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TITLE 3—THE PRESIDENT

PROCLAMATION 2999

UNITED NATIONS HUMAN RIGHTS DAY, 1952

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the Universal Declaration of Human Rights was adopted by the General Assembly of the United Nations on December 10, 1948, as a common standard of achievement for all nations and all peoples, and the anniversary of its adoption is now celebrated each year by free peoples throughout the world; and

WHEREAS the first ten amendments to the Constitution of the United States, our great American Bill of Rights, became effective on December 15, 1791, so that the anniversary of this significant event in our own history falls close to the anniversary of the adoption of the Universal Declaration of Human Rights; and

WHEREAS many of the rights and freedoms set forth in our Bill of Rights and in the Universal Declaration of Human Rights, including the immeasurable privileges of freedom of speech, religion, assembly, and petition, are similarly affirmed in the constitutions and basic laws of our States and territories; and

WHEREAS it is fitting that this anniversary should be observed by our schools, our churches, our labor unions, and our religious, educational, and civic organizations of all kinds the freedom of which has been safeguarded through these guarantees of individual liberty:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, having in 1949 designated December 10 of that year and each succeeding year as United Nations Human Rights Day, do hereby call upon the people of the United States to celebrate December 10, 1952, by studying the Universal Declaration of Human Rights and the Constitution of the United States, and the constitutions of our States and territories, and by giving thanks for the priceless heritage of liberty embodied in these great documents.

We do not forget that in past years men in many lands have died to win these freedoms and preserve them for our generation. It is to defend and safeguard these same freedoms that the United Nations is resisting communist aggression in Korea, and is seeking to promote the liberty and security of all peoples.

In this celebration let us join with the peoples of the other free nations of the world in recognition of our common purpose to defend and further the rights and freedoms of all people as proclaimed in the Universal Declaration of Human Rights, and in so doing renew our determination that here in our own land the great guarantees in our Bills of Rights shall not be lost or weakened or curtailed.

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

DONE at the City of Washington this 1st day of December in the year of our Lord nineteen hundred and [SEAL] fifty-two, and of the Independence of the United States of America the one hundred and seventy-seventh.

HARRY S. TRUMAN

By the President:

DAVID BRUCE,
Acting Secretary of State.

[F. R. Doc. 52-12884; Filed, Dec. 2, 1952; 2:56 p. m.]

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

Subchapter B—Export and Diversion Programs

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AUTHORITY: §§ 517.375 to 517.387 issued under sec. 32, 49 Stat. 774, as amended; 7 U. S. C. Sup. 612c.

§ 517.375 *General statement.* (a) In order to encourage the exportation of fresh and processed oranges produced in the United States, the Secretary of Agriculture, pursuant to the authority conferred by section 32 of Public Law 320, 74th Congress, as amended, offers to make payments to U. S. exporters of products listed in § 517.377 which are exported to an eligible country designated in § 517.376, subject to the terms and conditions set forth in this subpart.

(b) Information pertaining to this subpart and forms prescribed for use under this subpart may be obtained from the following Representatives of the Secretary.

West Coast States: M. T. Coogan and Warren C. Noland, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, 117 West Ninth Street, Room 103, Los Angeles 15, Calif. (Phone: Prospect 4711.)

Florida: M. F. Miller, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, P. O. Box 19, Lakeland, Fla. (Phone: Lakeland 2137.)

All other States: F. N. Andary and Granville B. Coffman, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, Washington 25, D. C. (Phone: Re. 7-4142, Ext. 3450.)

§ 517.376 *Eligible countries.* An eligible country is any country or area specifically named in this section:

Austria.
Belgium.
Denmark.
France.
Finland.
Germany, Federal Republic of.
Greenland.
Iceland.
Ireland.
Luxembourg.
Netherlands, The.
Norway.
Sweden.
Switzerland.
United Kingdom.

§ 517.377 *Eligible products and rate of payment.* The applicable rate of payment per unit for the eligible products listed shall be as follows:

Eligible products	Unit	Rate
Fresh oranges:		
California, Arizona	1⅗ bushel box	$1.25
Florida, Texas	1⅗ bushel box	1.25
Canned single strength orange juice	Case 24, No. 2 cans	.75
	Case 12, No. 3 cyl. cans	.85
	Case 6, No. 10 cans	.85
Canned blended grapefruit and orange juice	Case 24, No. 2 cans	.65
	Case 12, No. 3 cyl. cans	.75
	Case 6, No. 10 cans	.75
Canned citrus salad	Case 24, No. 303 cans	.80
	Case 24, No. 2 cans	.95
Frozen concentrated orange juice	Net gallon	.55
Frozen concentrated blended grapefruit and orange juice	do	.50
Canned concentrated orange juice:		
41.5° to 48° Brix	do	.55
60° Brix or more	do	.90
Preserved concentrated orange juice (60° Brix or more)	do	.90

§ 517.378. *Eligibility for payment*—(a) *Application for export payment.* (1) No payment will be made under this subpart, unless the exporter files an application (see § 517.387 (c)) with the designated Representative of the Secretary, as indicated in § 517.375 (b) and such application is approved by the Representative of the Secretary. The application must be prepared separately for each sales contract and shall be filed as promptly as possible after the date of sale but in no event later than the date of export. No payment will be made if such application is filed after the date of export unless the Secretary, upon written request by the exporter stating substantial reasons therefor, waives such delay. The Secretary will approve applications meeting the requirements of this subpart, so long as funds which have been allocated to this subpart are available, in the order in which the applications are received or on such other basis as he may determine to be equitable, will give written notice of approval or disapproval to the exporter, and will notify the exporter as promptly as possible after receipt of any application if any information shown in such form does not conform with the terms and conditions of this subpart. No payment will be made in excess of the sum indicated in the approved application, unless the Secretary, upon written request by the exporter stating substantial reasons therefor, approves a larger amount.

(2) In the event the sales contract covered by any approved application is cancelled or will not be completed by exportation of the product, the exporter shall promptly so notify the Representative of the Secretary who approved the application. Such notices shall be furnished not later than thirty (30) days after the intended date of export shown in the approved application, but in no event later than the date of filing of claim for payment, and also shall request modification of the application to the extent that the quantity exported is less than the quantity covered by the approved application.

(b) *Dates of export.* No payment under this subpart will be made in connection with any exportation unless the products are exported on or after the effective date of this subpart and prior to the date specified in paragraph (h) of this section. Products shall be deemed to have been exported when loaded on board the exporting carrier provided such products are not thereafter unloaded from such carrier in the United States, its territories, or possessions, and are not diverted to an ineligible country. The date of export of any lot shall be considered to be the date of loading on board the exporting carrier on which movement of such lot from the United States is effected. The date of the on-board bill of lading (or loading tally sheet, see § 517.380 (a) (3)) shall be considered to be the date the products were loaded on board, unless an "on-board" date is shown.

(c) *Minimum size of lot.* No payment will be made under this subpart for the exportation of any lot of less than one hundred (100) units of the eligible products. A unit is 1 box of fresh fruit; 1 case of citrus products or 1 gallon or equivalent of concentrated juice. A lot is that quantity of products loaded to any one export carrier at any one departure consigned to any one consignee.

(d) *Inspection.* Exporters shall furnish, at no expense to the Secretary, certificates of inspection for fresh or processed products exported pursuant to this subpart indicating that the product meets the applicable requirements set forth in § 517.379. Such certificates for fresh fruit shall be issued by representatives of the Federal or Federal-State inspection services and for processed products by representatives of the Processed Products Standardization and Inspection Division, Fruit and Vegetable Branch, PMA, USDA. Inspection of all concentrated products containing sweetening ingredients or preservatives shall be performed during the process of manufacture and also on the finished product after processing. For fresh oranges the period from date of inspection for standards for export to date of exportation, both dates inclusive, must not exceed sixteen (16) days, and for processed products the period from date of completion of inspection to date of exportation, both dates inclusive, must not exceed ninety (90) days: *Provided,* That, upon request of the exporter indicating substantial reasons therefor, the Secretary may, if he deems it desirable, grant an extension of time of such period.

(e) *Packaging.* All products to be exported under this subpart shall be suitably packed for export in new boxes or cases (or new kegs or barrels for preserved concentrate if so specified in sales contract) acceptable for export shipment in accordance with standard commercial practice for export and in a manner which reasonably shall assure their arrival in good condition in the country of destination. The best known practices to prevent shrinkage and decay shall be followed in packing fresh fruit for export shipment.

(f) *Re-entry or diversion.* The exporter shall undertake, as a part of his application, which is required in paragraph (a) of this section, that the products exported under this subpart will thereafter not re-enter the United States or its territories or possessions, or be diverted to other than an eligible

country as listed in this subpart, in fresh or processed form. In the event of such re-entry or diversion to other than an eligible country, the exporter shall refund to the Secretary any export payment received under this subpart with respect to the quantity so re-entered or diverted.

(g) *Use of Mutual Security funds for purchase prohibited.* Exporters are cautioned to advise their foreign buyers that funds appropriated under Chapter XI, entitled Mutual Security, of the Supplemental Appropriation Act, 1953, may not be used to pay any part of the purchase price of products exported under this subpart. This does not prohibit exporters from making sales without benefit of export payments to buyers using such funds.

(h) *Final dates.* The final date for filing an application shall be 12:00 o'clock midnight September 30, 1953. The final date of export shall be 12:00 o'clock midnight September 30, 1953.

§ 517.379 *Product specifications.* No payment will be made under this subpart unless the respective products exported meet the following applicable requirements:

(a) Fresh oranges: (1) Fresh oranges produced in California and Arizona shall meet the requirements for the Standards for Export and for Standard Pack; also not less than 85 percent of the oranges in any lot shall meet the requirements for U. S. No. 1 Grade, and the remainder, U. S. No. 2 Grade. Each fruit shall be individually wrapped. "Standards for Export," "Standard Pack," "U. S. No. 1" and "U. S. No. 2" shall have the meanings as defined in "U. S. Standards for Oranges (California and Arizona)," effective June 12, 1951.

(2) Fresh oranges produced in Florida and Texas shall meet the requirements for Standard Pack provided that such fruit shall be individually wrapped, or packed in boxes lined with diphenyl paper, or blind packed, i. e., fruit on the top, bottom, and sides of the box shall be individually wrapped. When wrapped, each fruit shall be fairly well enclosed in its individual wrapper. Also, not less than 85 percent of the oranges in any lot shall meet the requirements for U. S. No. 1 Grade, and the remainder, U. S. No. 2 Grade, except for discoloration. The oranges shall meet the requirements for U. S. No. 1 Grade for discoloration and shall also meet the following standards for export: Not more than a total of 10 percent, by count, of the fruit in any container shall be soft, affected by decay, damaged by skin breakdown, have broken skins which are not healed, growth cracks, damage by creasing, or serious damage by dryness or mushy condition, except that for any lot:

Not more than 5 percent of the fruit shall be soft;

Not more than ½ of 1 percent of the fruit shall be affected by decay;

Not more than 5 percent of the fruit shall be damaged by skin breakdown;

Not more than 3 percent of the fruit shall have broken skins which are not healed;

Not more than 3 percent of the fruit shall have growth cracks;

Not more than 5 percent of the fruit shall be damaged by creasing; and

Not more than 5 percent of the fruit shall be seriously damaged by dryness or mushy condition.

Any lot of fruit shall be considered as meeting the standards for export if the entire lot averages within the requirements specified: *Provided*, That no sample from the containers in any lot shall have more than double the percentage specified for any one defect, and that not more than a total of 10 percent, by count, of the fruit in any container has any of the defects enumerated in the standards for export. "Standard Pack," "U. S. No. 1" and "U. S. No. 2" shall have the meanings as defined in "U. S. Standards for Florida Oranges," effective September 28, 1952, and "U. S. Standards for Oranges," effective November 15, 1949 for Texas oranges.

(b) Canned single-strength orange juice shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Orange Juice," effective July 29, 1949. If a sweetening ingredient is added, the product shall meet the requirements for U. S. Grade A "sweet."

(c) Canned blended grapefruit and orange juice shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice," effective July 29, 1949. If a sweetening ingredient is added the product shall meet the requirements for U. S. Grade A "sweet."

(d) Canned citrus salad shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Grapefruit and Orange for Salad" effective August 7, 1950.

(e) Frozen concentrated orange juice (packed in metal containers) shall meet the requirements of U. S. Grade A, Style I or Style II, as defined in "United States Standards for Grades of Frozen Concentrated Orange Juice," effective September 23, 1950.

(f) Frozen concentrated blended grapefruit and orange juice (packed in metal containers) shall meet the requirements of U. S. Grade A, Style I or Style II, as defined in "United States Standards for Grades of Frozen Concentrated Blended Grapefruit Juice and Orange Juice," effective December 10, 1951.

(g) Canned or preserved concentrated (hot-pack) orange juices shall meet the following requirements:

(1) General: The product shall be prepared from the unfermented juice obtained from sound, mature fruit of the sweet orange group (Citrus sinensis) and Mandarin group (Citrus reticulata), except tangerines; shall be prepared and processed under sanitary conditions and in accordance with good commercial practice; and, the product, including any labeling, shall conform in every respect with the provisions of the Federal Food, Drug, and Cosmetic Act and regulations promulgated thereunder. Canned concentrated juices shall be sufficiently processed by heat to assure preservation of the product in hermetically sealed containers. Preserved concentrated orange juice shall be prepared with the addition of suitable chemical preservatives as specified. All containers shall be sound and clean. Cans shall be free from rust and serious dents.

(2) Canned concentrated orange juice 3 plus 1 (41.5° to 48° Brix), shall meet the following requirements:

(i) *Style I, without sugar added.* The orange juice from which the concentrate is prepared shall be evaporated to more than 52° Brix but not above 56° Brix concentration and single strength orange juice shall be admixed to standardize the finished concentrate to a Brix value of not less than 41.5° and not more than 44°. No other ingredients may be added. The ratio of the Brix value to acid shall be not less than 12:1 and not more than 17:1. The concentrate shall contain not less than 0.02 milliliter nor more than 0.07 milliliter of recoverable oil per 100 grams of the concentrate.

(ii) *Style II, sugar added.* The orange juice from which the concentrate is prepared shall be evaporated to more than 52° Brix but not above 56° Brix concentration; refined sugar (sucrose) shall be added prior to, during, or after concentration; single strength orange juice shall be admixed to standardize the concentrate to a Brix value of not less than 40° exclusive of added sugar; and the finished concentrate including added sugar shall have a Brix value of not less than 42°, and not more than 48°. No other ingredients may be added. The ratio of the Brix value to acid shall not be less than 12:1 and not more than 14:1. The concentrate shall contain not less than 0.02 milliliter nor more than 0.07 milliliter of recoverable oil per 100 grams of concentrate.

(iii) *Requirements for the reconstituted juice.* Reconstituted juice is the product obtained by mixing thoroughly 3 parts by volume of water and 1 part by volume of the concentrated juice. The reconstituted juice shall reconstitute properly, shall possess a very good color, shall be practically free from defects, shall possess a very good flavor; and shall contain not less than 30 milligrams of Vitamin C (Ascorbic Acid) per 100 ml. of the reconstituted juice.

(iv) *Explanation of terms and analyses.* (*a*) "Reconstitutes properly" means that the reconstituted juice shows no material separation of colloidal or suspended matter after standing (4) hours at a temperature of not less than 68 degrees Fahrenheit in a clear glass tube or cylinder (such as a 50 ml. graduated cylinder).

(*b*) "Very good color" means that the reconstituted juice possesses a bright yellow to yellow-orange color typical of properly pasteurized and concentrated orange juice and is free from browning due to scorching, oxidation, caramelization, or other causes and is not off color for any reason.

(*c*) "Practically free from defects" means that juice cells may be present or that small seeds or portions thereof that pass through a screen with perforations not exceeding ⅛ inch in diameter may be present provided such substances do not materially affect the appearance or drinking quality of the juice; or other defects may be present

that are not more than slightly objectionable.

(d) "Very good flavor" means that the reconstituted juice possesses a flavor equivalent to U. S. Grade A or U. S. Fancy canned orange juice as defined in the United States Standards for Grades of Canned Orange Juice (effective July 29, 1949), exclusive of the Brix, acid, and Brix-acid ratio requirements as stated therein. Distilled water is used in reconstituting the product for testing flavor.

(e) "Brix value", "recoverable oil", "acid", or other terms and their applicable methods not specifically defined herein shall be in accordance with the latest United States Standards for Grades of Frozen Concentrated Orange Juice.

(3) Canned concentrated orange juice, (60° Brix or more) without sugar added, shall meet the requirements for U. S. Grade A as defined in the United States Standards for Grades of Canned Concentrated Orange Juice, effective August 16, 1943, and as amended November 1, 1944. The Brix value of the concentrate is the refractometric sucrose value corrected for anhydrous citric acid. The canned concentrate, if produced from Navel oranges, may posses a characteristic bitter flavor in the reconstituted product, provided such bitterness does not seriously affect the palatability of the product, and provided further, that the sales contract specifically calls for Navel concentrated orange juice.

(4) Preserved concentrated orange juice, (60° Brix or more): The concentrated orange juice, prior to the addition of chemical preservatives, shall meet the quality requirements of subparagraph (3) of this paragraph:

Sulphur dioxide alone or sodium benzoate or benzoic acid or any combination of sodium benzoate and benzoic acid shall be added within the following ranges but only in a quantity necessary as a preservative for the respective concentrations:

Sulphur dioxide: 350 p. p. m. to 750 p. p. m.
Sodium benzoate and/or benzoic acid: $\frac{1}{10}$ of 1 percent to $\frac{1}{10}$ of 1 percent.

(5) Chemical methods: Chemical analyses shall be made in accordance with the methods of the Association of the Official Agricultural Chemists or in accordance with methods that give equivalent results.

§ 517.380 *Claims for payment supported by evidence of compliance.* (a) The exporter shall file claims for payment with the PMA office specified in the approved application not later than thirty (30) days after the date of export of such lot: *Provided*, That, upon request of the exporter indicating substantial reason therefor, the Secretary may, if he deems it desirable, grant an extension of time for such filing. Each claim for payment shall be filed in an original and three copies on voucher Form FDA-564, "Public Voucher—Diversion Programs," shall show the serial number of the related approved application, and shall be supported by:

(1) Two certified copies of the sales contract;

(2) Two certified copies of the sales invoice to the foreign buyer showing:

(i) The f. a. s. sales price,

(ii) The payment to be made by the Secretary, and

(iii) The balance f. a. s. U. S. port to be paid by the buyer (other charges, if any, such as ocean freight, insurance, etc., shall be shown separately on the invoice).

(3) Two copies of the on-board export bill of lading signed by an agent of the exporting carrier (except that where loss, destruction or damage occurs subsequent to loading on board exporting carrier but prior to issuance of the on-board bill of lading, two copies of a loading tally sheet or similar document may be submitted in lieu of such bill of lading) and in the case of exportation via a contiguous country, two signed copies of the on-board bill of lading covering the movement from such contiguous country;

(4) The original (or a signed copy) and one copy of the inspection certificate(s) required in paragraph (d) of § 517.378, and;

(5) Such other documents, if any, as may be required by the Secretary, evidencing purchase, sale and exportation of the commodity on which payment is claimed.

(b) The export bill of lading must show the quantity and description of the commodity, inspection certificate number, or other reference sufficient to relate the commodity loaded on board the export carrier to the commodity covered by the related inspection certificate, the date and place of loading, the fact that such commodity is on board, the destination of the commodity and the name and address of both the exporter and consignee. If the shipper or consignor named in such bill of lading is other than the exporter (seller) named in the application, the exporter shall furnish with each copy of such bill of lading a waiver by such shipper or consignor, in favor of such exporter, of any right to claim payment under this program for the commodity covered by such bill of lading.

