksdale, Miss., effective 2-19-53 to 10-18-53; 10 learners for expansion purposes.

Tower Hosiery Mills, Inc., Broad Street, Burlington, N. C., effective 2-20-53 to 2-19-54; 5 percent of the total number of factory production workers (not including office and sales personnel).

Walridge Hosiery Mill, Inc., Marvell, Ark., effective 2-21-53 to 10-20-53; 10 learners for expansion purposes.

**Independent Telephone Industry Learner Regulations** (29 CFR 522.82 to 522.93, as amended January 25, 1950; 15 F. R. 398).

Quincy Telephone Co., Quincy, Fla., effective 2-24-53 to 2-23-54.

**Knitted Wear Industry Learner Regulations** (29 CFR 522.68 to 522.79, as amended January 21, 1952; 16 F. R. 12866)

Cumberland Undergarment Co., Inc., 917 Gay Street, Cumberland, Md., effective 2-20-53 to 1-24-54; 5 percent of the total number of factory production workers for normal labor turnover purposes (replacement certificate) (knitted slips).

Emkay Manufacturing Co., 250 West Sixth Street, West Wyoming, Pa., effective 2-17-53 to 2-16-54; 5 percent of the total number of factory production workers (swim suits of fabric elastic, girdles and brassieres).

Rockwood Undergarment Co., Inc., Rockwood, Pa., effective 2-20-53 to 8-20-53; 5 learners (replacement certificate) (ladies' knitted underwear).

Rockwood Undergarment Co., Inc., Hyndman Division, Hyndman, Pa., effective 2-20-53 to 7-6-53; 40 learners for expansion purposes (replacement certificate) (ladies' knitted underwear).

Sallsbury Undergarment Co., Inc., Sallsbury, Pa., effective 2-20-53 to 7-10-53; 5 learners (replacement certificate) (ladies' knitted undergarments).

Snowdon, Inc., Osceola, Iowa, effective 2-19-53 to 2-18-54; 5 learners to be employed in the manufacture of women's lingerie from knitted fabric only (lingerie).

The following special learner certificate was issued in Puerto Rico to the company hereinafter named. The effective and expiration dates, the number of learners, the learner occupations, the length of the learning period and the learner wage rates are indicated, respectively.

Caribe Aircraft Radio Corp., Coamo, P. R., effective 2-16-53 to 7-25-53; 40 learners. Subassembly of radio parts, 240 hours at 35 cents per hour; assembly of parts into radios, 360 hours at 35 cents per hour; testers, 360 hours at 35 cents per hour; machine shop operators, 320 hours at 33 cents per hour, 320 hours at 35 cents per hour, and 320 hours at 37 cents per hour (subassembly and assembly of radios) (replacement certificate).

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 person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of Part 522.

Signed at Washington, D. C., this 24th day of February 1953.

MILTON BROOKS,  
Authorized Representative  
of the Administrator

[F. R. Doc. 53-2003; Filed, Mar. 4, 1953; 8:46 a. m.]

## CIVIL AERONAUTICS BOARD

[Docket No. 53571]

UNITED PARCEL MANAGERS CO., AND UNITED PARCEL SERVICE OF AMERICA, INC.

### NOTICE OF HEARING

In the matter of the joint application of United Parcel Managers Company and United Parcel Service of America, Inc., for approval of an acquisition of control pursuant to section 408 of the Civil Aeronautics Act.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that hearing in the above-entitled proceeding is assigned to be held on March 10, 1953, at 10:00 a. m., e. s. t., in room 5132, Department of Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Walter W. Bryan.

Dated at Washington, D. C., March 2, 1953.

[SEAL]

FRANCIS W. BROWN,  
Chief Examiner.

[F. R. Doc. 53-2032; Filed, Mar. 4, 1953; 8:52 a. m.]

## OFFICE OF DEFENSE MOBILIZATION

[CDHA 104]

RAPID CITY-STURGIS, SOUTH DAKOTA, AREA

FINDING AND DETERMINATION OF CRITICAL DEFENSE HOUSING AREAS UNDER DEFENSE HOUSING AND COMMUNITY FACILITIES AND SERVICES ACT OF 1951

MARCH 3, 1953.

Upon a review of the construction of new defense plants and installations, and the reactivation or expansion of operations of existing defense plants and installations, and the in-migration of defense workers or military personnel to carry out activities at such plants or installations and the availability of housing and community facilities and services for such defense workers and military personnel in the area set forth below, I find that all of the conditions set forth in section 101 (b) of the Defense Housing and Community Facilities and Services Act of 1951 (Pub. Law 139, 82d Cong., 1st Sess.) exist.

Accordingly, pursuant to section 101 of the Defense Housing and Community Facilities and Services Act of 1951 and by virtue of the authority vested in me by paragraph number 1 of Executive Order 10296 of October 2, 1951, I hereby determine that said area is a critical defense housing area.

Rapid City-Sturgis, South Dakota, Area. (The area consists of Township 1 North and Township 2 North in Ranges 4 East to 9 East both inclusive, Township 1 South in Ranges 4 East to 8 East inclusive, Township 2 South in Ranges 4 East to 6 East inclusive, including Rapid City and Hill City Town, all in Pennington County; Township 3 South and Township 4 South in Ranges 4 East to 6 East both inclusive, including Custer City, all in Custer County; and that part of Meade County lying west of the Black Hills Guide Meridian, including Sturgis City; all in South Dakota.)

This supersedes certification under Docket No. 239 dated October 25, 1951.

ARTHUR S. FLEMMING,  
Acting Director of  
Defense Mobilization.