(c) The foregoing required evidence will not be accepted as conclusive if the Secretary has reason to believe that exportation of all or any quantity of the products was not actually accomplished or that there has not been compliance with other requirements of this subpart, and in any such instance the Secretary may require such additional evidence as he deems reasonable.

§ 517.381 *Records and accounts.* The exporter shall maintain adequate records showing purchases, sales, and deliveries of products exported or to be exported in connection with this subpart. Such records, accounts, and other documents relating to any transaction in connection with this subpart shall be available during regular business hours for inspection and audit by authorized employees of the United States Department of Agriculture, and shall be preserved for at least two years after the effective date of this subpart.

§ 517.382 *Amendment and termination.* The Secretary may amend or terminate this subpart at any time upon public announcement thereof. Such amendment or termination, however, shall not apply to applications approved under this subpart prior to the effective time of such amendment or termination.

§ 517.383 *Persons not eligible.* No member of, or Delegate to, Congress or Resident Commissioner shall be admitted to any share or part of any payment made under this subpart or to any benefit that may arise therefrom, but this provision shall not be construed to extend to a payment made to a corporation for its general benefit.

§ 517.384. *Set-off.* The Secretary may set-off, against any amount owed to any exportor under this subpart, any amount owed by such exporter to Commodity Credit Corporation, the United States Department of Agriculture, or any other agency of the United States.

§ 517.385 *Joint payment or assignment.* An exporter may name a joint payee on vouchers for payment or may assign the proceeds of any application for export payment to a recognized financing institution as provided in this subpart. The exporter may assign, in accordance with the provisions of the Assignment of Claims Act of 1940, Public Law No. 811, 76th Congress, as amended, the proceeds of any application for export payment to a bank, trust company, Federal lending agency, or other recognized financing institution: *Provided*, That such assignment shall be recognized only if and when the assignee thereof files written notice of assignment, in accordance with the instructions on Form PMA-66 "Notice of Assignment" which form must be used in giving notice of assignment to PMA. The "Instrument of Assignment" may be executed on Form PMA-347 or the assignee may use his own form of assignment. The PMA may be obtained from any Representative of the Secretary.

§ 517.386 *Good faith.* Whereas it is the intent of this subpart to encourage the exportation of fresh and processed oranges produced in the United States by making such products available to foreign buyers at prices below domestic market prices in the amount of the payment offered in this subpart; now, therefore, if the Secretary determines that any exporter has not acted in good faith in carrying out the purpose of this subpart, has not passed on to foreign buyers the incentive payment offered in this subpart, or otherwise fails to discharge fully any obligation assumed by him under this subpart, such exporter may be denied the right to continue participating in this subpart, or the right to receive payment under this subpart in connection with any exportations previously made under this subpart, or both.

§ 517.387 *Definitions.* As used in this subpart, the following terms have the following meanings:

(a) "Secretary" means the Secretary of the United States Department of

Agriculture, or any authorized Representative of the Secretary.

(b) "Exporter" means any individual, corporation, partnership, association, or other business entity, located in the United States and engaged in the business of selling and exporting fresh or processed citrus fruits, produced and packed in the continental United States.

(c) "Application" means Form FV-461, "Application for Export Payment."

(d) "Sales contract" may be in the form of offer and acceptance, confirmation of sale or purchase, or other documentary evidence of consummation of sale including contracts between exporter and buyer, and includes a transaction involving the transfer of a product from an exporter to his foreign branch, affiliate or associate.

(e) "Date of sale" means the date on which both buyer and seller signed a written contract, or the date on which buyer accepts an offer of sale or confirms the purchase, or the date on which the seller accepts an offer to purchase or confirms the sale. In the absence of documentary evidence establishing the date of consummation of sale the date of sale shown in the application will be considered to be the date the sale was consummated.

(f) "F. a. s." means free alongside ship or other export carrier.

(g) "On-board export bill of lading" includes any bill of lading covering the exportation of fresh or processed oranges from the United States.

(h) "Public announcement" and "public notice" means the issuance of a press release or the publication of a notice in the FEDERAL REGISTER.

(i) "Filed." Applications, claims and related documents are deemed to be filed when they are postmarked, if mailed, or when received by the designated PMA office if otherwise delivered.

NOTE: The record keeping and reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Effective date. This offer shall be effective on December 5, 1952.

Dated this 1st day of December 1952.

[SEAL] S. R. SMITH,
Authorized Representative of the Secretary of Agriculture.

[F. R. Doc. 52-12860; Filed, Dec. 3, 1952; 8:50 a. m.]

PART 517—FRUITS AND BERRIES, FRESH

SUBPART—GRAPEFRUIT EXPORT PAYMENT PROGRAM TMX 135A (FISCAL YEAR 1953)

Sec.
517.390 General statement.
517.391 Eligible countries.
517.392 Eligible products and rate of payment.
517.393 Eligibility for payment.
517.394 Product specifications.
517.395 Claims for payment supported by evidence of compliance.
517.396 Records and accounts.
517.397 Amendment and termination.
517.398 Persons not eligible.
517.399 Set-off.
517.400 Joint payment or assignment.
517.401 Good faith.
517.402 Definitions.

AUTHORITY: §§ 517.390 to 517.402 issued under sec. 32, 49 Stat. 774, as amended; 7 U. S. C. Sup. 612c.

§ 517.390 *General statement.* (a) In order to encourage the exportation of fresh and processed grapefruit produced in the United States, the Secretary of Agriculture, pursuant to the authority conferred by section 32 of Public Law 320, 74th Congress, as amended, offers to make payments to U. S. exporters of products listed in § 517.392 which are exported to an eligible country designated in § 517.391, subject to the terms and conditions set forth in this subpart.

(b) Information pertaining to this subpart and forms prescribed for use under this subpart may be obtained from the following Representatives of the Secretary.

West Coast States: M. T. Coogan and Warren C. Noland, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, 117 West Ninth Street, Room 103, Los Angeles 15, Calif. (Phone: Prospect 4711.)

Florida: M. F. Miller, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, P. O. Box 19, Lakeland, Fla. (Phone: Lakeland 2137.)

All other States: F. N. Andary and Granville B. Coffman, Fruit and Vegetable Branch, PMA, U. S. Department of Agriculture, Washington 25, D. C. (Phone: Re. 7-4142, Ext. 3450.)

§ 517.391 *Eligible countries.* An eligible country is any country or area specifically named in this section.

Austria.
Belgium.
Denmark.
France.
Finland.
Germany, Federal Republic of.
Greenland.
Iceland.
Ireland.
Luxembourg.
Netherlands, The.
Norway.
Sweden.
Switzerland.
United Kingdom.

§ 517.392 *Eligible products and rate of payment.* The applicable rate of payment per unit for the eligible products listed shall be as follows:

Eligible products	Unit	Rate
Fresh grapefruit:		
California, Arizona	1⅗ bushel box	$0.75
Florida, Texas	1⅗ bushel box	.75
Canned single strength grapefruit juice	Case 24, No. 2 cans	.60
	Case 12, No. 3 cyl. cans	.65
	Case 6, No. 10 cans	.65
Canned blended grapefruit and orange juice	Case 24, No. 2 cans	.65
	Case 12, No. 3 cyl. cans	.73
	Case 6, No. 10 cans	.75
Canned citrus salad	Case 24, No 303 cans	.90
	Case 24, No. 2 cans	.95
Canned grapefruit sections	Case 24, No. 303 cans	.80
	Case 24, No. 2 cans	.85
Frozen concentrated grapefruit juice	Net gallon	.45
Frozen concentrated blended grapefruit and orange juice	do	.50
Canned concentrated grapefruit juice (56° Brix or more)	do	.79

§ 517.393 *Eligibility for payment*—(a) *Application for export payment.* (1) No payment will be made under this subpart, unless the exporter files an application (see § 517.402 (c)) with the designated Representative of the Secretary, as indicated in § 517.390 (b) and such application is approved by the Representative of the Secretary. The application must be prepared separately for each export sales contract and shall be filed as promptly as possible after the date of sale but in no event later than the date of export. No payment will be made if such application is filed after the date of export unless the Secretary, upon written request by the exporter stating substantial reasons therefor, waives such delay. The Secretary will approve applications meeting the requirements of this subpart, so long as funds which have been allocated to this subpart are available, in the order in which the applications are received or on such other basis as he may determine to be equitable, will give written notice of approval or disapproval to the exporter, and will notify the exporter as promptly as possible after receipt of any application if any information shown in such form does not conform with the terms and conditions of this offer. No payment will be made in excess of the sum indicated in the approved application, unless the Secretary, upon written request by the exporter stating substantial reasons therefor, approves a larger amount.

(2) In the event the sales contract covered by any approved application is canceled or will not be completed by exportation of the product, the exporter shall promptly so notify the Representative of the Secretary who approved the application. Such notices shall be furnished not later than thirty (30) days after the intended date of export shown in the approved application, but in no event later than the date of filing of claim for payment, and also shall request modification of the application to the extent that the quantity exported is less than the quantity covered by the approved application.

(b) *Dates of export.* No payment under this subpart will be made in connection with any exportation unless the products are exported on or after the effective date of this subpart and prior to the date specified in paragraph (b) of this section. Products shall be deemed to have been exported when loaded on board the exporting carrier provided such products are not thereafter unloaded from such carrier in the United States, its territories or possessions, and are not diverted to an ineligible country. The date of export of any lot shall be considered to be the date of loading on board the exporting carrier on which movement of such lot from the United States is effected. The date of the on-board bill of lading (or loading tally sheet, see § 517.395 (a) (3)) shall be considered to be the date the products

were loaded on board, unless an "on-board" date is shown.

(c) *Minimum size of lot.* No payment will be made under this subpart for the exportation of any lot of less than one hundred (100) units of the eligible products. A unit is 1 box of fresh fruit, 1 case of citrus products, or 1 gallon or equivalent of concentrated juice. A lot is that quantity of products loaded to any one export carrier at any one departure consigned to any one consignee.

(d) *Inspection.* Exporters shall furnish, at no expense to the Secretary, certificates of inspection for fresh or processed products exported pursuant to this subpart indicating that the product meets the applicable requirements set forth in § 517.394. Such certificates for fresh fruit shall be issued by representatives of the Federal or Federal-State Inspection Services and for processed products by representatives of the Processed Products Standardization and Inspection Division, Fruit and Vegetable Branch, PMA, USDA. Inspection of all concentrated products containing sweetening ingredients shall be performed during the process of manufacture and also on the finished product after processing. For fresh fruit the period from date of inspection to date of exportation, both dates inclusive, must not exceed sixteen (16) days, and for processed products the period from date of completion of inspection to date of exportation, both dates inclusive, must not exceed ninety (90) days: *Provided,* That, upon request of the exporter indicating substantial reasons therefor, the Secretary may, if he deems it desirable, grant an extension of time of such period.

(e) *Packaging.* All products to be exported under this subpart shall be suitably packed for export in new boxes or cases acceptable for export shipment in accordance with standard commercial practice for export and in a manner which reasonably shall assure their arrival in good condition in the country of destination. The best known practices to prevent shrinkage and decay shall be followed in packing fresh fruit for export shipment.

(f) *Re-entry or diversion.* The exporter shall undertake, as a part of his application, which is required in paragraph (a) of this section, that the products exported under this subpart will thereafter not re-enter the United States or its territories or possessions, or be diverted to other than an eligible country as listed in this subpart, in fresh or processed form. In the event of such re-entry or diversion to other than an eligible country, the exporter shall refund to the Secretary any export payment received under this subpart with respect to the quantity so re-entered or diverted.

(g) *Use of Mutual Security funds for purchases prohibited.* Exporters are cautioned to advise their foreign buyers that funds appropriated under Chapter XI, entitled Mutual Security, of the Supplemental Appropriation Act, 1953, may not be used to pay any part of the purchase price of products exported under this subpart. This does not prohibit exporters from making sales without benefit of export payments to buyers using such funds.

(h) *Final dates.* The final date for filing an application shall be 12:00 o'clock midnight September 30, 1953. The final date of export shall be 12:00 o'clock midnight September 30, 1953.

§ 517.394 *Product specifications.* No payment will be made under this subpart unless the respective products exported meet the following applicable requirements:

(a) California and Arizona fresh grapefruit shall meet the requirements of U. S. No. 2 Grade, or better, the Standards for Export, and Standard Pack, as defined in "U. S. Standards for Grapefruit (California and Arizona)," effective January 9, 1950, provided that such fruit shall be individually wrapped, or packed in boxes lined with diphenyl paper, or blind packed, i. e., fruit on the top, bottom, and sides of the box shall be individually wrapped. When wrapped, each fruit shall be fairly well enclosed in its individual wrapper.

(b) Florida and Texas fresh grapefruit shall meet the requirements of U. S. 2 Grade, or better, and for Standard Pack, provided that such fruit shall be individually wrapped, or packed in boxes lined with diphenyl paper, or blind packed, i. e., fruit on the top, bottom, and sides of the box shall be individually wrapped. When wrapped, each fruit shall be fairly well enclosed in its individual wrapper. Such fruit shall also meet the following standards for export: Not more than a total of 10 percent, by count, of the fruit in any container shall be soft, affected by decay, damaged by skin breakdown, have broken skins which are not healed, growth cracks, damage by creasing, or serious damage by dryness or mushy condition, except that for any lot:

Not more than 5 percent of the fruit shall be soft;

Not more than ½ of 1 percent of the fruit shall be affected by decay;

Not more than 5 percent of the fruit shall be damaged by skin breakdown;

Not more than 3 percent of the fruit shall have broken skins which are not healed;

Not more than 3 percent of the fruit shall have growth cracks;

Not more than 5 percent of the fruit shall be damaged by creasing; and

Not more than 5 percent of the fruit shall be seriously damaged by dryness or mushy condition.

Any lot of fruit shall be considered as meeting the standards for export if the entire lot averages within the requirements specified: *Provided,* That no sample from the containers in any lot shall have more than double the percentage specified for any one defect, and that not more than a total of 10 percent, by count, of the fruit in any container has any of the defects enumerated in the standards for export. "U. S. No. 2" and "Standard Pack" shall have the meanings as defined in "U. S. Standards for Florida Grapefruit," effective September 14, 1952, and in "U. S. Standards for Grapefruit," effective November 15, 1949, for Texas grapefruit.

(c) Canned single-strength grapefruit juice shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Grapefruit Juice", effective July 29, 1949. If a sweetening ingredient is added, the product shall meet the requirements for U. S. Grade A "sweet".

(d) Canned blended grapefruit and orange juice shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice," effective July 29, 1949. If a sweetening ingredient is added the product shall meet the requirements for U. S. Grade A "sweet."

(e) Canned citrus salad shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Grapefruit and Orange for Salad," effective August 7, 1950.

(f) Canned grapefruit sections shall meet the requirements of U. S. Grade A as defined in "United States Standards for Grades of Canned Grapefruit," effective November 25, 1952.

(g) Frozen concentrated grapefruit juice (packed in metal containers) shall meet the requirements of U. S. Grade A, Style I or Style II, as defined in "United States Standards for Grades of Frozen Concentrated Grapefruit Juice," effective December 10, 1951.

(h) Frozen concentrated blended grapefruit and orange juice (packed in metal containers) shall meet the requirements of U. S. Grade A, Style I or Style II, as defined in "United States Standards for Grades of Frozen Concentrated Blended Grapefruit Juice and Orange Juice" effective December 10, 1951.

(i) Canned concentrated grapefruit juice (55° Brix or more) shall meet the requirements of "Tentative United States Standards for Grades of Canned Concentrated Grapefruit Juice," effective November 15, 1945.

§ 517.395 *Claims for payment supported by evidence of compliance.* (a) The exporter shall file claims for payment with the PMA office specified in the approved application not later than thirty (30) days after the date of export of such lot: *Provided,* That, upon request of the exporter indicating substantial reason therefor, the Secretary may, if he deems it desirable, grant an extension of time for such filing. Each claim for payment shall be filed in an original and three copies on voucher Form FDA-564, "Public Voucher—Diversion Programs," shall show the serial number of the related approved application, and shall be supported by:

(1) Two certified copies of the sales contract;

(2) Two certified copies of the sales invoice to the foreign buyer showing:

(i) The f. a. s. sales price,

(ii) The payment to be made by the Secretary, and,

(iii) The balance f. a. s. U. S. port to be paid by the buyer (other charges, if any, such as ocean freight, insurance, etc., shall be shown separately on the invoice);

(3) Two copies of the on-board export bill of lading signed by an agent of the exporting carrier (except that where loss, destruction or damage occurs subsequent

to loading on board exporting carrier but prior to issuance of the on-board bill of lading, two copies of a loading tally sheet or similar document may be submitted in lieu of such bill of lading) and in the case of exportation via a contiguous country, two signed copies of the on-board bill of lading covering the movement from such contiguous country;

(4) The original (or a signed copy) and one copy of the inspection certificate(s) required in paragraph (d) of § 517.393, and;

(5) Such other documents, if any, as may be required by the Secretary, evidencing purchase, sale and exportation of the commodity on which payment is claimed.

(b) The export bill of lading must show the quantity and description of the commodity, inspection certificate number, or other reference sufficient to relate the commodity loaded on board the export carrier to the commodity covered by the related inspection certificate, the date and place of loading, the fact that such commodity is on board, the destination of the commodity, and the name and address of both the exporter and consignee. If the shipper or consignor named in such bill of lading is other than the exporter (seller) named in the application, the exporter shall furnish with each copy of such bill of lading a waiver by such shipper or consignor, in favor of such exporter, of any right to claim payment under this subpart for the commodity covered by such bill of lading.

(c) The foregoing required evidence will not be accepted as conclusive if the Secretary has reason to believe that exportation of all or any quantity of the products was not actually accomplished or that there has not been compliance with other requirements of this subpart, and in any such instance the Secretary may require such additional evidence as he deems reasonable.

§ 517.396 *Records and accounts.* The exporter shall maintain adequate records showing purchases, sales, and deliveries of products exported or to be exported in connection with this subpart. Such records, accounts, and other documents relating to any transaction in connection with this subpart shall be available during regular business hours for inspection and audit by authorized employees of the United States Department of Agriculture, and shall be preserved for at least two years after the effective date of this subpart.

§ 517.397 *Amendment and termination.* The Secretary may amend or terminate this subpart at any time upon public announcement thereof. Such amendment or termination, however, shall not apply to applications approved under this subpart prior to the effective time of such amendment or termination.

§ 517.398 *Persons not eligible.* No member of, or Delegate to, Congress or Resident Commissioner shall be admitted to any payment made under this subpart or to any benefit that may arise therefrom, but this provision shall not be construed to extend to a payment made to a corporation for its general benefit.

§ 517.399 *Set-off.* The Secretary may set off, against any amount owed to any exporter under this subpart, any amount owed by such exporter to Commodity Credit Corporation, the United States Department of Agriculture, or any other agency of the United States.

§ 517.400 *Joint payment or assignment.* An exporter may name a joint payee on vouchers for payment or may assign the proceeds of any application for export payment to a recognized financing institution as provided in this subpart. The exporter may assign, in accordance with the provisions of the Assignment of Claims Act of 1940, Public Law No. 811, 76th Congress, as amended, the proceeds of any application for export payment to a bank, trust company, Federal lending agency, or other recognized financing institution: *Provided,* That such assignment shall be recognized only if and when the assignee thereof files written notice of assignment, in accordance with the instructions on Form PMA-66 "Notice of Assignment" which form must be used in giving notice of assignment to PMA. The "Instrument of Assignment" may be executed on Form PMA-347 or the assignee may use his own form of assignment. The PMA forms may be obtained from any Representative of the Secretary.