[F. R. Doc. 53-2064; Filed, Mar. 3, 1953;  
3:59 p. m.]

## FEDERAL POWER COMMISSION

[Docket No. G-2017, G-2127]

TEXAS GAS TRANSMISSION CORP. ET AL.

ORDER INSTITUTING INVESTIGATION AND  
CONSOLIDATING PROCEEDINGS

FEBRUARY 25, 1953.

In the matters of Texas Gas Transmission Corporation, Docket No. G-2017; and Louisiana Natural Gas Corporation, and Texas Northern Gas Corporation, Docket No. G-2127.

By order issued August 1, 1952, at Docket No. G-2017, the Commission, pursuant to the authority contained in section 4 of the Natural Gas Act, ordered that a hearing be held concerning the lawfulness of the rates, charges, and classifications contained in Texas Gas Transmission Corporation's (Texas Gas) FPC Gas Tariff, First Revised Volume No. 1. The order also provided that, pending the hearing and decision thereon, such tariff, with the exception of certain rate schedules covering interruptible industrial gas service, be suspended. Thereafter, on January 8, 1953, at the expiration of the period of suspension, upon motion of Texas Gas, the suspended tariff became effective, under bond, subject to the refund, if so ordered, of such portion of the increased rates as the Commission might find not justified. Hearings in this matter have not been commenced, nor has a date therefor been fixed.

Texas Gas purchases substantial volumes of natural gas from Louisiana Natural Gas Corporation (Louisiana Natural) and Texas Northern Gas Corporation (Texas Northern) pursuant to FPC Gas Tariffs filed with the Commission. Each of these suppliers is a wholly owned subsidiary of Texas Gas. On the basis of data available to the Commission, it appears that the rates, charges, or classifications for and in connection with the transportation or sale of natural gas, subject to the jurisdiction of the Commission, and rules, regulations, practices, and contracts relating thereto may be unjust, unreasonable, unduly discriminatory, or preferential.

The Commission finds:

(1) It is necessary and proper in the public interest, and to aid in the enforcement of the provisions of the Natural Gas Act, that an investigation be instituted by the Commission on its own motion into and concerning all rates, charges, or classifications demanded, observed, charged, or collected by Louisiana Natural Gas Corporation and Texas Northern Gas Corporation for or in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission, and any rules, regulations, practices, or contracts af-

fecting such rates, charges, or classifications.

(2) Good cause exists and it is in the public interest to consolidate the proceedings hereby instituted with the above-mentioned proceedings at Docket No. G-2017 for purpose of hearing.

The Commission orders:

(A) An investigation of Louisiana Natural Gas Corporation and Texas Northern Gas Corporation be and it hereby is instituted for the purpose of enabling the Commission:

(1) To determine with respect to said Louisiana Natural and Texas Northern whether in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission, any rates, charges, or classifications demanded, observed, charged, or collected, or any rules, regulations, practices, or contracts affecting such rates, charges, or classifications are unjust, unreasonable, unduly discriminatory, or preferential; and

(2) If the Commission, after hearing, shall find that any such rates, charges, classifications, rules, regulations, practices, or contracts are unjust, unreasonable, unduly discriminatory, or preferential, to determine and fix by appropriate order or orders the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Commission by sections 4, 5, and 15 of the Natural Gas Act, the proceedings hereby instituted be and the same are hereby consolidated for purpose of hearing with the aforementioned proceedings at Docket No. G-2017; such hearing to be held at such place and upon a date to be fixed by further order of the Commission.

Date of issuance: February 27, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 53-2004; Filed, Mar. 4, 1953;  
8:46 a. m.]

## SECURITIES AND EXCHANGE COMMISSION

[File Nos. 30-135, 54-53, 59-49]

CHRISTOPHER H. COUGHLIN ET AL.

ORDER DECLARING THAT APPLICANTS HAVE  
CEASED TO BE A HOLDING COMPANY AND  
GRANTING OTHER RELIEF

FEBRUARY 26, 1953.

In the matter of Christopher H. Coughlin, W. T. Crawford, and Rawleigh Warner, Voting Trustees under Voting Trust Agreement dated August 1, 1932, relating to common stock of Central Public Utility Corporation; File Nos. 59-49, 54-53, 30-135.

Christopher H. Coughlin, W. T. Crawford and Rawleigh Warner, Voting Trustees under a Voting Trust Agreement, dated as of August 1, 1932, relating to the formerly outstanding common stock of Central Public Utility Corpora-

tion ("Central Public"), a registered holding company, having filed separate applications under the provisions of the Public Utility Holding Company Act of 1935, concerning the matters described below.

The applicants, record holders of all the formerly outstanding common stock of Central Public, are a registered holding company. Central Public was recently reorganized pursuant to a plan filed under section 11 (e) of the act. (See Holding Company Act Release No. 11311.) Under the plan all the formerly outstanding stocks of Central Public were cancelled, including the common stock held by the applicants. Applicants now seek the entry of an order (File No. 30-135), pursuant to section 5 (d) of the act, declaring that they have ceased to be a holding company. In support of their request it is stated that on or about September 2, 1952, the applicants terminated for all purposes the Voting Trust and returned the Central Public stock to the company for cancellation. In connection with the requested order under section 5 (d) of the act, applicants also request that the Commission grant them permission to withdraw, as moot, a plan heretofore filed by them under section 11 (e) of the act (File No. 54-53) which proposed the transfer to the beneficial owners of all the then outstanding shares of common stock of Central Public registered in the names of the applicants as voting trustees. Applicants further seek the termination of proceedings (File No. 59-49) previously instituted by the Commission under section 11 (b) (2) of the act and directed to them.

Due notice having been given of the filing of said applications and a hearing not having been requested of or ordered by the Commission; the Commission finding that applicants have ceased to be a holding company, and that it is appropriate in the public interest and the interests of investors to grant the other relief requested:

It is hereby ordered and declared, Pursuant to section 5 (d) of the act that the applicants have ceased to be a holding company; that the plan heretofore filed by the applicants, pursuant to section 11 (e) of the act (File No. 54-53), be, and the same is, permitted to be withdrawn and the proceeding heretofore instituted by the Commission against the applicants, pursuant to section 11 (b) (2) of the act (File No. 59-49) be, and is dismissed; all subject to the condition that jurisdiction be, and hereby is, reserved with respect to the reasonableness of all fees and expenses or other remunerations paid or to be paid in connection with said plan filed by the applicants:

It is further ordered, That this order shall become effective forthwith upon issuance.

By the Commission.

[SEAL] ORVAL L. DUBOIS,  
Secretary.

[F. R. Doc. 53-2009; Filed, Mar. 4, 1953;  
8:47 a. m.]

[File No. 54-188]

## EASTERN UTILITIES ASSOCIATES

MEMORANDUM OPINION AND ORDER DENYING  
MOTION IN PART AND RESERVING JURISDICTION

FEBRUARY 26, 1953.

Eastern Utilities Associates ("EUA") a registered holding company, has nominated a board of Trustees to take office, subject to our approval, on February 27, 1953, the effective date of the plan approved by our order dated December 18, 1952 (Holding Company Act Release No. 11625) and approved and enforced by order of the United States District Court for the District of Massachusetts dated February 10, 1953 (Civil Action No. 52-1457). The Ellis Committee for Convertible Shares of EUA has filed a motion asking, among other things, that we disapprove the company nominations. After due notice, we heard argument on the company nominations and the Ellis Committee motion. The plan as approved and enforced provides in part:

## SELECTION OF TRUSTEES OF RECAPITALIZED EUA

If before the effective date of Step 2 the SEC has approved a board of Trustees nominated by EUA, or if there has been sufficient agreement upon a board among the security holders of EUA, and if the board so approved or agreed upon affords representation among such security holders, sufficient in either case to meet with the approval of the SEC, such board shall take office on that effective date; otherwise EUA shall forthwith proceed to put into operation the procedure for the nomination and election of a board set forth in "Exhibit C" attached hereto.

In our findings and opinion approving the plan, we stated (Holding Company Act Release No. 11625, at page 56)

*New Board of Trustees.* The plan contains a provision for the selection of a new board of eleven trustees for EUA. Prior to the effective date of the plan, after consultation and substantial agreement with the participants in this matter, EUA will submit to the Commission for its approval a list of names of persons to serve as the initial board of trustees. If there has been sufficient agreement upon a board among the security holders of EUA, and if the board so approved or agreed upon affords representation among such security holders, sufficient in either case to meet with our approval, such trustees will take office on the effective date of the plan, otherwise EUA will immediately proceed to put into operation a procedure for the nomination and election of a board by its shareholders, which procedure is substantially similar to that which we have prescribed in other cases. We find that the method for selecting a new board of trustees for the recapitalized EUA is appropriate.

The present board of Trustees consists of seven persons; the amended Declaration of Trust to go into effect pursuant to the plan provides for a board of eleven trustees. The eleven names submitted by EUA include the seven trustees now in office, two of the three persons suggested for the new board by the Ellis Committee, and two of the three persons suggested for the new board by the Cromwell Committee for Common Shareholders.

The principal objection of the Ellis Committee to the proposed board nominated by EUA, in which the Ellis Com-

mittee was joined by the Rohach Committee for Convertible Shareholders, and by counsel for the Laddis Group of common shareholders, involved the proposed continuation on the new board of more than five persons presently serving on the board, which those objectors contend is dominated by Stone & Webster Service Corporation and other Stone & Webster interests ("Stone & Webster"). The Cromwell Committee did not join in those objections, but objected to the failure of the EUA slate to include the chairman of that committee.

We do not deem it necessary to pass upon the many disputes of fact argued before us, or upon our power to approve the board proposed by EUA in the absence of substantial agreement among the participants in the proceeding. Clearly no such agreement exists, and in the light of that fact we shall not approve the Board nominated by EUA, granting to that extent the motion of the Ellis Committee.

That motion also requests an order directing EUA not to place into effect until further notice the procedures set forth in Exhibit C of the plan. However, the plan requires EUA to put that procedure into operation forthwith unless a board nominated by EUA shall have met with our approval on or before the effective date. Our findings and opinion of December 18, 1952, was not intended and does not purport to modify that provision of the plan, which was specifically found to be appropriate. That request of the Ellis Committee, joined by certain others of the participants, will therefore be denied.

Our order of December 18, 1952, specifically reserved jurisdiction with respect to the following matters, among others:

- a. All aspects of the procedure with respect to the selection of the initial board of trustees of EUA and the composition thereof;
- b. The entry by the Commission of such further order or orders as it may deem necessary or appropriate in accordance with the provisions of the Act and the Rules and Regulations promulgated thereunder regarding service contracts of EUA and its subsidiaries, including orders requiring their termination or modification;

The other relief requested by the Ellis Committee motion, concerning extension of the service arrangements, participation by Stone & Webster in the solicitation, collecting, or handling of proxies or authorizations, the filing by Stone & Webster of a statement showing transactions in system securities, and a general prayer for other action can more appropriately be considered in connection with the exercise of our reserved jurisdiction. In those respects the Ellis Committee motion will be denied without prejudice to its renewal hereafter in this proceeding:

*It is therefore ordered,* That approval be and hereby is denied to the board of Trustees nominated by EUA, that the motion of the Ellis Committee for such denial of approval be and hereby is granted, and that the motion of the Ellis Committee for an order directing EUA not to place into effect until further notice the procedures set forth in Exhibit C of the plan be and hereby is denied:

*It is further ordered,* That in all other respects the motion of the Ellis Committee be and hereby is denied, without prejudice to its subsequent renewal herein:

*It is further ordered,* That the jurisdiction heretofore reserved in our order herein dated December 18, 1952, be and it hereby is continued.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,  
Secretary.[F. R. Doc. 53-2011; Filed, Mar. 4, 1953;  
8:47 a. m.]