§ 517.401 *Good faith.* Whereas it is the intent of this subpart to encourage the exportation of fresh and processed grapefruit produced in the United States by making such products available to foreign buyers at prices below domestic market prices in the amount of the payment offered in this subpart; now, therefore, if the Secretary determines that any exporter has not acted in good faith in carrying out the purpose of this subpart, has not passed on to foreign buyers the incentive payment offered in this subpart, or otherwise fails to discharge fully any obligation assumed by him under this subpart, such exporter may be denied the right to continue participating in this subpart, or the right to receive payment under this subpart in connection with any exportations previously made under this subpart, or both.

§ 517.402 *Definitions.* As used in this subpart, the following terms have the following meanings:

(a) "Secretary" means the Secretary of the United States Department of Agriculture, or any authorized Representative of the Secretary.

(b) "Exporter" means any individual, corporation, partnership, association, or other business entity, located in the United States and engaged in the business of selling and exporting fresh or processed citrus fruits, produced and packed in the continental United States.

(c) "Application" means Form FV-461, "Application for Export Payment."

(d) "Sales contract" may be in the form of offer and acceptance, confirmation of sale or purchase ,or other documentary evidence of consummation of sale including contracts between exporter and buyer, and includes a transaction involving the transfer of a product from an exporter to his foreign branch, affiliate or associate.

(e) "Date of sale" means the date on which both buyer and seller signed a written contract, or the date on which buyer accepts an offer of sale or confirms the purchase, or the date on which the seller accepts an offer to purchase or confirms the sale. In the absence of documentary evidence establishing the date of consummation of sale the date of sale shown in the application will be considered to be the date the sale was consummated.

(f) "F. a. s." means free alongside ship or other export carrier.

(g) "On-board export bill of lading" includes any bill of lading covering the exportation of fresh or processed grapefruit from the United States.

(h) "Public announcement" and "public notice" means the issuance of a press release or the publication of a notice in the FEDERAL REGISTER.

(i) "Filed." Applications, claims and related documents are deemed to be filed when they are postmarked, if mailed, or when received by the designated PMA office if otherwise delivered.

NOTE: The record keeping and reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Effective date. This offer shall be effective on December 5, 1952.

Dated this 1st day of December 1952.

[SEAL] S. R. SMITH,
Authorized Representative of the Secretary of Agriculture.

[F. R. Doc. 52-12859; Filed, Dec. 3, 1952; 8:50 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 5405]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

FRED SCHAMBACH

Subpart—*Advertising falsely or misleadingly:* § 3.75 *Free goods or services;* § 3.155 *Prices—Exaggerated as regular and customary.* Subpart—*Offering unfair, improper and deceptive inducements to purchase or deal:* § 3.1955 *Free goods.* Subpart—*Using, selling or supplying lottery devices:* § 3.2475 *Devices for lottery selling.* In connection with the offering for sale, sale or distribution of merchandise in commerce, (1) supplying to or placing in the hands of others push cards or other lottery devices, either with other merchandise or separately, which said push cards or other lottery devices are to be used, or which due to their design, are suitable for use in the sale or distribution of said merchandise to the public; (2) selling or otherwise disposing of, any merchandise by means of a game of chance, gift enterprise or lottery scheme; (3) representing, directly or by implication, that any of said merchandise has a retail or list price in excess of the actual price at which such merchandise ordinarily is sold to consumers; or, (4) using the word "free", or any other word or

words of similar import or meaning, in advertising to designate or refer to any article of merchandise which is not in fact a gift or gratuity or is not given without requiring the purchase of other merchandise or the performance of some service inuring, directly or indirectly to the benefit of the respondent; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Fred Schambach, New York, N. Y., Docket 5405, September 30, 1952]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, testimony and other evidence and the recommended decision of the hearing examiner; and the Commission having made its findings as to the facts[1] and conclusion[1] that respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent Fred Schambach, an individual, his agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others push cards or other lottery devices, either with other merchandise or separately, which said push cards or other lottery devices are to be used, or which due to their design, are suitable for use in the sale or distribution of said merchandise to the public.

2. Selling or otherwise disposing of, any merchandise by means of a game of chance, gift enterprise or lottery scheme.

3. Representing, directly or by implication, that any of said merchandise has a retail or list price in excess of the actual price at which such merchandise ordinarily is sold to consumers.

4. Using the word "free", or any other word or words of similar import or meaning, in advertising to designate or refer to any article of merchandise which is not in fact a gift or gratuity or is not given without requiring the purchase of other merchandise or the performance of some service inuring, directly or indirectly, to the benefit of the respondent.

It is further ordered, That respondent Fred Schambach, an individual, shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

Issued: September 30, 1952.

By the Commission, Commissioners Mason and Carretta dissenting.[2]

[SEAL] D. C. DANIEL, *Secretary*.

[F. R. Doc. 52-12855; Filed, Dec. 3, 1952; 8:50 a. m.]

[1] Filed as part of the original document.

[2] Dissenting opinion by Mr. Carretta joined in by Mr. Mason filed as part of the original document.

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[Regs. 111; T. D. 5949]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

REGULATED INVESTMENT COMPANIES

On September 5, 1952, notice of proposed rule making with respect to amendments to conform Regulations 111 to sections 121 (e) and 222 of the Revenue Act of 1950 (Pub. Law 814, 81st Cong., 2d Sess.), approved September 23, 1950, to sections 201 (c) and (e) of the Excess Profits Tax Act of 1950 (Pub. Law 909, 81st Cong., 2d Sess.), approved January 3, 1951, and to section 121 (d) of the Revenue Act of 1951 (Pub. Law 183, 82d Cong., 1st Sess.), approved October 20, 1951, relating to regulated investment companies, was published in the FEDERAL REGISTER (17 F. R. 8049). After consideration of such relevant suggestions as were presented by interested persons regarding the proposals, the amendments to Regulations 111 (26 CFR Part 29) are hereby adopted.

PARAGRAPH 1. There is inserted immediately preceding § 29.362-1 the following:

SEC. 121. INCREASE IN RATE OF CORPORATION INCOME TAXES (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(e) *Regulated investment companies*. (1) Section 362 (b) (3) (relating to normal tax on regulated investment companies) is hereby amended to read as follows:

(3) In the case of taxable years beginning after June 30, 1950, there shall be levied, collected, and paid for each taxable year upon its Supplement Q net income a tax equal to 25 per centum of the amount thereof. In the case of taxable years beginning after December 31, 1949, and before July 1, 1950, there shall be levied, collected, and paid for each taxable year upon its Supplement Q net income a tax equal to 23 per centum of the amount thereof.

(2) Section 362 (b) (4) (relating to surtax on regulated investment companies) is hereby amended to read as follows:

(4) In the case of taxable years beginning after June 30, 1950, there shall be levied, collected, and paid for each taxable year upon its Supplement Q surtax net income a tax equal to 20 per centum of the amount thereof in excess of $25,000. In the case of taxable years beginning after December 31, 1949, and before July 1, 1950, there shall be levied, collected, and paid for each taxable year upon its Supplement Q surtax net income a tax equal to 19 per centum of the amount thereof in excess of $25,000.

(3) The amendments made by this subsection shall be applicable only with respect to taxable years beginning after December 31, 1949.

* * * * *

SEC. 222. REGULATED INVESTMENT COMPANIES (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

Effective with respect to taxable years ending after the date of the enactment of this act, section 362 (b) (relating to method of taxation of regulated investment companies and shareholders) is hereby amended by adding at the end thereof the following:

(8) For the purposes of this subsection, any dividend or portion thereof declared by a company after the close of the taxable year and prior to the time prescribed by law for the filing of its return for the taxable year (including the period of any extension of time granted for filing such return) shall, to the extent the company so elects in such return, be treated as having been paid during such taxable year, but only if distribution of such dividend is actually made to shareholders in the 12-month period following the close of such taxable year and not later than the date of the first regular dividend payment made after such declaration.

SEC. 201. SURTAX ON CORPORATIONS (EXCESS PROFITS TAX ACT OF 1950, APPROVED JANUARY 3, 1951).

* * * * *

(c) *Regulated investment companies*. Section 362 (b) (4) of such code (Internal Revenue Code) (relating to surtax on regulated investment companies) is hereby amended by striking out "20 per centum" and inserting in lieu thereof "22 per centum".

* * * * *

(e) *Effective date*. The amendments made by this section shall be applicable with respect to taxable years beginning on or after July 1, 1950.

SEC. 121. INCREASE IN RATE OF CORPORATION NORMAL TAX (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(d) *Regulated investment companies*. Section 362 (b) (relating to tax on regulated investment companies) is hereby amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

(3) In the case of taxable years beginning after December 31, 1950, and before April 1, 1951, and ending after March 31, 1951, there shall be levied, collected, and paid for each taxable year upon its Supplement Q net income a tax equal to 28¾ per centum of the amount thereof. In the case of taxable years beginning after March 31, 1951, and before April 1, 1954, there shall be levied, collected, and paid for each taxable year upon its Supplement Q net income a tax equal to 30 per centum of the amount thereof. In the case of taxable years beginning after March 31, 1954, there shall be levied, collected, and paid for each taxable year upon its Supplement Q net income a tax equal to 25 per centum of the amount thereof.

(4) In the case of taxable years beginning after December 31, 1950, there shall be levied, collected, and paid for each taxable year upon its Supplement Q surtax net income a tax equal to 22 per centum of the amount thereof in excess of $25,000.

* * * * *

SEC. 125. EFFECTIVE DATE (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

The amendments made by this part shall be applicable only with respect to taxable years beginning after March 31, 1951, and to taxable years beginning on January 1, 1951, and ending on December 31, 1951, except that the amendments made to sections * * * 362 * * * of the Internal Revenue Code shall be applicable to taxable years beginning after December 31, 1950, and ending after March 31, 1951. * * *

PAR. 2. Section 29.362-2, as amended by Treasury Decision 5517, approved June 12, 1946, is further amended as follows:

(A) By striking out that portion of the first sentence thereof which follows the parenthetical phrase "(relating to records required to be kept for the purpose of ascertaining the actual owner-

ship of its outstanding stock)," and inserting in lieu thereof the following:

* * * it is taxable:

(a) Upon its Supplement Q net income (as defined in section 362 (b) (1)):

(1) For taxable years beginning before January 1, 1950, at the rate of 24 percent of the amount thereof;

(2) For taxable years beginning after December 31, 1949, and before July 1, 1950, at the rate of 23 percent of the amount thereof;

(3) For taxable years beginning after June 30, 1950, and before January 1, 1951, and for taxable years beginning after December 31, 1950, and ending before April 1, 1951, at the rate of 25 percent of the amount thereof;

(4) For taxable years beginning after December 31, 1950, and before April 1, 1951, and ending after March 31, 1951, at the rate of 28¾ percent of the amount thereof;

(5) For taxable years beginning after March 31, 1951, and before April 1, 1954, at the rate of 30 percent of the amount thereof;

(6) For taxable years beginning after March 31, 1954, at the rate of 25 percent of the amount thereof.

(b) Upon its Supplement Q surtax net income (as defined in section 362 (b) (2)):

(1) For taxable years beginning before January 1, 1946, at the rate of 16 percent of the amount thereof;

(2) For taxable years beginning after December 31, 1945, and before January 1, 1950, at the rate of 14 percent of the amount thereof;

(3) For taxable years beginning after December 31, 1949, and before July 1, 1950, at the rate of 19 percent of the amount thereof in excess of $25,000;

(4) For taxable years beginning after June 30, 1950, at the rate of 22 percent of the amount thereof in excess of $25,000.

(c) Upon the excess of any net long-term capital gain over the sum of the net short-term capital loss and the amount of capital gain dividends (as defined in section 362 (b) (7)) paid during the year, at the rate of 25 percent of such excess.

(B) By inserting immediately after the fifth sentence thereof (beginning "See § 29.27 (b)-2") the following new sentence: "For certain distributions made after the close of the taxable year which the regulated investment company may elect to treat as paid during the taxable year for purposes of section 362 (b), see § 29.362-6."

PAR. 3. Section 29.362-5 is amended by adding at the end thereof the following new sentence: "For additional rules applicable to certain distributions made after the close of the taxable year which may be designated as capital gain dividends, see § 29.362-6."

PAR. 4. There is inserted immediately after § 29.362-5 the following new section:

§ 29.362-6 *Distribution of dividends after close of taxable year.* (a) Effective with respect to any taxable year ending after September 23, 1950, section 362 (b) (8) provides that:

(1) In determining under section 362 (b) whether a regulated investment company distributes during the taxable year to its shareholders as taxable dividends (other than capital gain dividends) an amount not less than 90 percent of its net income for the taxable year computed without regard to net long-term and net short-term capital gains;

(2) In computing the Supplement Q net income and the Supplement Q surtax net income; and

(3) In determining the amount of capital gain dividends paid during the taxable year,

any dividend (or portion thereof) declared by the company after the close of such taxable year and prior to the time prescribed by law for the filing of its return for such taxable year (including the period of any extension of time granted for filing such return) shall, to the extent the company so elects in such return, be treated as having been paid during such taxable year. This section is applicable only if distribution of the entire amount of such dividend is actually made to shareholders in the 12-month period following the close of such taxable year and not later than the date of the first regular dividend payment made after such declaration.

(b) The election must be made in the return filed by the company for the taxable year. The election shall be made by the taxpayer by treating the dividend (or portion thereof) to which such election applies as a dividend paid during the taxable year in computing its Supplement Q net income and its Supplement Q surtax net income, or if the dividend (or portion thereof) to which such election applies is to be designated by the company as a capital gain dividend, in computing the amount of capital gain dividends paid during such taxable year. The election provided in section 362 (b) (8) may be made only to the extent that the earnings and profits of the taxable year (computed with the application of section 362 (a)) exceed the total amount of distributions out of such earnings and profits actually made during the taxable year (not including distributions with respect to which a prior election has been made under section 362 (b) (8)). The dividend or portion thereof, with respect to which the regulated investment company has made a valid election under section 362 (b) (8), shall be considered as paid out of earnings and profits of the taxable year for which such election is made, and not out of earnings and profits of the taxable year in which the distribution is actually made. However, the dividend or portion thereof subject to the election will be includible in the gross income of shareholders of the regulated investment company for the taxable year in which the dividend is received by them.

Example (1). X Company, a regulated investment company, had a net income (and earnings or profits) for the calendar year 1950 of $100,000. During that year the company distributed to shareholders taxable dividends aggregating $88,000. On March 10, 1951, the company declared a dividend of $37,000 payable to shareholders on March 20, 1951. Such dividend consists of the first regular quarterly dividend for 1951 of $25,000 plus an additional $12,000 representing that part of the net income for 1950 which was not distributed in 1950. On March 15, 1951, X Company files its Federal income tax return and elects therein to treat $12,000 of the total dividend of $37,000 to be paid to shareholders on March 20, 1951, as having been paid during the taxable year 1950. Assuming that X Company actually distributes the entire amount of the dividend of $37,000 on March 20, 1951, an amount equal to $12,000 thereof will be treated for the purposes of section 362 (b) as having been paid during the taxable year 1950. Such amount ($12,000) will be considered a distribution out of the earnings and profits of the company for the taxable year 1950, and will be treated as a taxable dividend to the shareholders for the taxable year in which such distribution is received by them.

Example (2). Y Company, a regulated investment company, had a net income (and earnings or profits) for the calendar year 1950 of $100,000, and for 1951 a net income (and earnings or profits) of $125,000. On January 1, 1950, the company had a deficit in its earnings and profits accumulated since February 28, 1913, of $115,000. During the year 1950 the company distributed to shareholders taxable dividends aggregating $85,000. On March 5, 1951, the company declared a dividend of $65,000 payable to shareholders on March 31, 1951. On March 15, 1951, Y Company files its Federal income tax return in which it includes $40,000 of the total dividend of $65,000 to be paid to shareholders on March 31, 1951, as a dividend paid by it during the taxable year 1950. On March 31, 1951, Y Company distributes the entire amount of the dividend of $65,000 declared on March 5, 1951. The election under section 362 (b) (8) is valid only to the extent of $15,000, the amount of undistributed earnings or profits for 1950. The remainder ($50,000) of the dividend paid on March 31, 1951, may not be the subject of an election, but such amount will be regarded as a distribution by Y Company for the taxable year 1951. Assuming that the only other distribution by the Y Company during 1951 is a distribution of $75,000 paid as a dividend on October 31, 1951, the total amount of the distribution of $65,000 paid to shareholders on March 31, 1951, is to be treated as taxable dividends to the shareholders. Of this amount $15,000 is to be treated as distributed out of the earnings or profits of the company for the taxable year 1950, and the remaining $50,000 as a distribution out of the earnings or profits for the year 1951. The distribution of $75,000 on October 31, 1951, is, of course, a taxable dividend out of the earnings and profits for the year 1951.

(c) A dividend (or portion thereof) with respect to which an election has been made under section 362 (b) (8) and which the company desires to designate as a capital gain dividend need not be so designated within 30 days after the close of the taxable year, but will be properly designated as a capital gain dividend if it is designated as such in a written notice mailed to the shareholders at the time of the payment of the dividend. Such designated capital gain dividends are to be aggregated with the designated capital gain dividends actually paid during such taxable year (not including such dividends with respect to which a prior election has been made under section 362 (b) (8)) for the purpose of determining whether the aggregate of the designated capital gain dividends with respect to such taxable year of the company is greater than the excess of the net long-term capital gain over the net short-term capital loss of the company.

(d) After the expiration of the time for filing the return for the taxable year for which an election is made under sec-

tion 362 (b) (8), such election shall be irrevocable with respect to the dividend or portion thereof to which it applies.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner of Internal Revenue.

Approved: November 28, 1952.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 52-12845; Filed, Dec. 3, 1952; 8:48 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter G—Procurement

PART 590—GENERAL PROVISIONS

PART 601—LABOR

MISCELLANEOUS AMENDMENTS

1. Sections 590.303, 590.303-1, 590.303-2, 590.303-3, 590.303-4, 590.303-5, 590.303-6, 590.303-7 and 590-603-3 are rescinded and the following substituted therefor:

§ 590.303 *Fraud, criminal conduct, suspension, administrative debarment and statutory debarment.* Sections 590-303 to 590.303-7 set forth the procedures to be followed throughout the Army establishment in connection with:

(a) The suspensions due to reports of allegations of fraud or criminal conduct as indicated in § 590.303-1.

(b) The debarment by administrative action as indicated in § 590.303-2.

(c) The statutory debarment of contractors, as indicated in § 590.303-3; and

(d) Certain other administrative actions, as indicated in §§ 590.303-4 to 590.303-7 inclusive.

§ 590.303-1 *Suspension due to allegations or suspicions of fraud and criminal conduct*—(a) *General.* The prompt reporting of all matters relating to fraud or criminal conduct in connection with procurement activities, in order that such reports may arrive as expeditiously as possible at the appropriate office of the Department of the Army, as indicated in this section, is of extreme importance. All persons concerned with Army contracts will be alert for and report the possibility or evidence of fraud or criminal conduct, at all times. Normally a suspension will be effected on a temporary basis, as indicated in paragraph (d) of this section pending the development of further evidence which would furnish an adequate basis for debarment as covered in § 590.303-2, relating to debarment by administrative action. Upon the receipt of such information, it will be immediately reported as indicated in paragraph (b) of this section relating to reporting procedure.

(b) *Reporting procedure of this section.* All reports and exhibits, and all supplements thereto, including letters of transmittal and interim correspondence, will be expeditiously transmitted through channels, in sextuplicate, to the Head of the Procuring Activity who will make the following distribution: Three copies direct to the Office of the Under Secretary of the Army (Assistant Judge Advocate General), one copy direct to the Office of the Assistant Chief of Staff, G-4, Department of the Army (Attention: Chief, Purchases Branch), and a fifth copy thereof direct to the Office of The Inspector General. In cases where all the information is not readily available to the reporting agency, preliminary reports will be so forwarded, and will be followed as soon as practicable by complete documented reports as indicated in this section. All reports should contain a full statement of the pertinent facts indicating alleged criminal conduct, fraudulent activity, or suspicion thereof and will be supported by appropriate exhibits. All such reports initiated by disposal, inspection, audit, engineering, and other advisory or technical personnel, under Department of the Army contracts, will be addressed to the Contracting Officer concerned and will be adequately documented by initiating personnel. The Contracting Officer will take whatever action he deems necessary and appropriate consistent with the protection of the interests of the Government. Such reports, accompanied by the remarks, conclusions and recommendations of the Contracting Officer, will then be forwarded, through channels, for the addition of remarks, conclusions, and recommendations of each successive office.

(c) *Coordination of actions with The Inspector General, the Department of Justice and other agencies.* An Assistant Judge Advocate General has been designated as the representative of the Under Secretary of the Army to handle matters relating to fraudulent acts or criminal conduct by personnel within the Army Establishment or by private commercial concerns or individuals in connection with procurement activities and to coordinate actions concerning such activities with The Inspector General, the Department of Justice, and other agencies, when appropriate.

(d) *Suspensions.* The determination to suspend a suspected contractor, will be the responsibility and within the authority of the Under Secretary of the Army (Assistant Judge Advocate General). Recommendations of the reporting agency and intermediate echelons, concerning suspensions, will be furnished when submitting reports relating to fraud or criminal conduct. Formal suspension directives will be issued by the Office of the Under Secretary of the Army (Assistant Judge Advocate General).

(e) *Responsibility of Heads of Procuring Activities.* The Heads of Procuring Activities will be responsible for taking the appropriate administrative actions indicated in paragraphs (f) through (l) of this section upon receipt of notice of suspension or when reporting suspicion or evidence of fraud or criminal conduct. The Heads of Procuring Activities are authorized to communicate directly with the Office of the Under Secretary of the Army (Assistant Judge Advocate General) as to developments in connection with status of or action to be taken in connection with matters which are within the purview of § 590.303.

(f) *Preliminary report.* As soon as possible after receipt of the notice of suspension, and not later than 30 days, or concurrent with the reporting of suspicion of fraud or criminal conduct, the Heads of Procuring Activities will submit a brief report in triplicate to the Office of the Under Secretary of the Army (Assistant Judge Advocate General), and will furnish an information copy of the report to the Assistant Chief of Staff, G-4, Department of the Army (Attention: Chief, Purchases Branch) and an information copy of such report to the Office of The Inspector General, indicating the current contractual relationship between the suspended contractor and the agency submitting the report. This report will consist of a brief statement of the status of outstanding contracts, if any, either proposed, current, or terminated but unsettled. Information relating to current contracts will be reported as outlined in paragraph (g) of this section. The extent to which such persons or firms are considered necessary and essential suppliers will be indicated. Negative reports indicating no current or presently proposed contracts are required.

(g) *Procurement*—(1) *Current contracts.* The administration of contracts on which performance is current is within the responsibility and authority vested in the Head of a Procuring Activity.

(2) *Service reporting suspicion of fraud.* It will be the additional responsibility of the Head of a Procuring Activity reporting suspicion or evidence of fraud or criminal conduct, and administering a current contract, to determine whether it will be in the best interests of the Government to (i) continue contract administration in any of its phases (such as acceptance of deliveries, inspection at contractor's plant, issuance of certain instructions), except payment, where specifically required by the provisions of the contract and to avert a technical or actionable breach of contract by the Government; or (ii) to exercise any contract right (such as termination for default or convenience, rejection or recovery due to latent defects). In making such determination, full consideration will be given to the nature of and the circumstances surrounding the suspicion or evidence of fraud or criminal conduct being reported. The facts, circumstances, requirements, and provisions considered in reaching such determination will be included in the preliminary report required by paragraph (f) of this section. In cases where doubt exists as to the effect of continuation of any phase of administration on the investigation and possible prosecution of the suspected contractor, it will be appropriate to refer the matter, together with the recommendations of the Head of the Procuring Activity thru channels to the Office of the Under Secretary of the Army (Assistant Judge Advocate General), for determination.

(3) *Services receiving notice of suspension.* In cases where a current contract(s) is (are) being administered by a Procuring Activity not the initiating agency of the report of suspected

fraud or criminal conduct, a statement of the minimum contract administration immediately required by the contract (such as acceptance of deliveries, rejection, price analyses, etc.) will be included in the preliminary report, paragraph (f) of this section.

(4) *Contract administration continued until final determination.* In both instances indicated in subparagraphs (2) and (3) of this paragraph, contract administration at the minimum required will be continued in operation, with the exception of payment until final determination of the matter has been accomplished as indicated in paragraph (d) of this section relating to suspensions.

(5) *Procurement with suspended contractors.* No additional procurement will be made from, nor any commitments of any nature given to, firms or individuals who have been placed in suspension, until the matter has been referred through channels, in the manner set forth in paragraph (d) of this section and written clearance for each individual procurement has been obtained. However, bids submitted by suspended contractors will be received, recorded and retained in accordance with established procedures. In cases where a suspended contractor is the low bidder (or in the case of surplus or salvage sales, the high bidder), information relating to the low (or high) bid and the next higher bid will be reported in the same manner as stated in paragraph (b) of this section relating to reporting procedure, for determination as to the necessity of placement of any awards with the suspended contractor. Bids from suspended contractors will not be automatically rejected by Contracting Officers solely because of the suspension.

(h) *Terminations.* Negotiation towards settlement of terminated contracts will cease with the suspension of a contractor. Negotiations must likewise cease with respect to terminated subcontracts either let or held by the suspended contractor. All delegations of authority, if any, under JTR 642 (PR 15) or under Part 407 of this title or Part 597 of this subchapter will be immediately revoked without explanation.

(i) *Payments.* (1) No payments of any type will be made to any suspended contractor either under procurement or termination unless the suspension is modified or removed. Upon receipt of notice of suspension, disbursing officers will promptly forward any administrative approved vouchers in or coming into their possession to the Office, Chief of Finance (ATTN: Receipts and Disbursements Division). Procuring agencies, holding or in receipt of properly certified invoices covering amounts properly due the suspended contractor, will prepare and process (administratively approve) the necessary vouchers and will forward the certified vouchers to the aforesaid office, through their assigned Disbursing Officers inviting attention to the fact that the contractor concerned is under suspension. This procedure will be followed whenever any additional or new amounts become due during the period of suspension.

(2) In cases where, in the opinion of the Contracting Officer, it is believed that circumstances surrounding either the procurement or the suspicion of fraud or criminal conduct are of such a nature as to permit or require complete or partial release of withheld funds due and owing the suspended contractor, a recommendation for such release, including a full statement of the particulars supporting such recommendation, may be made by the Contracting Officer, through channels, for the addition of the remarks, conclusions and recommendations of each successive office, for determination as indicated in paragraph (d) of this section concerning suspensions.

(j) *Release from suspension.* After a contractor has been placed in suspension, as indicated above, such suspension will not be lifted until such action has been directed in the manner indicated in paragraph (d) of this section relating to the effecting of a suspension.

(k) *Departmental inquiries.* When a firm or individual has been suspended because of suspicion of fraud or criminal conduct, the Contracting Officer will ordinarily address his own inquiries, in triplicate, as to the status and progress of the case in question, through channels, to the Office of the Under Secretary of the Army (Assistant Judge Advocate General), and will not communicate with the local offices of the Department of Justice, the United States Attorney, or the Federal Bureau of Investigation in such connection.

(l) *Communications with suspended contractors.* Reports required by §§ 590.603 to 590.603-7 and all actions accomplished relating thereto are confidential. In the event a suspended contractor makes inquiry as to reason or cause of any of prohibitions indicated above, or for any other reason, the supplying of any information relating to the suspension, even by referring to the fact that the contractor has been suspended, either by reference or detail, is prohibited. Instead, the contractor will be advised that consideration is being given his contract, or contractual relationship, by the Office of the Under Secretary of the Army (Assistant Judge Advocate General) and that all contractor inquiries regarding such matters should be addressed in writing direct to that office.

§ 590.303-2 *Debarment by administrative action*—(a) *General.* Debarment of a contractor for acts constituting fraud or attempted fraud against the United States or deliberate and gross violation of contract provisions may be effected by the Department of the Army but must be based on adequate evidence rather than on allegation or accusation. The Comptroller General states:

> When the interests of the United States require the debarment of a bidder no question will be raised by this office with respect thereto, provided the length of time of such debarment is definitely stated and not unreasonable, and the reasons for the debarment, with a statement of the specific instances of the bidder's dereliction, are made of record and a copy thereof furnished the bidder and this office.

(b) *Determination of debarment.* The determination to debar a bidder from future bidding on Army Establishment contracts will be the responsibility and within the authority of the Under Secretary of the Army (Assistant Judge Advocate General). Recommendations of the reporting agency and intermediate echelons, concerning debarments, will be furnished with any request for debarment. Recording of the debarment and furnishing advice of the action to the contractor and the Comptroller General will be a function of the Office of the Under Secretary of the Army (Assistant Judge Advocate General).

(c) *Requests for debarment.* Debarment action may be initiated by any Procuring Activity and forwarded through appropriate channels to the office first named in paragraph (b) of this section for consideration in accordance with the procedures established in this section.

(d) *Adequacy of request for debarment; responsibility.* A request for debarment will be submitted in triplicate and contain a complete certified statement of the facts concerning the bidder's dereliction, including affidavits, depositions, records of action, if applicable, and any other relevant data. Names and addresses of all persons having knowledge of the circumstances will be included. The Head of a Procuring Activity will be responsible for the adequacy and propriety of all requests initiated under this command.

(e) *Procedure after debarment.* When it has been determined, pursuant to the provisions of paragraph (b) of this section, that it is in the best interest of the Government to debar a contractor from future bidding on Army contracts and the Procuring Activities are so notified, the following procedure will become effective:

(1) Debarred contractors will not be carried on any bidder's mailing list and bids will not be invited from them.

(2) No awards will be made to any debarred contractor during the period specified for debarment.

(3) In the event that a bid is tendered by any debarred contractor, it shall be received and recorded with the other bids offered on the purchase. If the bid is low, it will then be rejected, and the reason therefor shall be stated in the certificate to the General Accounting Office as follows:

> In accordance with the decision of the Comptroller General of the United States contained in his letter to the Secretary of War, dated July 23, 1929, the bid of ________ is rejected because of previous unsatisfactory business dealings with the Department of the Army.

(4) All inquiries relating to debarred bidders will be forwarded, in triplicate, in the same manner as stated in paragraph (c) of this section, relating to request for debarment.

§ 590.303-3 *Statutory debarment of contractors.* Contracts shall not be placed with persons or firms who are indicated to be in any of the following categories of disqualified bidders:

(a) Persons and firms listed by the Comptroller General in accordance with section 3 of the Walsh-Healey Public Contracts Act (41 U. S. Code 37) which have been found by the Secretary of

Labor to have violated any of the representations and stipulations required by that act.

(b) Persons and firms listed by the Department of Labor which have been held ineligible to be awarded contracts subject to the Walsh-Healey Public Contracts Act for the reason that they do not qualify as "manufacturers" or "regular dealers" within the meaning of section 1 (a) of said act.

(c) Persons and firms listed by the Comptroller General in accordance with section 3 of the Davis-Bacon Act (40 U. S. Code 276a-2) found by the Comptroller General to have violated said act.

(d) Persons and firms which have violated any of the provisions of the Buy American Act (41 U. S. Code Supp. IV, 10a-d). Inquiries from contractors or individuals listed as ineligible or disqualified by the Comptroller General and the Department of Labor under the Walsh-Healey or Davis-Bacon Acts shall be answered by indicating the nature of the prohibition as indicated on the consolidated list and requesting that the inquirer communicate with:

Wage and Hour and Public Contracts Divisions,
Department of Labor,
Fourteenth Street and Constitution Avenue NW.,
Washington 25, D. C.

§ 590.303-4 *Consolidated listing of suspended and ineligible contractors and disqualified bidders.* In conjunction with the information and actions contained in the preceding paragraphs a consolidated confidential list will be issued by the Office of the Under Secretary of the Army (Assistant Judge Advocate General), for the use and guidance of all interested agencies of the Army Establishment. The comprehensive list will be composed of an alphabetical listing of all firms or persons suspended, ineligible, or disqualified from entering into contractual relationships with the Government. Information will be supplied indicating the reason for and the extent of the suspension or prohibition. Care will be taken by contracting personnel to give full effect to modifications of or releases from suspension. The listing shall comprise the following groups and firms which are subject to the prohibitions indicated:

(a) *Suspensions initiated by the Army and affecting Army contracts.* Contractors who have been placed in suspension or debarred by administrative determination in accordance with the procedures and prohibitions prescribed in §§ 590.303-1 and 590.303-2, or suspended or debarred under like circumstances by the other military departments.

(b) *Disqualifications initiated by agencies other than the Military and prohibitions effected.* (1) Persons and firms listed by the Comptroller General in accordance with section 3 of the Walsh-Healey Public Contracts Act which have been found by the Secretary of Labor to have violated any of the representations and stipulations required by that act. No contracts will be awarded to such persons or firms or to any firm, corporation, partnership, or association in which such persons have a controlling interest, for a period of 3 years from the dates on which it was determined such breaches occurred. (See Part 411 of this title for specific provisions of Walsh-Healey Act.)

(2) Persons and firms listed by the Department of Labor which have been held ineligible to be awarded contracts subject to the Walsh-Healey Public Contracts Act for the reason that they do not qualify as "manufacturers" or "regular dealers" within the meaning of section 1 (a) of said act. Such persons, corporations, or firms will not be awarded any contract unless a change in status is shown and so determined by the Department of Labor prior to the award of any such contract.

(3) Persons and firms listed by the Comptroller General in accordance with section 3 of the Davis-Bacon Act found by the Comptroller General to have violated said act. No contract is to be awarded to any contractor, or any firm, in which the contractor has an interest for a period of 3 years from the publication of the list containing the names of the violators.

§ 590.303-5 *Procurement outside United States.* Sections 590.303 to 590.303-7 are applicable to procurement outside the United States, its Territories and possessions in principle and policy, but Contracting Officers will be guided by the laws of the local foreign government of the country in which procurement is to be effected and by such procedural instructions (based on the procedures contained herein) as may be issued by the Head of a Procuring Activity. Suspensions by major oversea commanders will be coordinated with local authorities of the military departments. A report, in triplicate, setting forth the basis for and the action being taken in any case of suspected fraud or criminal conduct will be furnished in the manner set out in § 590.303-1 (b), for information as the incidents occur. A closing report of completed action will be furnished also.

§ 590.303-6 *Additions to and removals from consolidated list of ineligible or suspended contractors and disqualified bidders.* Interim notices indicating additions to, modifications of, or removals from the consolidated list will be issued by the Office of the Under Secretary of the Army (Assistant Judge Advocate General), when appropriate.

§ 590.303-7 *Exchange of lists.* The Office of the Under Secretary of the Army (Assistant Judge Advocate General), will supply the Departments of the Navy and the Air Force with copies of the consolidated list, and any interim changes thereto, for information and guidance and will publish additional information received from those Departments.

§ 590.603-3 *Contracts required to be numbered.* (a) All contracts involving the payment of $20,000 or more on a single payment voucher shall be numbered and forwarded to the General Accounting Office without delay. See § 590.606-3.

(b) All contracts involving the payment of less than $20,000 on a single payment voucher, may or may not be numbered depending upon the needs of the Procuring Activity, and shall be attached to the related voucher upon which payment is made and accompany such voucher in the regular transmission of the Disbursing Officer's account to the General Accounting Office. See § 590.606-4.

(c) All multiple payment contracts regardless of amount shall be numbered except as authorized in subparagraph (2) of this paragraph. In case of doubt as to whether the amount to be paid under a contract is more or less than $20,000 or whether more than one payment may be necessary, the contract shall be numbered.

(1) When any related supplemental document, required to be deposited with the General Accounting Office, is transmitted in connection with an unnumbered contract, and if such related supplemental document serves to remove the contract from the category of contracts not required to be numbered, a number will be assigned to the original contract and will be shown on such supplemental document in addition to the voucher citation in the event any payments have been made prior to the issuance of the supplemental document.

(2) Where later determination is made that more than one payment and/or collection is involved, payments, not to exceed five in number on any given contract may be made with respect to partial deliveries under unnumbered contracts provided that the original signed contract is attached to the first payment voucher, and the following information is included on each subsequent payment voucher with respect to all preceding payments under the contract: Name of Disbursing Officer, period of account, voucher number, amount paid.

(3) Where more than five payments and/or collections become necessary, a number must be assigned to such contract.

(4) Where later determination is made that the amount to be paid or collected equals $20,000 or more, a number must also be assigned to such contract.

(d) In instances cited in paragraph (c) (1), (3) and (4) of this section, in which payments have been made a citation to the name of the Disbursing Officer, period of account, and number of the disbursement or collection voucher to which the original unnumbered contract was attached will be furnished promptly to the General Accounting Office by the Contracting Officer concerned.

(e) The instructions contained in this section do not apply to DA AGO Form 383 used in connection with the Small Purchases Procedure (Subpart G of this part). See §§ 590.603-2 (b), 590.705-1 (b) and 590.705-10 (e).

2. Sections 601.451 and 601.654 are rescinded and the following substituted therefor:

§ 601.451 *List of ineligible contractors and disqualified bidders.* The list of persons and firms found by the Comptroller General to have violated the re-

quirements of the Davis-Bacon Act is prepared and issued by the Office of the Under Secretary of the Army (Assistant Judge Advocate General), for the use and guidance of all interested agencies of the Army Establishment in the Consolidated Listing of Suspended and Ineligible Contractors and Disqualified Bidders. (See § 590.303 (d) of this subchapter.)

§ 601.654 *Lists of disqualified persons and firms.* (a) This includes the list of:

(1) Persons or firms found by the Secretary of Labor to have breached or violated contractual representations and stipulations required by the Walsh-Healey Act, published by the Comptroller General.

(2) Persons and firms which have been held ineligible to be awarded contracts subject to the Walsh-Healey Act, published by the Department of Labor.

(b) These lists are prepared and issued, from time to time, by the Office of the Under Secretary of the Army (Assistant Judge Advocate General), for the use and guidance of all interested agencies of the Department of the Army (§ 590.303 (d) of this subchapter).

[Proc. Cir. 20, Sept. 30, 1952, and Proc. Cir. 22, Nov. 17, 1952] (R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. Sup. 151-161)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 52-12839; Filed, Dec. 3, 1952; 8:47 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 15, Collation 2.]

CPR 15—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 3 AND GROUP 4 STORES

COLL. 2—INCLUDING AMENDMENTS 1-20

Ceiling Price Regulation 15 is republished to incorporate the text of Amendments 1 through 20, inclusive. Ceiling Price Regulation 15 was issued March 28, 1951 (16 F. R. 2735). Statements of Consideration for Ceiling Price Regulation 15, and for Amendments 1-20, inclusive, as previously published, are applicable to this republication. The effective dates of this regulation and the amendments are shown in a note preceding the first section of the regulation.

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AUTHORITY: Sections 1 to 39 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

DEVIATION: Sections 1-39 contained in Ceiling Price Regulation 15, March 28, 1951 (16 F. R. 2735), except as otherwise noted in brackets following text affected.