[File No. 54-201]

## UNITED GAS IMPROVEMENT CO.

ORDER MAKING FINDINGS AND RECITALS IN  
ACCORDANCE WITH SUPPLEMENT E OF THE  
INTERNAL REVENUE CODE

FEBRUARY 27, 1953.

The United Gas Improvement Company ("UGI") a registered holding company, having previously been ordered by the Commission, by order entered June 15, 1951, pursuant to section 11 (b) (1) of the Public Utility Holding Company Act of 1935 ("act") (File No. 54-192; Holding Company Act Release No. 10624) to sever its relationships with certain companies therein named, including Niagara Mohawk Power Corporation ("Niagara") and Consumers Power Company ("Consumers"), by disposing or causing the disposition in any appropriate manner, not in contravention of the applicable provisions of the act or the rules and regulations thereunder, of its direct or indirect ownership, control and holding of securities issued by such companies; and

UGI having filed, on December 19, 1951, a Comprehensive Plan pursuant to section 11 (e) of the act (File No. 54-201) Part 3 of which provided that UGI would dispose of various securities which it owned, including its holdings of securities of Niagara and Consumers (consisting of 159,500 shares of common stock of Niagara and 63,612 shares of common stock of Consumers) such disposition to be made in accordance with the procedure prescribed by Rule U-44 (c) under the act; and

The Commission having, on September 18, 1952, approved the Plan of UGI (Holding Company Act Release No. 11495), pursuant to an order which extended the time within which UGI is required to dispose of such securities to June 15, 1953, and Part 2 of such Plan (providing for the merger of UGI with various of its subsidiary companies) having been approved by the United States District Court for the Eastern District of Pennsylvania on November 12, 1952, and having been consummated in accordance with the order of the Commission, and of the United States District Court, effective as of December 31, 1952; and

UGI having, on February 24, 1953, filed a Notification pursuant to Rule U-44 (c) under the act, proposing to dispose of the major portion of its holdings of shares of common stock of Ni-

agora and of Consumers, by distribution to the holders of UGI common stock of record at the close of business March 13, 1953, of shares of common stock of Niagara in the ratio of one share of Niagara stock for each ten shares of UGI common stock, and of common stock of Consumers at the rate of one share of Consumers stock for each twenty shares of UGI common stock, with appropriate provisions for payment of cash to those entitled to receive fractional interests; and

UGI having requested pursuant to Rule U-44 (c) that it be permitted to take steps toward such disposition as soon as practicable, and the Commission having notified UGI that no declaration need be filed with respect to such proposed disposition; and

UGI having requested that the Commission enter an order containing the findings and recitals required by section 1808 (f) and Supplement R of the Internal Revenue Code, and the Commission deeming it appropriate that such request be granted:

*It is ordered and recited*, That the distribution, transfer and delivery of shares of common stocks of Niagara Mohawk Power Corporation and Consumers Power Company (estimated not to exceed 129,188 of the former, and 60,869 of the latter) to the holders of UGI common stock in the ratio of one share of common stock of Niagara Mohawk Power Corporation for each ten shares of UGI common stock and one share of common stock of Consumers Power Company for each twenty shares of UGI common stock is necessary or appropriate to the integration or simplification of the holding company system of which UGI is a member, and is necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935 in accordance with the meaning and requirements of the Internal Revenue Code, as amended, and section 1808 (f) and Supplement R thereof.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 53-2010; Filed, Mar. 4, 1953;  
8:47 a. m.]

[File No. 70-2989]

AMESBURY ELECTRIC LIGHT CO. ET AL.

ORDER AUTHORIZING ISSUANCE OF PROPOSED  
PROMISSORY NOTES

FEBRUARY 26, 1953.

In the matter of Amesbury Electric Light Company, Attleboro Steam and Electric Company Gloucester Electric Company, Northampton Electric Lighting Company, Northern Berkshire Gas Company, Quincy Electric Light and Power Company, Weymouth Light and Power Company File No. 70-2989.

The above named companies, hereinafter individually referred to as "Amesbury" "Attleboro" "Gloucester Electric" "Northampton Electric" "Northern Berkshire" "Quincy" and "Weymouth" and collectively referred to as the "borrowing companies", all public-utility

subsidiary companies of New England Electric System ("NEES") a registered holding company having filed with this Commission declarations, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 and Rules U-23 and U-42 (b) (2) thereunder, with respect to the following proposed transactions:

The borrowing companies propose to issue to banks, from time to time but not later than June 30, 1953, unsecured six-months promissory notes in the maximum aggregate principal amount of \$5,660,000. Each of the proposed notes will be due six months after the respective date thereof and each will bear interest at the prime rate of interest at the time of the issuance thereof. It is stated that said interest rate for such notes at the present time is 3 percent per annum. In the event that such interest rate is in excess of 3¼ percent per annum at the time any of said additional promissory notes are to be issued, the borrowing company will file an amendment to its declaration setting forth therein, at least five days prior to the issuance of said note or notes, the name of the bank or banks, the terms of the note or notes, and the rate of interest. Each of the borrowing companies requests that such amendment become effective at the end of such period unless the Commission notifies it to the contrary within said period.