EFFECTIVE DATES: CPR 15, April 5, 1951, 16 F. R. 2735. Amendment 1, April 27, 1951, 16 F. R. 3650. Amendment 2, May 10, 1951, 16 F. R. 4437. Amendment 3, May 18, 1951, 16 F. R. 4689. Amendment 4, June 25, 1951, 16 F. R. 6023. Amendment 5, July 18, 1951, 16 F. R. 6799. Amendment 6, August 27, 1951, 16 F. R. 8453. Amendment 7, September 22, 1951, 16 F. R. 9468. Amendment 8, October 2, 1951, 16 F. R. 10065. Amendment 9, December 26, 1951, 16 F. R. 12867. Amendment 10, January 28, 1952, 17 F. R. 717. Amendment 11, January 31, 1952, 17 F. R. 989. Amendment 12, March 10, 1952, 17 F. R. 1935. Amendment 13, April 9, 1952, 17 F. R. 3102. Amendment 14, June 2, 1952, 17 F. R. 5141. Amendment 15, June 7, 1952, 17 F. R. 4983. Amendment 16, June 6, 1952, 17 F. R. 5191. Amendment 17, August 12, 1952, 17 F. R. 7220. Amendment 18, August 19, 1952, 17 F. R. 7536. Amendment 19, November 5, 1952, 17 F. R. 9849. Amendment 20, November 24, 1952, 17 F. R. 10691.

ARTICLE I—GENERAL PROVISIONS

SECTION 1. *What this regulation does.* This regulation fixes new ceiling prices for the "dry groceries" listed in Table A and the "perishables" listed in Table B for all retail stores, other than "independent" retail stores doing an annual business of less than $375,000 and for all retail stores, whether "independent" or not, doing an annual business of $375,000 or more. These new ceiling prices are to be used instead of the ceiling prices figured under any other price regulation or order issued by the Office of Price Stabilization (hereinafter called OPS), and regardless of any contract or any other law. All other retail stores (Group 1 and Group 2 stores) selling these food products are covered by Ceiling Price Regulation No. 16.

SEC. 2. *How you find out whether your store is covered by this regulation and what group it is in*—(a) *What stores are covered.* Your store is covered by this regulation if it is a Group 3 or 4 store as defined below and if you are a retailer who buys and resells food products, generally without materially changing their form, for the most part to ultimate consumers who are not commercial, industrial or institutional users. For the purposes of this regulation, "Great Lakes Marine Suppliers" shall be considered as retailers. The provisions of this regulation do not apply to "retail route sellers", to sales of "specially prepared dietetic foods" by "health food stores" or "health food departments", or to automatic vending machines or farmers selling produce grown on their own farms.

(b) *What are Group 3 and 4 stores.* For the purpose of this regulation, Group 3 and 4 stores are defined as follows:

(1) *Group 3.* Your store is in Group 3 if its "annual gross sales" are less than $375,000 and if it is not an "independent" store. Your store is an "independent" store if it is not one of 4 or more stores under one ownership whose combined "annual gross sales" are $750,000 or more.

(2) *Group 4.* Your store is in Group 4 if its "annual gross sales" are $375,000 or more.

(If you are not sure what group your store is in, use the directions in Section 29 for figuring its "annual gross sales." See section 35 for definitions of Group 1 and 2 stores.)

(c) *How to display a sign of the group your store is in.* At all times, you must have the group your store is in under this regulation displayed on a sign read-

ing "OPS-3" or "OPS-4", whichever it is, or on a sign which the OPS may furnish to you. The sign must be displayed so that it can be clearly seen by your customers.

(d) *When you may choose to treat your store as a Group 4 store.* If your store is a Group 3 store, you may choose to treat it as a Group 4 store and display a sign in your store as a member of that group if you:

(1) Figure your ceiling prices for all the items listed in Tables A and B of this regulation as a Group 4 store; and

(2) Notify the OPS district office for your area of this fact.

(e) *When you must notify OPS of the Group in which your store falls.* Within 30 days after the issuance of this regulation, you must notify the OPS District office for your area, of the Group of each of your stores, using OPS Public Form No. 5 which you may obtain from the OPS District office for your area. If you open a new retail store after May 14, 1951, you must notify, within 15 days, the OPS District office for your area of the Group of the store, using OPS Public Form No. 5 which you may obtain from the OPS District Office for your area. Even though you sell food products, if none of these products are subject to this regulation, you need not furnish this notification. In the event that this regulation is amended to cover one or more of the food products you sell, you must furnish the notification within 30 days of the effective date of the amendment.

[Paragraph (e) amended by Amdts. 1 and 19]

Dry Groceries

Sec. 3. *How and when you figure your ceiling prices for "dry groceries"*—(a) *General rule.* Your ceiling price for each item (that is, for each kind, brand, grade, variety, container-type and container-size) of "dry groceries" listed in Table A shall be the total of (1) the "net cost" you had to pay for the most recent delivery of the item to you before April 30, 1951, plus (2) the mark-up given you for it in Table A.

(b) *When you must figure your ceiling prices.* By the opening of business on May 14, 1951, you must have figured your ceiling price for each item of "dry groceries" listed as Table A which you have in stock at that time. Between April 5, 1951 and May 14, 1951, you may put into effect the new ceiling price on any item as soon as you figure it; you must put the new ceiling prices into effect on all items not later than May 14, 1951. If you do not put the new price for an item into effect before May 14, 1951, you must continue to use your existing ceiling for that item until May 14. If you receive delivery of any item between April 5, 1951 and May 14, 1951, for which you have no ceiling price, you must, before selling it, figure your ceiling price according to the rules of this regulation.

[Paragraph (b) amended by Amdt. 1]

(c) *Special rule for certain items of the 1950 pack.* If, in the case of any item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32 and 33 in Table A, your last purchase of the particular item was made prior to January 26, 1951, you may continue to use your legal ceiling price for such item under the General Ceiling Price Regulation, until you receive delivery of a purchase made after that date. When you receive delivery of such a purchase, you must figure your ceiling price for the item in accordance with the provisions of this regulation.

(d) *Pricing special promotions.* Where you have a "special promotion" consisting of two or more items bound together for joint sale or bearing appropriate printing or labeling referring to the joint sale, you shall compute your ceiling price for the joint sale as follows:

(1) Determine which item or items are the regular portion of the "special promotion" and which item or items are the "special" portion.

(2) For the regular item or items compute your ceiling prices according to this regulation, disregarding entirely the special item or items.

(3) For the special item or items you may charge up to 10 percent of your existing ceiling price for those items.

(4) If you have no existing ceiling price for the special item or items you may use as your markup a maximum of 3 cents per item.

(5) Your ceiling price for the joint sale is the sum of the ceiling price for the regular item plus the price determined under subparagraph (3) or (4) of this paragraph for the special items. You may not price any special promotion on the same items under this paragraph for a period of more than 120 days. Also you may not price under this paragraph another special promotion on the same items until six months after the conclusion of the previous such offering.

[Paragraph (d) added by Amdt. 6]

Sec. 4. *Directions for applying the rule for "dry groceries"*—(a) *Net cost.* To figure your ceiling price, first find the "net cost" of the item, based on its most recent delivery to you before May 14, 1951. Your "net cost" will be the amount you paid your supplier less all discounts except (1) discounts on items in Category #5, "Cookies, toast and crumbs" and Category #5A, "Crackers," (section 37 (b) (5) and (5A)), (2) the discount for prompt payment, and (3) swell and label allowances, plus all transportation charges you paid except local trucking and local unloading. This exception shall not apply to any shipments by water. In such cases, there may be added also as part of the cost of transportation the cost of moving the shipment from the place at which it was processed to the dock, the cost of unloading at that dock, wharfage, handling, tollage and usage charges, the cost of marine insurance, the cost of loading the goods on a car, truck or other conveyance at the port of discharge and the cost of transporting that shipment from the port of discharge to receiving point. However, cost of loading the shipment at the place at which it was processed, segregation charges, and cost of unloading at receiving point may not be added. If you are located on an island or otherwise accessible only by water, for any items delivered from a warehouse under the same ownership or control, where a combination of land and water transportation is required, you may include in your "net cost" the actual cost of the water transportation between the warehouse and your store, including any charges for loading and unloading the water carrier. Treat as a separate item each kind, brand, grade, variety, container-size and container-type of "dry groceries."

[Paragraph (a) amended by Amdts. 1, 5, 9 and 19]

(1) Your net cost must be figured on purchases of a customary quantity from a customary type of supplier delivered to your "usual receiving point" by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on a single unit basis (that is, per can, per pound, per package, per jar, etc.), to the nearest half-cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three quarters of a cent are rounded up to the next cent.) Your invoice cost may be the cost of a carton, case or barrel for instance, and not the cost of the package, can or other unit you sell. You must get the net cost of the single unit you sell by dividing the cost for the carton, case or barrel by the number of units in the carton, case or barrel.

[Subparagraph (3) added by Amdt. 18; deleted by Amdt. 20]

(3) If you are figuring your net cost of canned baby food on the basis of a purchase from a manufacturer on a net price basis (that is, a net price to you which includes all cash discounts), and you receive a notice from him pursuant to SR 107 to the GCPR, you may use as your "net cost" the adjusted net cost furnished in the notice, plus transportation charges you paid, if any, as defined in this section.

[Subparagraph (4) added by Amdt. 18; redesignated (3) by Amdt. 20]

(4) If you are figuring your ceiling price for an item on the basis of a purchase made from a "service fee wholesaler", your "net cost" shall be his estimated ceiling price for the item figured on a single unit basis plus transportation charges you paid, if any, as defined in this section. You will be notified by the "service fee wholesaler" of his estimated ceiling price either on his invoice or order form or other written document.

[Subparagraph (3) added by Amdt. 2; amended by Amdt. 7; redesignated (5) by Amdt. 18; redesignated (4) by Amdt. 20]

(5) For items you "manufacture or otherwise process" use the special rules in section 23.

[Subparagraph (3) redesignated (4) by Amdt. 2; redesignated (6) by Amdt. 18; redesignated (5) by Amdt. 20]

(b) *Mark-up.* Turn to Table A to find the mark-up for the item given your group of store. Table A lists all the "dry groceries" covered by this regulation by commodity groups.

(c) *Ceiling price.* (1) Next turn to Table C. Using the directions given there, you will get your ceiling price for the item. You must not change the ceiling price except in accordance with section 6.

[Paragraph (c) amended by Amdt. 18; Subparagraph (2) deleted by Amdt. 20]

(d) *Invoices.* You must write your "net cost" per unit of the purchase on which you have figured your ceiling price either on your invoice or other record of the price you paid for the item or on a separate slip of paper and attach to that invoice or other record. You must keep separate, or mark or tag plainly, all invoices or records showing the net cost per unit which you used in figuring your ceiling prices. These invoices and records you used in figuring your ceiling prices are your means of proving that your ceiling prices are right.

SEC. 5. *How you figure your ceiling prices for "new items" of "dry groceries."* A "new item" of "dry groceries" is an item of "dry groceries" which you did not have in stock at the opening of business on May 14, 1951. You must figure the ceiling price for a new item before selling it, following the rules in section 4, but basing your "net cost" on the first delivery of the item to you on or after May 14, 1951.

In pricing new items it is a violation to use the net cost of a first purchase made in a non-customary manner (that is, from a non-customary supplier or in a non-customary quantity) when you know that you will be making future purchases in a customary manner. If your first purchase is of this type you must find out and use in figuring your ceiling price, what the net cost would be of a purchase from a type of supplier usually used for a similar item and of a quantity in which a similar item is usually purchased.

[Sec. 5 amended by Amdt. 1]

SEC. 6. *How do you figure your ceiling prices each week, starting Monday, May 14, 1951.* Before making any sale of an item of "dry groceries" on each Monday after May 14, 1951 (or on Tuesday if Monday is a holiday and your store is closed) you must refigure your ceiling price for any item if your "net cost" of that item is different from the "net cost" on which your existing ceiling price is based. You must follow the rules in section 4 basing your "net cost," however, on the largest single delivery of a customary quantity received by you from your customary type of supplier during the seven days preceding Monday. If you cannot determine your "largest single delivery" because you have received more than one delivery of the same quantity, use the most recent of these deliveries.

Any group of stores under one ownership pricing from a central point may refigure ceiling prices for items so priced, based on the "net cost" of deliveries received during the seven days preceding the previous Friday. These prices must not be put into effect until the following Monday.

[Sec. 6 amended by Amdt. 1]

SEC. 7. *Dry groceries which you import.* This regulation shall not apply to you for sales of any dry grocery item purchased by you directly from a foreign seller or his agent for importation into the continental United States. Your ceiling price for such items shall be determined by you in accordance with the General Ceiling Price Regulation or any other applicable ceiling price regulation covering the sale of the item by importers.

Perishables

SEC. 8. *How and when you figure your ceiling prices for "perishables"*—(a) *General rule.* Your ceiling price for each item (that is, for each kind, brand, variety, grade and size and also, for each growing area where the governing regulation at the producing or wholesale level makes distinctions by growing areas) of "perishables" listed in Table B shall be the total of (1) the "net cost" of the largest delivery of the item to you during the seven days preceding Monday of each week, plus (2) the markup given you for it in Table B. However, separate ceiling prices shall not be figured for each brand with respect to fresh fruits and vegetables.

[Paragraph (a) amended by Amdt. 10]

(b) *When you must figure your ceiling prices.* By the opening of business on May 14, 1951, you must have figured your ceiling price for each item of "perishables" listed in Table B which you have in stock at that time. These ceiling prices must be checked each week after May 14, 1951, and changed on Monday of each week for any item if your "net cost" of that item has changed in the preceding seven days. Never change your ceiling price on any day but Monday.

For the items which you receive for the first time or which you have not had in stock for 7 days, you must figure and use a ceiling price at once using the net cost of that first delivery. On each Monday after that, you must treat the item as you would any other item of perishables covered under this regulation.

Stores under one ownership pricing from a central point may refigure ceiling prices for items so priced based on the net cost of deliveries received during the seven days preceding Friday of each week. These prices must not be put into effect until the following Monday.

[Paragraph (b) amended by Amdt. 1]

SEC. 9. *Directions for applying the rule for "perishables"*—(a) *Net cost.* To figure your ceiling price, first find the "net cost" of the largest delivery to you of the item during the seven-day period before the Monday for which you are figuring your price. If you have received more than one delivery of the same largest quantity, use the most recent of these deliveries. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment, plus all transportation charges you paid, which may include costs for icing, refrigeration, and ventilation, but which may not include costs for local trucking and local unloading.

(1) Your net cost must be based on purchases from a customary type of supplier delivered to your usual receiving point by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on the basis of the "selling unit", (for example, 1 pound) listed in Table B for the commodity group which includes the item you are pricing. Always figure net cost to the nearest half cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.)

(3) If you have an item in stock at the opening of business on May 14, 1951, but you did not receive delivery of the item during the week before, you shall, in figuring your first ceiling price for the item on May 14, 1951, base your net cost on its most recent delivery to you.

[Paragraph (3) amended by Amdt. 1]

(b) *Mark-up.* Turn to Table B to find the mark-up for the item given for your group of store. Table B lists all the "perishables" covered by this regulation by commodity groups.

(c) *Ceiling price.* (1) Next turn to Table C. Using the directions given there, you will get your ceiling price for the item.

(2) *Sales in other quantities.* You may sell an item in a quantity other than the "selling unit" given in Table B. If you sell an item in a quantity other than the "selling unit" given in Table B, you must reduce or increase your ceiling price proportionately. If figuring a price for a quantity different from the "selling unit" results in a fraction of a cent, you may charge the next higher cent. Separate ceiling prices shall be figured for each container size of an item purchased already packaged in consumer containers.

[Subparagraph (2) amended by Amdt. 10]

SEC. 10. *Price which you must display.* At all times, you must have your current selling price for each item of food covered by this regulation clearly shown on the item or at or near the place in your store where the item is offered for sale. Of course, this displayed price must never exceed your ceiling price.

[Sec. 10 amended by Amdts. 18 and 20]

SEC. 11. *Indirect price increases prohibited.* You must not evade any of the provisions of this regulation or any order issued pursuant to it by any scheme, or device. You must not, as a condition of selling any particular food, require a customer to buy anything else. Any such evasion is punishable as a violation of this regulation.

You may not use an unnecessarily high "net cost" in figuring a ceiling price under this regulation. If you make such a high cost purchase, you must find out what your net cost as used in section 4 or 9 would be and use that net cost to figure your ceiling price. You may never use the net cost of a purchase from another retailer to figure a ceiling price if it results in a net cost higher than you would have if you purchased the item from your regular supplier or any other source normally available to you.

SEC. 12. *Sales slips and receipts.* If you have customarily given a purchaser a sales slip, receipt or similar evidence of purchase, you must continue to do so. Furthermore, regardless of your custom, you must give any customer who asks for it a receipt showing the date, your name and address, and quantity and name of each food item sold, and the price you charged for it.

SEC. 13. *Records.* After April 5, 1951, you must keep for one year after you receive them all your invoices, freight bills, and other records showing the price you paid and the date you received delivery of each item covered by this regulation.

You are required to show all your invoices on request of any OPS representa-

tive and to furnish on request of any OPS representative a written record of your ceiling price in effect at any particular time or times for any or all of the items covered by this regulation. You must also keep available for inspection by an OPS representative the records you used in deciding what group your store is in.

Stores under one ownership pricing from a central point must also keep available at all times in each store a list showing the current selling price, as set at the central point, of each item so priced. These price lists must also be kept for one year in the warehouse from which the food items are delivered to the store or the office which covers the territory in which the warehouse is located. On request, such price lists must be shown to any OPS representative.

SEC. 14. *Prohibitions.* On and after May 14, 1951, if you sell or deliver or offer to sell or deliver at a price higher than your ceiling price fixed by this regulation or any order issued pursuant to it, or if you otherwise violate any provisions of this regulation or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that act.

[Sec. 14 amended by Amdts. 1 and 2]

SEC. 15. *Notice of dollars-and-cents ceiling prices.* From time to time the OPS may, by order, fix in your area or community, dollars-and-cents ceiling prices for some or all of the "dry groceries" or "perishables" under this regulation. When these dollars-and-cents prices are fixed, you may not thereafter sell at higher prices, and those orders may provide that such prices take the place of the ceiling prices which you have under this regulation. If such orders do not provide that they replace your prices under this regulation, you must continue to figure your prices under this regulation.

SEC. 16. *Further provisions supplementing or explaining this regulation.* From time to time, the Price Director may, by amendment, issue further provisions which will supplement the provisions of this regulation or explain the rights and duties of buyers and sellers under it. These further provisions will become part of this regulation and may be added as paragraphs to this section.

(a) Whenever an amendment adds any food product to the list of items covered in Tables A or B, you must figure your ceiling price for that food product in accordance with sections 3, 4 and 5 or sections 8 and 9 according to whether the food product is a "dry grocery" item or "perishable" item. However, in doing so, you shall substitute the effective date of such amendment for the date May 14, 1951, wherever it appears in the applicable sections.

[Paragraph (a) amended by Amdts. 1 and 11]

(b) Whenever an amendment changes either a commodity definition in Table A or B by transferring a food product from one commodity group to another or the mark-up for your group of retailers, you must, by the opening of business on the effective date of such amendment, refigure your ceiling prices for the items affected by such amendment. However, in doing so, you must use as your "net cost" the same "net cost" you used in figuring the ceiling prices you had on the effective date of the amendment.

[Paragraph (b) amended by Amdt. 14]

(c) Unless otherwise specifically provided, if your "net cost" of any item covered by this regulation is based upon a delivery from a person owned or controlled by (or owning or controlling) you, who is not subject to this regulation, and the item is not "manufactured or otherwise processed" by such person or by you, your "net cost" may not exceed the "net cost" which would result if such person had been subject to this regulation, plus transportation (not including local trucking or local unloading) to your usual receiving point.

ARTICLE II—SPECIAL PRICING PROVISIONS

SEC. 17. *Additions allowed for certain extra services rendered by you*—(a) *Addition allowed for delivery by you to your customers.* If you deliver to your customers' homes or places of business any of the items covered by this regulation you may add to the total value of the delivery, as a separate charge, 25 cents for such delivery if the total value thereof is $3.00 or more.

(b) *Addition allowed for accepting and filling telephone orders.* If you generally offer to all your customers the service of taking orders by telephone, and assembling orders as "will call" or for later delivery, you may add as a separate charge to the total value of any order taken by telephone and assembled, a fee of 15 cents. A copy of all telephone orders to which you have added this additional fee must be retained by you for a period of one year.

SEC. 18. *Additions for packaging.* (a) If you buy in bulk any item covered by this regulation (except spices, tea and gelatin) and then package and sell it in cardboard containers, cotton bags, transparent bags, interlined coffee bags, or Kraft bags or similar type bags, on which the name, weight and ingredients of the commodity are stamped or printed and which are packed and sealed at a place and time other than the point and time of sale, you may add to your "net cost" whichever of the following allowances applies:

(1) 2 cents for every such bag or container with a net weight of less than 2 pounds.

(2) 2½ cents for every such bag or container with a net weight of 2 pounds or more, but less than 5 pounds.

(3) 1 cent per pound for every such bag or container with a net weight of 5 pounds or more but not to exceed a total of 5 cents.

[Paragraph (a) amended by Amdt. 2]

SEC. 19. *Gift and holiday packages assembled by you.* If you assemble, into gift or holiday packages, any food items covered by this regulation, with or without any items not covered by this regulation, you must figure your ceiling price for such package under whichever of the following paragraphs applies:

(a) For packages assembled in cardboard, wooden, or other plain containers (for example, "overseas" or "servicemen's" packages), your ceiling prices will be the sum of the following, multiplied by 1.05:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your direct cost of the packaging materials used for the particular package, including the container.

(b) For packages assembled in permanent containers designed and constructed for re-use (including but not limited to trays, cedar boxes, hampers, teakwood chests, fancy baskets), your ceiling price will be the sum of the following, multiplied by 1.15:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your ceiling price for the container figured under the applicable ceiling price regulation. If you have no ceiling price for the container, use your direct cost for the container.

(3) Your direct cost of the packaging materials used for the particular package.

SEC. 20. *Special allowance for forwarding gift package to a donee in a foreign country.* If you deliver a food package directly, upon order of the purchaser to a donee (other than a member of the armed forces of the United States) in a foreign country outside of the North American continent, you may add to you ceiling price an amount not to exceed 50 cents for forwarding such package, plus the actual mailing and insurance charges.

This allowance may be applied only to the shipment and delivery of individual food gift packages and not of wholesale lots.

SEC. 21. *How you figure your "net cost" in certain cases*—(a) *Frozen fruits, berries, and vegetables.* If, after you have figured a ceiling price for an item of frozen fruits, berries, fruit or berry juices, vegetables or vegetable juices, you do not receive additional deliveries of such an item from a supplier but you have had such item in storage from which you supply your store, for a period of at least four weeks since you last figured your ceiling price for the item, you may on the fourth Monday after you last figured your ceiling price for the item, add to the "net cost" (before the rounding of fractions) on which your existing ceiling price is based, your actual costs, per unit, incident to storage for the period since you last figured your ceiling price.

(b) *Smoked fish which you process.* (1) If you buy smoked fish in the form of slabs (gutted, headed and halved) and sell it in slices, you shall multiply your "net cost" per pound for the item by 1.20. To get your ceiling price per pound for such slices, apply the mark-up for your group of retailer to the resulting figure.

(2) If, prior to offering for sale, you change the form of an item of smoked fish bought drawn (gutted) to dressed (headed, with fins off), and sell it whole,

in chunks or in slices, you shall multiply your "net cost" per pound for the item by 1.10. To get your ceiling price per pound, apply the mark-up for your group of retailer to the resulting figure.

[Paragraph (c) added by Amdt. 10; deleted by Amdt. 16]

[Paragraph (d) added by Amdt. 10; deleted by Amdt. 16]

SEC. 21a. *Additional allowance for warehousing and delivery of frozen foods.* If the price you pay for any item of frozen foods is no higher than the manufacturer's or processor's ceiling price for the item, you may, in determining your ceiling price for the item use whichever of the following is applicable.

(a) *Complete warehousing and delivery.* If you receive, handle and deliver any item of frozen foods in the following manner, you may multiply your "net cost" of the item by 1.08 before applying the markup allowed for your store group in Table A:

(1) Your usual receiving point of the item is a warehouse owned, leased, or controlled by you, which is designed for the purpose of maintaining frozen foods at proper temperatures, and the item is stored in such a warehouse.

(2) You accept title to the item prior to, or at the time, it is first placed in storage in such warehouse.

(3) You assemble orders for delivery in such warehouse or in a breakup room in such warehouse.

(4) You ship or deliver the item to your retail store in special containers, or in trucks that are designed to maintain frozen foods at proper temperatures, and such containers or trucks are owned, leased, or controlled by you.

If, at any time, you discontinue entirely the above method of doing business for the item you may no longer multiply your "net cost" of that item of frozen foods by 1.08 before applying the markup allowed for your store group in Table A. In the event, however, your method of performing the above functions changes in part for the item, you must immediately report the circumstances to the OPS district office for the area where the warehouse at which you receive your frozen foods is located, and apply in writing under the provisions of paragraph (b) of this section. Pending action by such district office on your application under the provisions of paragraph (b) of this section, you may upon filing such application begin to add the additional percentage figure, not to exceed 8 percent of the "net cost" for the item, set forth in answer to paragraph (b) (3) of this section to your "net cost" for the item of frozen foods before applying the markup allowed for your store group in Table A.

(b) *Partial and contract warehousing and delivery.* If you do not receive, handle and deliver an item of frozen foods in the precise manner and in all the respects outlined in paragraph (a) of this section, but you do perform some of these functions, or you contract to have some or all of such functions performed for you, you may apply in writing to the OPS district office for the area where the warehouse at which you receive your frozen foods is located, for authority to add a specific percentage markup, not to exceed 8 percent, to your "net cost", to reflect an allowance for your actual warehousing, assembly and delivery costs for the item. Your application must be filed in duplicate with such OPS district office and must contain for your calendar or fiscal year 1950, (if not in business all of 1950 use your most recent fiscal period) the following information:

(1) A complete description of the actual warehousing, assembly and delivery functions performed by you or which you contract to have performed for you in connection with the distribution of frozen foods which you own.

(2) A statement showing, for each of the functions described in paragraph (a) (1), (3), and (4) of this section, the "net cost" of frozen foods so handled, and the actual out-of-pocket expenses incurred by you because of the performance of such warehousing, assembly and delivery functions which you would not have incurred if you had not handled frozen foods in such manner. If you cannot segregate your handling costs because you contract for more than one of the functions described above and such contract does not specify the portion allotted to each such function, your statement must include a complete description of your contractual arrangements.

(3) A statement showing such actual warehousing, assembly and delivery costs incurred by you in terms of a percentage of your "net cost", not to exceed 8 percent, for frozen foods handled in such manner.

If such OPS district office does not notify you within 10 days from the date that you file your application, you may begin to add the additional percentage figure set forth in answer to sub-paragraph (3) of this paragraph, to your "net cost" of the item of frozen foods before applying the frozen food markup for your store group in Table A, subject to any action which may be later taken by such OPS district office. In no event may such percentage markup exceed 8 percent of the "net cost" for any item of frozen foods. If, any time, after you are authorized to use such percentage markup, your method of performing these warehousing, assembly and delivery functions changes in any material respect, you must report the circumstances to such OPS district office, and upon a review of the facts your percentage markup allowance, not to exceed 8 percent of the "net cost" for the item, may be adjusted to reflect the changes in your method of operation.

(c) *Retailers who have not previously performed partial or contract warehousing and delivery.* If you did not perform any of the warehousing, assembly and delivery functions outlined in paragraph (a) of this section prior to the effective date of this amendment and you now desire to perform some of such functions or contract to have some or all of such functions performed for you, you may apply to the OPS district office for the area where the warehouse in which you will receive your frozen foods is located, for authority to add a specific markup to your "net cost" not to exceed 8 percent, to reflect an allowance for the actual warehousing, assembly and delivery costs for any item of frozen foods you handle in the proposed manner. Your application must be filed in duplicate with the OPS district office and must contain the following information:

(1) A complete description of the actual warehousing, assembly and delivery functions which you intend to perform or which you will contract to have performed for you in connection with the distribution of frozen foods.

(2) A statement showing for each of the functions described in paragraph (a) (1), (3), and (4) of this section, the estimated "net cost" of frozen foods to be so handled, and the actual out-of-pocket expenses which you estimate will be incurred by you because of the performance of such warehousing, assembly and delivery functions which you will not incur if you do not handle frozen foods in such manner. The figures contained in this statement shall be estimated for a six months period from the date of your application. If you cannot segregate your handling costs because you are contracting for more than one of the functions described above, and such contract does not specify the portion allotted to each such function, your statement must include a complete description of your proposed contractual arrangements.

(3) A statement showing an estimated percentage markup, not to exceed 8 percent, to your "net cost" for frozen foods which will be necessary to reflect an allowance for the actual warehousing, assembly and delivery cost which will be incurred by you if you handle frozen foods in such manner.

You may not operate under this section until you are notified in writing by such OPS district office of the additional percentage markup, not to exceed 8 percent, which you will be allowed to use. In addition, within twenty-five days after the close of the first six months of operation you shall submit to such OPS district office a new application under the provisions of paragraph (b) of this section using your actual cost data for this six months period, so that your percentage markup, not to exceed 8 percent, may be adjusted to reflect your actual warehousing, assembly and delivery costs.

(d) If you price any item of frozen foods under the provisions of this section you may not use the provisions of section 21, paragraph (a) in arriving at your "net cost."

[Sec. 21a added by Amdt. 4]

SEC. 21b. *How you may figure your ceiling prices for "perishables" on a weighted average net cost basis.* Sections 8 and 9 of this regulation require you to use in figuring your ceiling price for "perishables" the net cost of the largest delivery to you in the seven-day period before the Monday (or Friday for stores which price from a central point) for which you are figuring your price. If you so desire, however, you may use as the net cost of an item of "perishables" the weighted average net cost of all deliveries of that item to you during that seven-day period. Before begin-

ning to figure "net cost" in this manner you must notify in writing the OPS district office for your area. After notification you may not use the net cost of the largest delivery during the seven-day period to figure your ceiling price for any of the "perishables" listed in Table B and you must, thereafter, use the weighted average method for all "perishables". However, you must continue to use all other provisions of sections 8 and 9 in figuring your ceiling prices for these items.

[Sec. 21b added by Amdt. 10]

SEC. 22. *Additions for delivery from your warehouse to your store.* If your store is located at a distance of 125 miles or more from your warehouse which is your usual receiving point, you may, in determining your ceiling price for an item delivered from the warehouse to your store, use whichever of the following is applicable:

(1) If the store is located at a distance of from 125 through 199 miles from such warehouse, you may add 1 to your mark-up figure. (Example: If your mark-up figure on breakfast cereals in Table A is 16 percent, you change it to 17 percent.)

(2) If the store is located at a distance of from 200 through 299 miles from such warehouse, you may add 2 to your mark-up figure.

(3) If the store is located at a distance of from 300 through 399 miles from such warehouse, you may add 3 to your mark-up figure.

(4) If the store is located at a distance of 400 miles or more from such warehouse, you may add 4 to your mark-up figure.

SEC. 23. *How you figure your ceiling prices for foods you "manufacture or otherwise process".* If you "manufacture or otherwise process" and sell at retail any item covered by this regulation, you will figure your "net cost" or ceiling price for such item under whichever of the following provisions applies:

(a) If the item is one for which the OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers, but the regulation makes no provision for manufacturers selling at retail the lowest ceiling price under that regulation for sales delivered to your usual receiving point shall be your "net cost."

(b) If the item is one for which the OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers and makes a provision for manufacturers selling at retail, you shall figure your ceiling price for such item as a manufacturer under that regulation. You will not attempt to figure a "net cost" and apply a mark-up under this regulation.

(c) If the item is one for which the OPS has not issued, or does not later issue, a regulation establishing dollars-and-cents ceiling prices for sales by manufacturers, you shall figure your ceiling price for such item as a manufacturer under the appropriate regulation covering the sales of such item by manufacturers. You will not attempt to figure a "net cost" and apply a mark-up under this regulation.

(d) If, after you have established a ceiling price for an item which you "manufacture or otherwise process", the manufacturer's regulation which you used in figuring your ceiling price under paragraph (a), (b), or (c) of this section is amended so that either (1) the manufacturer's regulation is no longer the type described in the applicable paragraph of this section or (2) the type of regulation is not changed but the prices set forth therein are changed; you must, within 5 days after the effective date of such amendment, refigure your ceiling price for the item under the applicable paragraph of this section based on the manufacturer's regulation as amended.

(e) For the purpose of this regulation you shall be considered a manufacturer of any item which you manufacture or otherwise process directly, or which is manufactured for you by a person to whom you supply the raw material.

SEC. 24. *Special pricing provisions for manufacturers selling some commodities at retail.* Any person, the larger part of whose business is the manufacturing or processing of foods, but

(a) His entire business in connection with a particular commodity consists of the purchase and resale of such commodity without materially changing its form, and

(b) The larger part of his sales of such commodity are made to ultimate consumers other than commercial, industrial or institutional users,

(c) Shall figure his ceiling prices for sales of such commodity to ultimate consumers other than commercial, industrial or institutional users in accordance with the provisions of this regulation, and shall, for such purposes, be considered a retailer covered by this regulation.

SEC. 25. *Mail order and express sales.* Your mail order sales and your express sales are exempt from the provisions of this regulation. For the purposes of this section mail order and express sales are sales in which the items sold are delivered through the mails or via express within the North American continent.

[Section 25 amended by Amdt. 12]

ARTICLE III—ADJUSTMENT PROVISIONS

SEC. 26. *How you may, under certain conditions, apply to use Group 1 markups.* (a) If your store meets the gross margin requirements specified in this section and does business in the manner outlined below, you may apply under paragraph (b) of this section to use the mark-ups provided in Ceiling Price Regulation No. 16 for Group 1 stores:

(1) Most of your sales in your grocery department are made by sales clerks who assist customers in selecting, collecting, and wrapping merchandise;

(2) Your store generally offers to all its customers the services of taking orders by telephone, carrying monthly charge accounts, and providing delivery service;

(3) The general level of your prices for grocery products was during January 1951 at least as high as the level maintained by Group 1 stores, and was generally higher than that maintained by Group 3 and 4 stores, for such products in your community; and

(4) The total gross margin in your fiscal year 1950 was at least 23 percent on all sales in your food departments or at least 23 percent on the combined sales of the food departments in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950, use your most recent fiscal period.

[Subparagraph (4) amended by Amdt. 9]

(b) Your application must be filed in duplicate with the OPS district office for your area on a form which you may get from that office. You may combine on one form the applications of more than one of your stores. If your application is finally approved, OPS will tell you when to begin using the Group 1 markups, and from such time on you shall display a sign in your store designating it as a "Group 1" store, and it shall be considered a Group 1 store for the purpose of all "special pricing provisions" contained in Ceiling Price Regulation No. 16.

(c) If, however, under Maximum Price Regulation No. 422 issued in 1943 by the Office of Price Administration (1) you were either a Group 3 or Group 4 store on the basis of sales volume, and (2) you can establish that you were authorized by the Office of Price Administration to use Group 1 mark-ups, and (3) such authority was never revoked, and (4) you meet the gross margin requirements specified above, and (5) you certify that your method of doing business has not changed in any material respect since the time you were authorized to use Group 1 mark-ups, you may consider yourself a Group 1 store under Ceiling Price Regulation No. 16 as soon as you have filed your application in accordance with this section. This authority may be withdrawn if it is determined that your store does not qualify for adjustment under this section.

SEC. 26a. *How certain stores or food departments, selling mostly "specialty" food items may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department meets the average markup requirement specified in this section and does business in the manner outlined below you may apply under paragraph (b) of this section to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(1) Most of your sales in your store or food department are sales of "specialty" food items made by sales clerks who assist customers in selecting, collecting and wrapping or packaging merchandise.

(2) Your store or food department generally offers to all its customers the services of accepting and filling telephone orders, carrying monthly charge accounts and providing delivery.

(3) The general level of your prices in your store or food department was higher than Group 1 stores in your community during your fiscal year 1950.

(4) The average markup on "net cost" was at least 40 percent on all food sales for your fiscal year 1950 or at least 40 percent on the combined food sales in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950, use your most recent fiscal period.

[Subparagraph (4) amended by Amdt. 9]

(b) You must before September 30, 1951, file with the OPS district office for your area an application in duplicate (1) showing clearly that you do business as outlined in paragraph (a) above of this section, and (2) showing the number of items you normally sell in your store or food department, and (3) showing your average markup on "net cost" for fiscal year 1950 (if not in business during all of 1950 use your most recent fiscal period), and (4) showing the percentage of food items which produce an average markup on "net cost" of 40 percent or more to the total number of food items you sell in your store or food department. You may consider your store or food department excluded from using the markups in this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. Then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section. Applications for adjustments are governed by Price Procedural Regulation 1.

(c) Any adjustment granted at any time under this section shall not apply to fresh fruits and vegetables or to items under this regulation for which dollars-and-cents ceiling prices at retail are fixed in any regulation or order which has been or may be issued by OPS. In figuring your ceiling prices for fresh fruits and vegetables you shall consider yourself a Group 1 store for the purpose of all "special pricing provisions" and markups contained in Ceiling Price Regulation 16. You shall also consider yourself a Group 1 store under any OPS regulation or order fixing dollars-and-cents ceiling prices at retail for items under this regulation.

[Paragraph (c) added by Amdt. 10]

(d) If you desire to operate as a "specialty" food store or food department, you may apply under this section to be excluded from using the markups of this regulation for the purpose of establishing your ceiling prices, provided your operation is planned to meet the following criteria:

(1) At least 51 percent of your dollar volume of sales will be made by sales clerks who assist customers in selecting, collecting, and wrapping or packaging merchandise.

(2) Your store or food department generally will offer to all of its customers the services of accepting and filling telephone orders, carrying charge accounts, and providing delivery.

(3) That the estimated dollar volume of sales of "specialty" food items of your store or food department (excluding restaurants) will constitute at least 60 percent of your total dollar volume of all sales.

You must file a statement signed by you or your authorized representative and forwarded by Registered Mail, return receipt requested, to the OPS District Office for your area, stating your trade name and address, and that you meet the above criteria, and including a list of 25 or more of the "specialty" food items which were considered in the 60 percent estimate of your total dollar volume of "specialty" food item sales.

You may, for a "trial period" of four months, consider your new operation a "specialty" food store or food department as soon as you have submitted the above statement, and may for that period figure your ceiling prices under the GCPR.

[Paragraph (d) added by Amdt. 19]

(e) At the end of your trial period, you must re-examine the operation of your store or food department to determine from actual records of four months' operation during that period that you have met the criteria listed in paragraph (d) of this section.

If you find that your trial period experience meets these criteria and you wish to continue to operate as a specialty store and price under the GCPR, you must, within 15 days after the end of the trial period, file with the OPS District Office for your area a statement containing your trade name and address and signed by you or your authorized representative to this effect. You must include as a part of your statement a list of 25 or more of the best-selling items you have included when re-examining your operation for compliance with paragraph (d) (3) of this section. You may then continue to operate as a "specialty store" unless you receive notice from the OPS District Office for your area that permission to operate as a "specialty store" under this section has been revoked because upon examination of the facts it has been determined that you have not met the criteria.