The following table shows the amount of promissory notes proposed to be issued to banks prior to June 30, 1953, by each of the borrowing companies and the use of the proceeds derived from such notes.

Company	Notes proposed to be issued prior to June 30, 1953	Use of proceeds	
		Payment of notes payable to NEES	Construction or reimbursement therefor
Amesbury.....	\$515,000	\$495,000	\$20,000
Attleboro.....	555,000	485,000	60,000
Gloucester Electric.....	805,000	730,000	75,000
Northampton Electric.....	325,000	175,000	150,000
Northern Berkshire.....	1,230,000	1,130,000	100,000
Quincy.....	1,180,000	830,000	250,000
Weymouth.....	1,050,000	850,000	200,000
Total.....	5,660,000	4,805,000	855,000

Each of the borrowing companies states that the proceeds from any permanent financing will be applied in reduction of, or in total payment of, promissory notes then outstanding, and the amount of authorized but unissued notes, if any, will be reduced by the amount, if any, by which such permanent financing exceeds the notes at the time outstanding.

The declarations state that incidental services in connection with the proposed note issues will be performed, at cost, by New England Power Service Company, an affiliated service company, such cost being estimated not to exceed \$200 for each of the borrowing companies or an aggregate of \$1,400. The declarations further state that no State commission or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

The borrowing companies request that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the declarations, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said declarations be permitted to become effective forthwith.

*It is ordered*, Pursuant to Rule U-23 and the applicable provisions of the act, that said declarations be, and they hereby are, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 53-2005; Filed, Mar. 4, 1953;  
8:46 a. m.]

[File No. 70-2992]

HAVERHILL ELECTRIC CO. ET AL.

ORDER AUTHORIZING ISSUANCE OF PROPOSED  
NOTES

FEBRUARY 27, 1953.

In the matter of Haverhill Electric Company, Lawrence Gas and Electric Company, The Lowell Electric Light Corporation, Malden Electric Company, New England Power Company, Salem Electric Lighting Company, Suburban Gas and Electric Company Worcester County Electric Company; File No. 70-2992.

The above-named companies, hereinafter individually referred to as "Haverhill" "Lawrence", "Lowell", "Malden", "NEPCO" "Salem Electric", "Suburban" and "Worcester" and collectively referred to as the "borrowing companies", all public-utility subsidiary companies of New England Electric System ("NEES"), a registered holding company, having filed with this Commission declarations, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 and Rules U-23 and U-42 (b) (2) thereunder, with respect to the following proposed transactions:

The borrowing companies propose to issue to banks, from time to time but not later than June 30, 1953, unsecured six-months promissory notes in the maximum aggregate principal amount of \$23,840,000. Each of the proposed notes will be due six months after the respective issue date thereof and each will bear interest at the prime rate of interest at the time of the issuance. It is stated that said interest rate for such notes at the present time is 3 percent per annum. In the event that such interest rate is in excess of 3¼ percent per annum at the time any of said additional promissory notes are to be issued, the borrowing company will file an amendment to its declaration at least five days prior to the issuance of said note or notes setting forth the name of the bank or banks, the terms of the note or notes, and the

rate of interest. Each of the borrowing companies requests that such amendment become effective at the end of such five day period unless the Commission notifies it to the contrary within said period.

The following table shows the amount of promissory notes proposed to be issued by each of the borrowing companies and the use of the proceeds derived from such notes.

Company	Notes proposed to be issued prior to June 30, 1953	Use of proceeds	
		Payment of notes payable to banks	Construction expenditures
Haverhill	\$300,000	\$700,000	\$200,000
Lawrence	1,815,000	1,415,000	400,000
Lowell	3,400,000	3,100,000	300,000
Malden	2,050,000	1,500,000	550,000
NEPCO	9,400,000	9,400,000	-----
Salem Electric	200,000	200,000	-----
Suburban	1,375,000	1,275,000	100,000
Worcester	4,700,000	3,000,000	1,700,000
Total	23,840,000	20,500,000	3,250,000

Each of the borrowing companies states that the proceeds from any permanent financing will be applied in reduction of, or in total payment of, promissory notes then outstanding, and the amount of authorized but unissued notes, if any, will be reduced by the amount, if any, by which such permanent financing exceeds the notes at the time outstanding.

The declarations state that incidental services in connection with the proposed note issues will be performed, at cost, by New England Power Service Company, an affiliated service company, such cost being estimated not to exceed \$200 for each of the borrowing companies or an aggregate of \$1,600. The declarations further state that, except for an exemption by the Public Utilities Commission of New Hampshire with respect to notes proposed to be issued by NEPCO, no State commission or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

The borrowing companies request that the Commission's order herein become effective forthwith upon issuance.

Due notice having been given of the filing of the declarations, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said declarations be permitted to become effective forthwith:

*It is ordered,* Pursuant to Rule U-23 and the applicable provisions of the act, that said declarations be, and they hereby are, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 53-2006; Filed, Mar. 4, 1953; 8:46 a. m.]

[File No. 70-2935]

FALL RIVER ELECTRIC LIGHT CO. AND EASTERN UTILITIES ASSOCIATES

ORDER AUTHORIZING ISSUANCE AND SALE OF PRINCIPAL AMOUNT OF BONDS AND PLEDGING OF ASSETS AND PORTFOLIO SECURITIES

FEBRUARY 27, 1953.