If you do not furnish this data within 15 days after the expiration of your trial period, or if you determine that your store or food department has not met the criteria as estimated in your application, you must, beginning the third Monday after the trial period, establish your ceiling prices under the provisions of CPR 15. You then may not re-apply under the provisions of paragraph (d) above for at least six months from the end of the trial period.

[Paragraph (e) added by Amdt. 19]

[Section 26a added by Amdt. 2; amended by Amdt. 6]

SEC. 26b. *How certain stores that ship most of their sales via mail or express may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department ships 65 percent or more by dollar volume of the items it sells via mail or express, you may obtain permission to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(b) In order to obtain this permission you must file an application with the OPS District Office for your area and furnish the following information:

(1) Your total dollar volume of food sales in the calendar year or fiscal year preceding the date of your application.

(2) Total dollar volume of food sales shipped via mail or express in the calendar year or your fiscal year preceding the date of your application.

(c) You may consider your store or food department excluded from the requirement that you use the markups prescribed by this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. You must then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section.

[Sec. 26b added by Amdt. 17]

SEC. 26c. *How some Group 3 stores may, under certain conditions, be reclassified as Group 1 or 2 stores.* (a) If, for the calendar year 1950, 60 percent or more of your stores had annual gross sales per store of $75,000 or less, you may apply to have your Group 3 stores reclassified as Group 1 or Group 2 stores on the basis of their individual 1950 sales volume.

(b) Your application for reclassification shall be filed with the Distribution Branch, Food and Restaurant Division, Office of Price Stabilization, Washington 25, D. C. This application must list all the stores in your chain, giving the name or number and gross sales for the calendar year 1950 for each store. You may consider your Group 3 stores reclassified as Group 1 or 2 stores as soon as you have submitted your application in accordance with this section. This reclassification may be disapproved if it is determined that you do not qualify under this section.

[Sec. 26c added by Amdt. 19]

SEC. 27. *How certain stores, where necessary to assure an adequate supply of food in a locality, may apply for mark-up adjustments.* If your store is necessary to provide an adequate supply of food products in a locality; and by reason of remote location, long-term credit, short selling season, or other such unusual operating conditions, you find it impossible to operate under the markups fixed by this regulation, you may apply for an adjustment of such markups by filing with the OPS district office for your area two copies of a signed statement giving for your store: (1) its name and address; (2) its group under this regulation; (3) its type (for example, cash-and-carry; service, delicatessen); (4) the approximate number of its food customers; (5) the total number of stores selling food in its community; (6) its distance from the nearest store selling food and the name and address of that store; and (7) the reasons why you are unable to operate under the markups fixed by this regulation.

If you have more than one store you may file one application for all your stores which meet the conditions stated above. Your application must state separately for each store the specific information this section calls for.

SEC. 28. *Applications for adjustment.* Any Regional Office of the OPS, or such offices as may be authorized by order issued by the appropriate Regional Office, may act on all applications for adjustment under the provisions of this regulation. Applications for adjustment

are governed by Price Procedural Regulation 1.

ARTICLE IV—MISCELLANEOUS PROVISIONS

SEC. 29. *How you find the "annual gross sales" of your store.* (a) To find your "annual gross sales," take your total sales for the calendar year 1950. Include all sales as shown on your books, except sales made by a restaurant operated in conjunction with your store. You can use your Federal Income Tax Return to get your gross sales for all or part of the calendar year 1950 which is covered by such return. If you own more than one store, figure the sales for each store separately, treating each as a separate retailer.

(b) If you were not in business during the entire year 1950 you must divide your total sales from the time you began operation up to May 14, 1951, by the number of weeks you were in business. This will give you your weekly average sales. Multiply this figure by 52, and the result is your "annual gross sales."

[Paragraph (b) amended by Amdt. 1]

SEC. 30. *How you determine your group in certain special cases*—(a) *Department stores.* If you operate a department store, that is, a store in which the greater volume of sales is general merchandise and not foods, and you sell foods in a separate department or departments, you must determine your group by using only the "annual gross sales" of your food department or departments.

(b) *Stores in which more than one retailer operates.* (1) If you sell food in a retail store in which there are other food retailers, none of whom sells a complete line of the same general class of food, you must find your group by taking the combined "annual gross sales" of all the food retailers in that store. If the total "annual gross sales" of all the food retailers in that store is not readily available, you shall apply, in writing, within thirty days after the issuance of this regulation, to the OPS district office for your area for a determination of your group, stating your own "annual gross sales" figure for the applicable year. Each District Director is authorized to act on requests covering stores located within his district, and action taken shall be by order.

(2) If you sell foods in a retail store in which more than one retailer sells a complete line of the same general class of food, you will be considered as operating a separate retail store of your own, and you must determine your group by using only your own sales.

(c) *New stores.* If you open a retail store after May 14, 1951, you may consider yourself a Group 1 or Group 3 retailer, depending upon whether or not at that date your store is an "independent" store, and you must figure your ceiling prices accordingly. (If you are a Group 1 store, you must figure your ceiling prices under Ceiling Price Regulation No. 16.) However, after you have been in business for 3 months you must determine again what group your store is in. To do this, take your total sales for the 3-month period and multiply by 4. Use the result as your "annual gross sales" in determining the group in which your store belongs.

If you find that your store should now be in another group, you may continue to use the Group 1 or 3 markups until the second Monday following the end of the 3-month period, by which time you must have refigured all your ceiling prices using the markups for your new group. You shall use as your "net cost" the same "net cost" which you would have used in refiguring your ceiling prices on that Monday. If, under that section, you would not have been required to refigure your ceiling price for any item on that Monday, you shall use as your "net cost" for that item the same "net cost" on which your existing ceiling price at that time is based.

[Paragraph (c) amended by Amdt. 1]

(d) *Discontinuance of stores.* (1) If you are not an "independent" store and you close one or more of your stores so that you now have less than 4 stores under one ownership, you may find your group for each of the remaining stores by determining the "annual gross sales" under section 29 (a), treating each store as an "independent" store.

(2) If you are not an "independent" store and you close one or more of your stores, but 4 or more stores continue under one ownership, you may refigure the combined "annual gross sales" under section 29 (a) for those remaining in operation. If the combined "annual gross sales" are not $750,000 or more, you may then determine your group for each store, treating each as an "independent" store.

(3) If you find that any store is now in another group, you may refigure all of your ceiling prices for that store before the opening of business on any Monday. You must use as your "net cost" the same "net cost" which you would have used in refiguring under sections 4 and 9 your ceiling prices on that Monday of this regulation if a Group 4 store (or under sections 4 and 9 of Ceiling Price Regulation No. 16 if a Group 1 or Group 2 store). If, under that section, you would not have been required to refigure your ceiling price for any item on that Monday, you must use as your "net cost" for that item the same "net cost" on which your existing ceiling price is based. Further, if any store is now in Group 1 or Group 2, it is subject to all other provisions of Ceiling Price Regulation No. 16.

SEC. 31. *Taxes.* You may collect, in addition to your ceiling price, any tax upon or incident to a sale at retail of food covered by this regulation if you state the tax separately, and if the statute or ordinance does not prohibit sellers from stating and collecting the tax separately from the price.

SEC. 32. *Transfer of business and stock in trade.* If, after May 14, 1951, you acquire in any way the business, assets, and stock in trade of any retail store covered by this regulation and you carry on the business, or continue to deal in the same type of food products in that same store, your ceiling prices shall be the same as those of the former owner as if no transfer had taken place. You must keep all the records needed to verify your ceiling prices. The former owner must either preserve and make available to you, or give you, all the records of his transactions before you acquired the store which you need to comply with the record provisions of this regulation.

If the transfer changes the business from one group of retail stores to another, your ceiling prices shall be those for the group of retailer to which you belong under this regulation.

[Sec. 32 amended by Amdt. 1]

SEC. 33. *Export sales.* The ceiling prices at which a person may export any product covered by this regulation shall be determined in accordance with the applicable price regulation covering export sales issued by the OPS.

SEC. 34. *Relation to other regulations.* The provisions of this Ceiling Price Regulation No. 15 except as otherwise provided in this regulation, shall, on and after May 14, 1951, supersede the provisions of the General Ceiling Price Regulation, and any other price regulation or order issued by the OPS with respect to sales and deliveries for which ceiling prices are established by this regulation.

[Sec. 34 amended by Amdt. 1]

SEC. 35. *Definitions*—(a) *"Retail route seller."* A "retail route seller" is a retailer who distributes food products to ultimate consumers who are not commercial, industrial or institutional users, either on a future delivery basis or otherwise, from an inventory stocked in trucks or other conveyances operated by driver-salesmen over regular routes. A retailer, most of whose business is the personal solicitation of orders by salesmen calling at the homes or places of business of ultimate consumers, who are not commercial, industrial or institutional users, shall also be considered a retail route seller. A retailer is a "retail route seller" only of the food products he sells in this way.

(b) *Health food stores.* A "health food store" or "health food department" is one whose sales to consumers consist principally of "specially prepared dietetic foods." For the purpose of this regulation a "health food department" is a separate and distinct department operated by separate and specially trained personnel and for which separate records and accounts are maintained. "Specially prepared dietetic foods" are foods manufactured and sold for restricted diets and for special dietetic purposes, including but not limited to specially prepared foods for diabetic or arthritic conditions, or high blood pressure; specially prepared weight building or tonic foods; and vitamin or mineral supplements.

(c) *Delivery.* Delivery to you of an item covered by this regulation shall be considered to have occurred when the item has been received by you at your usual receiving point.

(d) *Usual receiving point.* Your usual receiving point will be either your retail store or your warehouse from which you supply your retail stores, depending upon where you normally receive the particular item you are pricing under this regulation.

(e) *Item.* You must determine a separate ceiling price for each item; that is, for each kind, brand, size, variety, grade, container-type and container-size.

(f) *Manufacture or otherwise process.* "Manufacture or otherwise process" shall mean blending, freezing, canning, preserving, bottling, milling, crushing, straining, roasting, centrifuging, cooking, distilling, purifying with heat, printing of butter, and other similar operations, and packaging of spices, tea, and gelatin.

Packaging as used in section 18 shall not be considered manufacturing or processing under this regulation.

(g) *Group 1 retailer.* A retailer is in Group 1 if he is an "independent" retailer with an "annual gross sales" of less than $75,000.

(h) *Group 2 retailer.* A retailer is in Group 2 if he is an "independent" retailer with an "annual gross sales" of $75,000 or more, but less than $375,000.

(i) *Great Lakes marine supplier.* A "Great Lakes marine supplier" means a person operating a selling establishment which buys and resells food products for the most part to "operators of a lake vessel or vessels," for consumption aboard such vessel or vessels, with delivery from shore locations by use of truck or launch facilities. "Operator of a lake vessel or vessels" means any person who owns or operates a lake vessel or vessels, other than passenger boats, engaged in shipping upon the Great Lakes, and who in operating such vessels purchases or receives food products covered by this regulation from a Great Lakes marine supplier for consumption aboard such vessels.

[Paragraph (i) amended by Amdt. 6]

(j) *Specialty foods.* Specialty foods shall mean food items normally classed as table delicacies or luxury items such as sea squab, terrapin stew, brandied fruits, fancy imported foods, wild game, etc., which the average wholesale grocer and retailer does not stock as a complete line of merchandise.

[Paragraph (j) added by Amdt. 2]

(k) *Canned.* "Canned" means processed and packaged in any container, whether or not hermetically sealed.

[Paragraph (k) added by Amdt. 15]

SEC. 36. *Geographical applicability.* The provisions of this regulation shall apply to the 48 States of the United States and to the District of Columbia.

SEC. 37. *Table of markups for "dry groceries" (Table A)*—(a) *Table A—Markups over "net cost" allowed to Groups 3 and 4 retailers for dry groceries covered by this regulation by commodities.*

TABLE A—MARKUPS OVER "NET COST" ALLOWED TO GROUP 3 AND GROUP 4 RETAILERS FOR DRY GROCERIES COVERED BY THIS REGULATION BY COMMODITIES

Food Commodities	Allowed markups over net cost: Group 3, retailer other than independent with annual volume under $375,000	Group 4, any retailer with annual volume of $375,000 or more
	Percent	*Percent*
1. Baby foods	18	16
2. Cereals, breakfast	20	18
3. Cocoa, chocolate and cereal drink preparations	22	21
4. Coffee	12	11
4a. Coffee concentrates	16	15
5. Cookies, toast and crumbs	30	30
5a. Crackers	25	25
6. Corn meal, hominy and flour mixes	25	21
7. Dog and cat foods	24	24
8. Fish, processed	25	25
8a. Salmon and tuna, processed	21	21
9. Flour, packaged (5-pound containers or less)	23	17
9a. Flour	20	14
10. Frozen foods	30	30
11. Fruits, berries and fruit juices (canned) except fruit cocktail, pineapple, peaches and pears	30	30
12. Fruit cocktail, pineapple, peaches and pears (canned) except juices [1]	----------	----------
13. Fruits, dried and dehydrated [1]	----------	----------
14. Gelatin and pudding mixtures	23	18
15. Jams, jellies, preserves, and honey	35	35
15a. Peanut butter	31	31
16. Lard, pure	17	15
17. Macaroni and spaghetti products	27	26
18. Mayonnaise and salad dressing	22	22
19. Meat, canned	23	22
19a. Luncheon meats	19	18
20. Milk, canned	10	9
21. Oils, cooking and salad	24	16
22. Oleomargarine	18	18
23. Pickles and relishes [1]	----------	----------
24. Rice	24	20
25. Shortening, hydrogenated	9	9
26. Shortening, other	17	13
27. Soups, canned	19	19
28. Soups, dehydrated	31	27
29. Spices	46	46
30. Syrups	24	21
31. Tea	25	25
32. Vegetables and vegetable juices (canned) except corn, green beans, peas, tomatoes and tomato juice	30	30
33. Corn, green beans, peas, tomatoes and tomato juice (canned) [1]	----------	----------
34. Vegetables, dried and dehydrated [1]	----------	----------
35. Vinegar	34	33
36. Miscellaneous foods	35	35

[1] All commodities in this category are excluded from price control.

[Section 37 (a) amended by Amdt. 14]

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(1) "*Baby foods*" means "baby" or "junior" cereals, fruits, vegetables, meats, puddings, soups and mixtures thereof, packed in hermetically sealed containers.	(1) "*Baby foods*". Excluded are: Dry baby cereals.	(1) "*Baby foods*". Excluded are: Fruits, vegetables (including creamed vegetables), and their juices, and combinations of fruits, vegetables, or their juices, with no other ingredients added except water sufficient for preparation, salt or sugar. Soups are not within this exclusion.
(2) "*Cereals, breakfast*" means cereal items commonly used as breakfast foods, both uncooked and ready-to-eat types including, but not limited to, bran flakes, farina, popped rice, and rolled oats. Not included in this definition are barley, corn meal, corn grits, hominy grits and flakes, rice and wheat bran flour.	(2) "*Cereals, breakfast*". Excluded are: Steel cut oats.	(2) "*Cereals, breakfast*". Excluded are: Wheat germ and imported "cereals, breakfast" if imported in consumer size containers.
(3) "*Cocoa, chocolate, and cereal-drink preparations*" includes, but is not limited to, coffee substitutes or extenders, chicory, malted milk preparations containing less than 35 percent malted milk, chocolate syrup packed in consumer sizes, chocolate bits, and cooking chocolate and packaged powdered skim milk (spray process). Not included in this definition is any powdered milk product containing 40 percent or more milk sugars.	(3) "*Cocoa, chocolate, and cereal-drink preparations*". Excluded are: Chocolate confections, bittersweet bars, milk chocolate, powdered whole milk; powdered skim milk (except spray process).	(3) "*Cocoa, chocolate, and cereal-drink preparations*". Excluded are: Powdered malted milk and any preparations containing 35 percent or more powdered malted milk, and imported cocoa, chocolate and cereal drink preparations if imported in consumer size containers.
(4) "*Coffee*" means roasted coffee, whole or ground, decaffeinated coffee, and any mixtures of coffee with other products for beverage purposes. Not included in this definition are all "coffee concentrates," including "frozen coffee concentrates."	(4) "*Coffee*". Excluded are: Green coffee in containers of the customary unit and weight in which they are imported into the United States.	(4) "*Coffee*". Excluded are: Imported coffee if imported in consumer size containers (2 pounds or less) and coffee packaged in bags, each containing only the amount necessary to make 1 ordinary cup of coffee.
(4a) "*Coffee concentrates*" includes but is not limited to instant and soluble coffee concentrates whether or not mixed with other ingredients. Not included in this definition is frozen coffee concentrate.	(4a) "*Coffee concentrates*". Excluded are: None.	(4a) "*Coffee concentrates*". Excluded are: Imported coffee concentrates if imported in consumer size containers.
(5) "*Cookies, toast and crumbs*" includes, but is not limited to biscuits, Christmas cookies, fig bars or cookies, pretzels, rye crackers, zweiback, melba toast, bread crumbs, cracker crumbs, cookies, matzo, matzo meal and related matzo products. Not included in this definition are any items which are bought by you in bulk and sold loose, or any "crackers" as defined below.	(5) "*Cookies, toast and crumbs*". Excluded are: Any bakery product which you manufacture except "crackers," Passover matzo, Passover matzo meal and related Passover products, any item which is purchased in consumer sizes in tin or glass containers, baked goods, fresh, such as bread, pies, cakes, rolls, doughnuts, coffee cakes, candies (except cookies, toast and crumbs), and rice crackers.	(5) "*Cookies, toast and crumbs*". Excluded are: Imported cookies and toast, if imported in consumer size containers.
(5a) "*Crackers*" means all types of soda, sprayed, butter and graham crackers. Not included in this definition are any items which are bought by you in bulk and sold loose.	(5a) "*Crackers*". Excluded are: Any cracker product which you manufacture, and any cracker item which is purchased in consumer sizes in tin or glass containers.	(5a) "*Crackers*". Excluded are: Imported crackers, if imported in consumer size containers.