Eastern Utilities Associates ("EUA"), a registered holding company, and its public-utility subsidiary company; Fall River Electric Light Company ("Fall River") having filed an application-declaration with this Commission, pursuant to sections 6 and 12 of the Public Utility Holding Company Act of 1935 ("act") and Rules U-23, U-42 (b) (2), U-44 and U-50 thereunder, with respect to the following proposed transactions:

Fall River proposes to issue and sell, pursuant to the competitive bidding requirements of Rule U-50, \$6,800,000 principal amount of First Mortgage and Collateral Trust Bonds, ----- percent Series, due 1983, and proposes to pledge as security therefor all of its assets (with certain specified exceptions) and its investment in the stock and debt securities of Montaup Electric Company, a public-utility subsidiary company of Fall River. The bonds will be issued under an Indenture of First Mortgage and Deed of Trust, dated January 1, 1953, between Fall River and State Street Trust Company, Boston, Massachusetts, as Trustee. The proceeds from the sale of the bonds will be applied to the redemption of \$2,000,000 principal amount of presently outstanding First Mortgage Bonds, 3½ percent Series, due 1968, and to the payment and discharge of short-term promissory notes outstanding in the aggregate principal amount of \$4,800,000.

Fall River has requested that the Commission's order herein permit the shortening of the ten day period for inviting bids pursuant to Rule U-50 to not less than six days and that the Commission's order herein become effective upon its issuance. By order, dated February 27, 1953, the Department of Public Utilities of Massachusetts authorized the issuance and sale of the bonds.

Due notice having been given of the filing of the application-declaration, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the act and rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said application-declaration, as amended, be granted:

*It is ordered,* Pursuant to Rule U-23 and the applicable provisions of said act, that said application-declaration, as amended, be, and hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and subject to the further condition that the proposed sale of bonds shall not be consummated until the results of competitive bidding with respect thereto shall have been made a matter of record in this proceeding and a further order shall have been entered by this Commission in the light

of the record so completed, which order may contain such further terms and conditions as may then be deemed appropriate:

*It is further ordered,* That the ten-day period for inviting sealed bids pursuant to Rule U-50 with respect to said bonds be, and hereby is, shortened to not less than six days:

*It is further ordered,* That jurisdiction be, and hereby is, reserved over the payment of all counsel fees incurred or to be incurred in connection with the proposed transactions.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 53-2007; Filed, Mar. 4, 1953; 8:46 a. m.]

[File No. 70-2936]

POTOMAC EDISON CO. AND POTOMAC LIGHT AND POWER CO.

ORDER GRANTING AUTHORITY TO ISSUE AND SELL COMMON STOCK BY SUBSIDIARY TO PARENT FOR CASH

FEBRUARY 27, 1953.

Potomac Light and Power Company ("Potomac Light") a public utility subsidiary of The Potomac Edison Company ("Potomac Edison") a registered holding company and a public utility subsidiary of The West Penn Electric Company, also a registered holding company, having filed a joint application-declaration, and an amendment thereto, pursuant to sections 6, 7, 9, 10 and 12 of the act and Rules U-43 and U-44 promulgated thereunder, with respect to the following proposed transactions:

Potomac Light proposes to issue 10,900 shares of its authorized and unissued common stock, having a par value of \$100 per share, and to sell such shares to Potomac Edison for a cash consideration of \$1,090,000. Potomac Edison owns all of the outstanding common stock of Potomac Light, which stock is presently pledged under the indenture securing Potomac Edison's outstanding first mortgage bonds. The 10,900 shares of common stock which are to be issued and sold by Potomac Light will be acquired from time to time as necessary prior to December 31, 1953, and will be pledged by Potomac Edison under its indenture. The price to be paid is based upon the par value of such shares.

Potomac Light states that the proceeds to be derived from the sale of the common stock will be used for the construction of property additions and improvements.

The Public Service Commission of Maryland and the Public Service Commission of West Virginia have authorized the proposed acquisition by Potomac Edison of the common stock to be issued by Potomac Light.

Applicants-declarants estimate that the expenses in connection with the proposed transactions, consisting chiefly of United States documentary stamps and miscellaneous expenses, will not exceed \$1,600.

Due notice having been given of the filing of the application-declaration, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said application-declaration, as amended, be granted and permitted to become effective forthwith:

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

By the Commission.

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

[F. R. Doc. 53-2008; Filed, Mar. 4, 1953;  
8:47 a. m.]

## INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 27824]

GROCERIES IN MIXED CARLOADS FROM JACKSONVILLE AND SOUTH JACKSONVILLE, TO PALATKA, FLA.

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for the Florida East Coast Railway Company and the Georgia Southern and Florida Railway Company.

Commodities involved: Groceries, in mixed carloads.

From: Jacksonville and South Jacksonville, Fla.

To: Palatka, Fla.

Grounds for relief: Circuitous routes and to meet intrastate rates.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2018; Filed, Mar. 4, 1953;  
8:49 a. m.]

[4th Sec. Application 27825]

AMMUNITION BOXES FROM CRYSTAL SPRINGS, MISS., TO JOLIET ARSENAL (AREAS 1 AND 2) ILL.

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to Agent C. A. Spanmiger's tariff I. C. C. No. 1172, pursuant to fourth-section order No. 16101.

Commodities involved: Boxes, ammunition or shell shipping, wooden, carloads.

From: Crystal Springs, Miss.

To: Joliet Arsenal (Areas 1 and 2) Ill.

Grounds for relief: Competition with rail carriers, circuitous routes, and operation through higher-rated territory.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2019; Filed, Mar. 4, 1953;  
8:49 a. m.]

[4th Sec. Application 27826]

FIBREBOARD AND PULPBOARD FROM BASTROP, LA., AND CROSSETT, ARK., TO KANSAS CITY, MO.-KANS.

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Fibreboard and pulpboard, carloads.

From: Bastrop, La., and Crossett, Ark.

To: Kansas City, Mo.-Kans.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 4027, Supp. 13.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission

in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2020; Filed, Mar. 4, 1953;  
8:49 a. m.]

[4th Sec. Application 27827]

GRAIN FROM MINNEAPOLIS, MINNESOTA TRANSFER, ST. PAUL, AND SOUTH ST. PAUL, MINN., TO POINTS IN ILLINOIS

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by C. J. Hennings, Alternate Agent, for carriers parties to schedule listed below.

Commodities involved: Grain, grain products, and related articles, carloads.

From: Minneapolis, Minnesota Transfer, St. Paul, and South St. Paul, Minn.

To: Points in Illinois.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: C. J. Hennings, Alternate Agent, I. C. C. No. A-3866, Supp. 35.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2021; Filed, Mar. 4, 1953;  
8:49 a. m.]

[4th Sec. Application 27828]

SODIUM, METALLIC, FROM CEICO, OHIO, TO  
KANSAS CITY, MO.-KANS.

## APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by H. R. Hinsch, Alternate Agent, for carriers parties to schedule listed below.

Commodities involved: Sodium (soda) metallic, in tank-car loads.

From: Ceico, Ohio.

To: Kansas City, Mo.-Kans.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: L. C. Schuldt, Agent, I. C. C. No. 4238, Supp. 76.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
Acting Secretary.

[F. R. Doc. 53-2022; Filed, Mar. 4, 1953;  
8:50 a. m.]

[4th Sec. Application 27829]

CEMENT FROM GIANT, S. C., TO  
BRUNSWICK, GA.

## APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for the Atlantic Coast Line Railroad Company and the Charleston & Western Carolina Railway Company.

Commodities involved: Cement and related articles, carloads.

From: Giant, S. C.

To: Brunswick, Ga.

Grounds for relief: Rail competition, circuitry, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1244, Supp. 36.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
Acting Secretary.

[F. R. Doc. 53-2023; Filed, Mar. 4, 1953;  
8:50 a. m.]

[4th Sec. Application 27830]

PULPBOARD AND FIBREBOARD FROM BROWNS-  
TOWN, IND., TO KINGSFORT, TENN.

## APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by H. R. Hinsch, Alternate Agent, for carriers parties to Agent L. C. Schuldt's tariff I. C. C. No. 4510, pursuant to fourth-section order No. 17220.

Commodities involved: Pulpboard or fibreboard, carloads.

From: Brownstown, Ind.

To: Kingsport, Tenn.

Grounds for relief: Competition with rail carriers and circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,  
Acting Secretary.

[F. R. Doc. 53-2024; Filed, Mar. 4, 1953;  
8:50 a. m.]

[4th Sec. Application 27831]

DI ISOPROPYL BENZENE MIXTURE FROM  
MIDLAND, MICH., TO BRUNSWICK, GA.,  
AND HATTIESBURG, MISS.

## APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by H. R. Hinsch, Alternate Agent, for carriers parties to Agent L. C. Schuldt's tariff I. C. C. No. 4510, pursuant to fourth-section order No. 17220.

Commodities involved: Di isopropyl benzene mixture, in tank-car loads.

From: Midland, Mich.

To: Brunswick, Ga., and Hattiesburg, Miss.

Grounds for relief: Competition with rail carriers and circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,  
Acting Secretary.

[F. R. Doc. 53-2025; Filed, Mar. 4, 1953;  
8:50 a. m.]

[4th Sec. Application 27832]

POTATOES FROM MAINE TO MAUCH CHUNK,  
LEHIGHTON, AND SLATINGTON, PA.

## APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by C. W. Boin and I. N. Doe, Agents, for carriers parties to Schedule listed below.

Commodities involved: Potatoes, carloads.

From: Points in Maine.

To: Mauch Chunk, Lehighton, and Slatington, Pa.

Grounds for relief: Competition with rail carriers, circuitous routes, and to maintain grouping.

Schedules filed containing proposed rates: I. N. Doe, Agent, I. C. C. No. 611, Supp. 12.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2026; Filed, Mar. 4, 1953;  
8:51 a. m.]

[4th Sec. Application 27833]

WOODPULP FROM NATCHEZ, MISS., TO  
AMPTHILL, VA.

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Woodpulp, carloads.

From: Natchez, Miss.

To: Ampthill, Va.

Grounds for relief: Rail and market competition and circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1260, Supp. 30.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2027; Filed, Mar. 4, 1953;  
8:51 a. m.]

[4th Sec. Application 27834]

PETROLEUM PRODUCTS FROM BILLINGS AND  
LAUREL, MONT., TO THE MIDWEST

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by The Great Northern Railway Company and the Northern Pacific Railway Company, for themselves and on behalf of carriers parties to schedules listed below.

Commodities involved: Gasoline, blended gasoline, distillate fuel oil, naphtha, and refined oil, in tank-car loads.

From: Billings, East Billings and Laurel, Mont.

To: Bismarck and West Fargo, N. Dak., and other points in Minnesota, North Dakota, South Dakota, and Wisconsin.

Grounds for relief: Circuitous routes and to forestall construction of pipe line from named origins to Bismarck and West Fargo.

Schedules filed containing proposed rates: GN Ry. tariff I. C. C. No. A-8015, Supp. 54, NP Ry. tariff I. C. C. No. 9852, Supp. 3.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2028; Filed, Mar. 4, 1953;  
8:51 a. m.]

[4th Sec. Application 27835]

PETROLEUM PRODUCTS FROM BILLINGS AND  
LAUREL, MONT., TO THE MIDWEST

APPLICATION FOR RELIEF

MARCH 2, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the aggregate-of-intermediates provision of section 4 (1) of the Interstate Commerce Act.

Filed by The Great Northern Railway Company and the Northern Pacific Railway Company, for themselves and on behalf of carriers parties to Schedules listed below.

Commodities involved: Gasoline, blended gasoline, distillate fuel oil, naphtha, and refined oil in tank-car loads.

From: Billings, East Billings, and Laurel, Mont.

To: Bismarck and West Fargo, N. Dak., and other points in Minnesota, North Dakota, South Dakota, and Wisconsin.

Grounds for relief: Circuitous routes and to forestall construction of pipeline from named origins to Bismarck and West Fargo.

Schedules filed containing proposed rates: GN Ry. tariff I. C. C. No. A-8015, Supp. 54; NP Ry. tariff I. C. C. No. 9852, Supp. 3.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,  
*Acting Secretary.*

[F. R. Doc. 53-2029; Filed, Mar. 4, 1953;  
8:51 a. m.]

## DEPARTMENT OF JUSTICE

### Office of Alien Property

[Vesting Order 19185]

JANE PETERMANN ET AL.

In re: Debts owing to Jane Petermann and others.

Under the authority of the Trading With the Enemy Act, as amended (50 U. S. C. App. and Sup. 1-40), Public Law 181, 82d Congress, 65 Stat. 451, Executive Order 9193, as amended by Executive Order 9567 (3 CFR 1943 Cum. Supp., 3 CFR 1945 Supp.) Executive Order 9788 (3 CFR 1946 Supp.) and Executive Order 9989 (3 CFR 1948 Supp.) and pursuant to law, after investigation, it is hereby found:

1. That Jane Petermann and Karl Wuttke, who there is reasonable cause to believe on or since December 11, 1941, and prior to January 1, 1947, were residents of Germany, are and prior to January 1, 1947 were, nationals of a designated enemy country (Germany),

2. That Westphalen & Co., the last known address of which is Hamburg, Germany, and Marschsparkasse, the last known address of which is Meldorf, Germany, are corporations, partnerships, associations or other business organizations which on or since December 11, 1941, and prior to January 1, 1947, were

organized under the laws of and had their principal places of business in Germany, and are and prior to January 1, 1947, were nationals of a designated enemy country (Germany)

3. That the persons who own the property described in subparagraph 4 (c) hereof, who, if individuals there is reasonable cause to believe on or since December 11, 1941, and prior to January 1, 1947, were residents of Germany, and which, if corporations, partnerships, associations or other business organizations there is reasonable cause to believe on or since December 11, 1941, and prior to January 1, 1947, were organized under the laws of and had their principal places of business in Germany are, and prior to January 1, 1947, were, nationals of a designated enemy country (Germany)

4. That the property described as follows:

a. That certain debt or other obligation, evidenced by a Promissory Note dated January 28, 1930 due one year after date issued by Eric Svenson and Frieda Svenson, payable to the order of Fred Heine, in the amount of \$4,000.00 with interest at the rate of 6 percent per annum, said note owned by Jane Petermann, together with any and all accruals to the aforesaid debt or other obligation and any and all rights to demand, enforce and collect the same, and any and all rights in and under the aforesaid Note,

b. Any and all rights in and under a Participating Trust Certificate, numbered 2970, original face value of \$172.09, issued by the Citizens State Bank of New Ulm, New Ulm, Minnesota, and the

Depositors and Unsecured Creditors thereof, said certificate owned by Karl Wuttke,

c. That certain debt or other obligation evidenced by a check issued by La Correspondence de Puerto Rico, drawn on Banco Popular de Puerto Rico, San Juan, Puerto Rico, numbered 7103, in the amount of \$15.00, dated February 9, 1940, said check payable to and owned by Westphalen & Co., together with any and all rights to demand, enforce and collect the aforesaid debt or other obligation and any and all rights in and under said check,

d. Any and all rights in and under one (1) Guaranteed First Mortgage Certificate, Series 18174-T, numbered 113, for \$2,100, issued by Lawyers Mortgage Company, dated January 24, 1928, owned by Marschaparkasse, and

e. Those certain debts or other obligations, evidenced by three (3) Promissory Notes issued by and drawn on The O. V. P. Corp., payable to the order of Ralf H. Bahre, numbered, dated, due and in the amounts set forth below:

No.	Date	Due	Amount
160.....	Oct. 4, 1933	Oct. 4, 1933	\$1,000
161.....	Dec. 5, 1933	Dec. 4, 1933	1,000
162.....	Feb. 4, 1939	Feb. 4, 1949	1,000

said notes owned by the persons referred to in subparagraph 3, hereof together with any and all accruals to the aforesaid debts or other obligations and any and all rights to demand, enforce and collect the same, and any and all rights in and under the aforesaid Notes,

is property which is and prior to January 1, 1947, was within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control, by the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

5. That the national interest of the United States requires that the persons named in subparagraphs 1 and 2, and the persons referred to in subparagraph 3 hereof, be treated as persons who are and prior to January 1, 1947, were nationals of a designated enemy country (Germany).

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

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

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

Executed at Washington, D. C., on February 27, 1953.

For the Attorney General.

[SEAL]

PAUL V. MYRON,  
Deputy Director  
Office of Alien Property.

[F. R. Doc. 53-2033; Filed, Mar. 4, 1953; 8:52 a. m.]