(b) Commodity definitions. These definitions apply to both domestic and imported items	(c) Commodities excluded from this regulation, but subject to GCPR or other applicable regulations	(d) Commodities excluded from price control at wholesale and retail
(6) "*Corn meal, hominy and flour mixes*" means corn meal, corn grits, hominy, hominy grits, hominy flakes, prepared hominy and flour mixes milled from wheat, semolina, farina, buckwheat, corn, rice and potatoes, including, but not limited to, prepared pancake, biscuit, pie crust and gingerbread mix and any item containing ingredients to prepare crust and filling for a pie. Not included in this definition is canned hominy, which is in "Vegetables and vegetable juices, canned".	(6) "*Corn meal, hominy and flour mixes*". Excluded are: None.	(6) "*Corn meal, hominy and flour mixes*". Excluded are: Water ground corn meal.
(7) "*Dog and cat food*" shall not include any item prepared by you for pet food, or any frozen dog or cat food.	(7) "*Dog and cat food*". Excluded are: None.	(7) "*Dog and cat food*". Excluded are: None.
(8) "*Fish, processed*" includes canned fish, canned seafood, and salted or otherwise processed fish, such as fish cakes. Not included in this definition are canned crab meat, lobster, oysters, salmon and tuna, and frozen food products in which fish or seafood are combined with other ingredients.	(8) "*Fish, processed*". Excluded are: Kippered, marinated, dried or smoked fish and seafoods (except sardines).	(8) "*Fish, processed*". Excluded are: Canned clams, shrimp a la Newburg, shad, turtle or terrapin, anchovy roll fillets; frozen fish and seafood: fresh fish and seafood; fish and seafood pâtes, pastes and purees; sauce containing fish and seafood; fish roe, caviar, fish and seafood hors d'oeuvres; and imported "fish, processed" if imported in consumer size containers.
(8a) "*Salmon and tuna, processed*".	(8a) "*Salmon and tuna, processed*". Excluded are: Frozen, kippered, marinated, dried or smoked salmon or tuna.	(8a) "*Salmon and tuna, processed*". Excluded are: None.
(9) "*Flour, packaged*" means packaged flour (in containers of 5 pounds or less) milled from wheat, semolina, farina, buckwheat, corn, rice, and potatoes, including but not limited to, all-purpose family flour, self-rising flour, cake flour and enriched flour. Not included in this definition are all flour mixes.	(9) "*Flour, packaged*". Excluded are: None.	(9) "*Flour, packaged*". Excluded are: Potato flour, water ground wheat flour and water ground buckwheat flour.
(9a) "*Flour, other*" means all flour in containers of more than 5 pounds milled from wheat, semolina, farina, buckwheat, corn, rice, and potatoes, including but not limited to, all-purpose family flour, self-rising flour, cake flour and enriched flour. Not included in this definition are all flour mixes.	(9a) "*Flour, other*". Excluded are: None.	(9a) "*Flour, other*". Excluded are: Potato flour, water ground wheat flour and water ground buckwheat flour.
(10) "*Frozen foods*" means packaged quick-frozen or cold-packed foods sold from refrigerated cabinets or lockers, including but not limited to dog and cat food, Chinese foods, macaroni products, coffee concentrates, concentrated fresh milk, pies and pastries, meat stews, corned beef hash, meat pies, and food products in which fish or seafood, meat or poultry are combined with other ingredients.	(10) "*Frozen foods*". Excluded are: Meat, poultry, ice cream, sherbet and confections.	(10) "*Frozen foods*". Excluded are: Hollandaise sauce, fish and seafood, prepared pastry doughs, all fruits, berries, fruit or berry juices and concentrates, vegetables, vegetable juices, mushrooms, cocoanut, cooked spaghetti products with or without sauce, bean sprouts, Chinese mixed vegetables, Chinese chow mein, Chinese chop suey, soups, gravies and pork and beans.
(11) "*Fruits, berries and fruit juices, canned*" includes fountain fruits, and non-carbonated liquid fruit beverages such as grapeade, lemonade and orangeade. Not included in this definition are apple butter, fruit butters, jams, jellies, fruit preserves, cocoanut, baby foods, fruit cocktail, pineapple (except pineapple juice), peaches, pears and frozen fruits.	(11) "*Fruits, berries and fruit juices, canned*". Excluded are: None.	(11) "*Fruits, berries and fruit juices, canned*". Excluded are: Brandied, liquor flavored or stuffed melon, fruit rind, fruits or berries; whole or half citrus fruits; cocktail slices and sticks; maraschino cherries; all varieties of canned apples, applesauce, apricots, berries, currants, cherries, figs, fruit for salad (including fruit mixtures), fruit and berry juices and nectars, including apple and other fruit ciders, plums, prunes, mangoes, citrus fruits, juices and concentrates, grapes, nectarines, quinces, papayas and guavas.
(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".	(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".	(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".
All commodities in this category are excluded from price control.		
(13) "*Fruits, dried and dehydrated*".	(13) "*Fruits, dried and dehydrated*".	(13) "*Fruits, dried and dehydrated*".
All commodities in this category are excluded from price control, including all dried, dehydrated and stuffed fruits either whole, pitted or in macerated form.		
(14) "*Gelatin and pudding mixtures*" includes, but is not limited to, gelatin, gelatin desserts, tapioca, arrowroot, consumer ice cream mixes, rennet, and pie fillings.	(14) "*Gelatin and pudding mixtures*". Excluded are: None.	(14) "*Gelatin and pudding mixtures*". Excluded are: Wine gelatins, wine dessert powders, and all imported gelatin and pudding mixtures if imported in consumer size containers.
(15) "*Jams, jellies, preserves and honey*" includes but is not limited to, tomato preserves, marmalade, fruit preserves, fruit butters, honey butter and all extracted honey (including combinations of extracted and comb honey) packaged in containers of a capacity of 15 pounds or less. Not included in this definition are cranberry jelly or sauce and peanut butter.	(15) "*Jams, jellies, preserves and honey*". Excluded are: Honey packed with blossom and comb honey.	(15) "*Jams, jellies, preserves and honey*". Excluded are: Wine jellies, preserved kumquats, lemon marmalade, guava jelly, and imported jams, jellies, preserves and honey if imported in consumer size containers.
(15a) "*Peanut butter*" includes all smooth or crunch type nut butters.	(15a) "*Peanut butter*". Excluded are: None.	(15a) "*Peanut butter*". Excluded are: None.
(16) "*Lard, pure*" includes, but is not limited to, rendered pork fat. Not included in this definition are lard compounds, which are classed as "shortenings, other".	(16) "*Lard, pure*". Excluded are: None.	(16) "*Lard, pure*". Excluded are: None.
(17) "*Macaroni and spaghetti products*" includes but is not limited to, bows, egg alphabets, macaroni, spaghetti, vermicelli, sea shells, noodles, macaroni dinners, spaghetti dinners, canned macaroni and canned spaghetti. Not included in this definition are meat ravioli, tamales, dry noodle soup mixtures, spaghetti-and-meat balls, chicken-and-noodles, Chinese-style noodles, and frozen macaroni and spaghetti products.	(17) "*Macaroni and spaghetti products*". Excluded are: None.	(17) "*Macaroni and spaghetti products*". Excluded are: Imported macaroni and spaghetti products if imported in consumer size containers.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(18) "*Mayonnaise and salad dressing*" includes, but is not limited to, relish spreads, other mayonnaise spreads and French dressing. Not included in this definition are meat spreads.	(18) "*Mayonnaise and salad dressing*". Excluded are: None.	(18) "*Mayonnaise and salad dressing*". Excluded are: Bottled table dressings and sauces of the following flavors: avocado, dill, onion, poppy seed, sherry, chive, garlic and mint; tartar sauce, hollandaise sauce, cheese dressings, and imported mayonnaise and salad dressing if imported in consumer size containers.
(19) "*Meat, canned*" includes but is not limited to, canned or glass chicken products, turkey products, chicken and noodles, corned beef, meat ravioli, chili con carne, meat stews, meat spreads, and spaghetti and meat balls. Not included in this definition are pigs feet, scrapple, tamales, enchiladas, tripe, veal loaf, mincemeat, frozen food products in which meat, chicken or turkey are combined with other ingredients, frozen meat gravies, frozen meat stews and pies, and any meat or meat product which is in a pliable plastic or similar type of container and luncheon meats.	(19) "*Meat, canned*". Excluded are: Breast of chicken, chicken fricassee, whole or half chicken, chicken a la king, "Smithfield" ham and "Smithfield" ham products and any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts.	(19) "*Meat, canned*". Excluded are: Tongue spread, deviled tongue, pickled pork knuckles, pickled pork tidbits, liver paste, meat gravy, smoked tongue, liver, hearts, gizzards, cocktail frankfurters, canned wild game, meat or poultry pates, pate de foie gras, rattlesnake meat, turtle meat, and imported canned meat if imported in consumer sizes of 2 pounds or less, except beef and beef products.
(19a) "*Luncheon meats, canned*" includes, but is not limited to, spiced ham, pressed ham, chopped ham, spiced pork and spiced beef and pork. Not included in this definition are pigs feet, scrapple, tamales, tripe, veal loaf, mincemeat, frozen food products in which meat, chicken or turkey are combined with other ingredients, frozen meat gravies, any frozen meat or meat product which is in a pliable plastic or similar type of container and any "canned meat" as defined in category (19) above.	(19a) "*Luncheon meats, canned*". Excluded are: Any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts.	(19a) "*Luncheon meats, canned*". Excluded are: Imported luncheon meats if imported in consumer sizes of 2 pounds or less, except beef products.
(20) "*Milk, canned*" means evaporated or condensed cow milk, including but not limited to, filled evaporated milk products.	(20) "*Milk, canned*". Excluded are: None.	(20) "*Milk, canned*". Excluded are: None.
(21) "*Oils, cooking and salad*" means all vegetable oils, fruit leaf plant oils, and cooking fats other than lard and shortening. Not included in this definition are olive oil, prepared dressings, and spice oils.	(21) "*Oils, cooking and salad*". Excluded are: None.	(21) "*Oils, cooking and salad*". Excluded are: None.
(22) "*Oleomargarine*" means any product labeled "Oleomargarine"	(22) "*Oleomargarine*". Excluded are: None.	(22) "*Oleomargarine*". Excluded are: None.
(23) "*Pickles and relishes*".	(23) "*Pickles and relishes*".	(23) "*Pickles and relishes*".
All commodities in this category are excluded from price control, including pickled fruits and vegetables, pickled relishes and stuffed pickles.		
(24) "*Rice*" means all rice (including second heads) of the grades defined by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946). Not included in this definition are rice flour, rice flakes, popped rice, and canned Spanish rice.	(24) "*Rice*". Excluded are: Screenings and brewers' rice graded as Class XIII and Class XIV, respectively by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946).	(24) "*Rice*". Excluded are: Wild rice.
(25) "*Shortening, hydrogenated*" means all fully hydrogenated shortening.	(25) "*Shortening, hydrogenated*". Excluded are: None.	(25) "*Shortening, hydrogenated*". Excluded are: None.
(26) "*Shortening, other*" means shortenings other than fully hydrogenated shortening. Not included in this definition are butter, lard, oleomargarine, and suet.	(26) "*Shortening, other*". Excluded are: None.	(26) "*Shortening, other*". Excluded are: None.
(27) "*Soups, canned*" includes soups, broths and chowder. Not included in this definition are meat stews, "baby" or "junior" soups, dehydrated soups, and frozen soups.	(27) "*Soups, canned*". Excluded are: All bisques (except tomato, chicken, celery and mushroom).	(27) "*Soups, canned*". Excluded are: French onion soup (consumer size containers), consomme madrilene, jellied chicken consomme, vichysoisse, black bean soup, borscht, cheese soup, consomme julienne, minestrone, mushroom broth, onion a la Bretton, petite marmite, turtle, wine and sherry flavored, fish or sea food soups (except clam chowder), smoked turkey and game bird soups, almond, artichoke, avocado, broccoli, cucumber and watercress soups, and all imported soups if imported in consumer size containers.
(28) "*Soups, dehydrated*" means dry mixtures sold for soup making, including but not limited to, dry vegetable and dry noodle soup mixtures. Not included in this definition are other macaroni or noodle products, lentils and dried peas.	(28) "*Soups, dehydrated*". Excluded are: None.	(28) "*Soups, dehydrated*". Excluded are: Bouillon cubes and bouillon powders.
(29) "*Spices*" includes imported spices and domestic spices mixed or combined with imported spices, seeds and herbs. Included in this definition are caraway seeds, dried peppers, dry chili, chili powder, herbs, dry mustard, poultry seasoning, poppy seed, sesame seed, thyme, and cream of tartar. Not included in this definition are table salt and spice oils.	(29) "*Spices*". Excluded are: Raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States; spices in assorted sets, contained in wooden or other type trays designed as permanent kitchen furniture, and spices and herbs packed in glass.	(29) "*Spices*". Excluded are: Imported spices, seeds and herbs if imported in consumer size containers, and domestic spices produced in the United States that are not mixed or combined with imported spices, seeds and herbs.
(30) "*Syrups*" means all malt, molasses, cane, maple, corn syrups, and imitations or blends. Not included in this definition are chocolate and ice cream sundae syrups.	(30) "*Syrups*". Excluded are: Unmixed corn syrups, molasses sold for feeding purposes, sorghum syrup and fruit syrups for making beverages.	(30) "*Syrups*". Excluded are: Rock candy syrup, and imported syrup, if imported in consumer size containers.
(31) "*Tea*" includes all bulk or packaged tea, teabags and concentrated tea.	(31) "*Tea*". Excluded are: Assam, Darjeeling, Formosa, Oolong, Ceylon, Kee-Mun, Lapsang, Souchong, Jasmine, and Fancy Green Teas and blends thereof, mate, and sales of tea in containers of the customary unit and weight in which they are imported into the United States.	(31) "*Tea*". Excluded are: Imported tea, if imported in consumer size containers.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(32) "*Vegetables and vegetable juices, canned*" includes baked beans with ham, mushroom sauce, Chinese style foods, including soy sauce and brown sauce. Not included in this definition are vegetable soups, "baby" or "junior" foods, pickles, corn, green beans, peas (except canned black-eye, crowder, cream and field peas), shoestring and julienne potatoes, french fried onions, tomatoes, tomato juice and frozen vegetables.	(32) "*Vegetables and vegetable juices, canned*". Excluded are: None.	(32) "*Vegetables and vegetable juices, canned*". Excluded are: Artichoke products, asparagus, cabbage (red or white), brussel sprouts, broccoli, beans (lima or wax), beets, carrots, celery, eggplant, fresh and dry black-eye, crowder, cream and field peas and fresh shelled beans (all varieties), cauliflower, fresh field corn, salsify, tomato sauce, seafood cocktail sauce, hominy, soy beans, mixtures of vegetables, mushrooms, okra, onions, poi, peppers (all varieties), parsnips, pimentos, potatoes white and sweet, pumpkin, sauerkraut, squash, spinach, succotash, rhubarb, rutabagas, turnips, turnip greens, vegetable greens, vegetable juices and mixtures thereof, tomato paste, tomato pulp or puree, chili sauce, tomato catsup, canned beans including pork and beans but excluding beans with ham or other meat, bean sprouts, Chinese mixed vegetables, Chinese chow mein, and Chinese chop suey.
(33) "*Corn, green beans, peas, tomatoes and tomato juice, canned*".	(33) "*Corn, green beans, peas, tomatoes and tomato juice, canned*".	(33) "*Corn, green beans, peas, tomatoes and tomato juice, canned.*"
All commodities in this category are excluded from price control.		
(34) "*Vegetables, dried and dehydrated*".	(34) "*Vegetables, dried and dehydrated*".	(34) "*Vegetables, dried and dehydrated*".
All commodities in this category are excluded from price control, including dried and dehydrated beans, peas, mushrooms and lentils.		
(35) "*Vinegar*" includes, but is not limited to, pure cider vinegar and distilled vinegar.	(35) "*Vinegar*". Excluded are: Malt and fruit vinegar (except apple).	(35) "*Vinegar*". Excluded are: Wine and herbal vinegar and imported vinegars if imported in consumer size containers.
(36) "*Miscellaneous foods*" shall include all other dry grocery items except those specifically excluded in paragraphs (c) and (d) of this section. Non-food items are, of course, not included. Among the items included under this heading are the following: Baking powder. Baking soda. Barley (pearl). Brown bread, and date and nut bread, canned. Brewers yeast in consumer size packages not to exceed 2 pounds. Cocoanut, shredded, desiccated or moist. "Cookies, crackers, toast and crumbs" bought by you in bulk and sold loose Corn starch packaged in containers of 10 pounds or less. Crab meat, canned Enchilades (tins, jars, paper or corn wrapped).	(36) "*Miscellaneous foods.*" Excluded are: Beer. Bread. Buttermilk, fresh. Candy (except pure maple sugar candy). Corn starch (packaged in containers of more than 10 pounds). Corn sugar. Cream, fresh. Eggs. Feed, animal, poultry or pet foods (except dog and cat food). Fruit cake, except holiday fruit cake. Gift or holiday packages bought assembled, and containing one or more items covered by this regulation. Goat milk. Ice cream in cones.	(36) "*Miscellaneous foods.*" Excluded are: All package and bulk sales of the following prepared salads and ready-to-serve desserts: cabbage, potato, mixed vegetables, macaroni, waldorf, apple-pecan in gelatin, fresh banana in gelatin, fruit cocktail in gelatin, lemon aspic in gelatin, pineapple in gelatin, and crushed pineapple in pineapple gelatin. Antipasto. Apple chips, crunchy, canned and packaged. Apple nougats, canned or packaged. Apple-pie mix. Apple and other fruit pomaces Babas in tins. Bacon rinds, fried. Bamboo shoots, canned. Cane or beet sugar.
(36) "*Miscellaneous foods*"—Continued Fruit pectins. Ice cream sundae syrups, including chocolate syrup packed in No. 10 tins or larger. Lobster, canned. Macaroni salad, canned. Meat flavorings. Meat sauces, except catsup, cocktail sauce and chili sauce. Mustard, prepared. Oysters (canned) except smoked. Puddings, date, fig or plum. Powdered milk product containing 40 percent or more milk sugars. Scrapple, canned. Spanish rice, canned. Table salt packaged in cartons, bags, or packets containing 100 pounds or less, meat-curing and smoked salt, Kosher salt in cartons and salt packaged in containers of 10 pounds or less and labeled by the manufacturer as ice cream salt. (Excluded are onion, celery or garlic salt.) Spice oils. Tamales, canned. Tripe, canned. Vanilla extract. Veal loaf, canned. Yeast.	(36) "*Miscellaneous foods*"—Con. Excluded are—Continued Ice cream, sherberts and frozen confections. Liquors. Meat (except "meat, canned"). Milk, fresh. Mineral oil. Nuts. Peanuts. Poultry, other than canned. Salt not covered by sec. 37 (b) (36). Soft drinks. Tamales, bulk. Tortillas. Vitamin concentrates. Wine. Yogurt.	(36) "*Miscellaneous foods*"—Con. Excluded are—Continued Capers. Cherry-pie mix. Chutney, canned. Citrus fruit beverage bases and other fruit beverage bases (but not fruit ades or soft drinks made therefrom). Clam juice. Cones for ice cream. Crab meat, deviled. Crapes suzette. Easter egg dye. Egg-nog, bottled. Flavorings in containers of 16 ounces or less. Food colorings in containers of 16 ounces or less. Food flavoring extracts (except vanilla). Fresh fruits and vegetables. Fried worms, canned. Fruit cake, holiday, that is fruit cake which: (1) contains not less than 50 percent by weight of fruits and nuts in relation to the total weight of the fruit cake mix; and which (2) is packaged by the manufacturer in a wrapper or container which indicates that such fruit cake is packaged expressly for sale during the Thanksgiving or Christmas season or both. Ginger, candied. Gravy and gravy mixes, canned or dehydrated. Horseradish. Lobster a la Newburg. Maple sugar, pure. Maple sugar candy, pure. Meat loaf spice mixtures, canned. Mincemeat. Monosodium glutamate when sold in containers of 16 ounces or less. Olives. Olive oil. Olive spreads. Onions, French Fried, canned. Oysters, smoked. Palm hearts, canned. Pickled boneless or semiboneless pigs feet in containers of 28 ounces or less. Popcorn and popping corn. Potatoes, white, peeled, whole or sliced, chemically treated. Potato chips. Potatoes, julienne and shoestring. Potato starch. Prepared pastry doughs. Processed pumpkin seeds. Pumpkin-pie mix. Snails, canned. Sauces, hot. Sauces, fish. Sweetpotato-pie mix, canned. Tapioca food starch sold in bulk. Tom and Jerry batter. Tomato aspic and any other vegetable aspic, canned.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
		(36) "*Miscellaneous foods*"—Con. Excluded are—Continued Toppings in hermetically sealed containers when processed from vegetable oils, stabilizers and dry milk solids with not more than 15 percent of the total ingredients by weight consisting of dry milk solids. Truffles. Vegetable flakes. Vegetable powders. Vegetable protein, hydrolized, when sold in containers of 16 ounces or less. Vegetable salt. Walnut sauce. Water chestnuts, canned.

[Section 37 revised by Amdt. 20; Paragraphs (b) and (c) amended by 3; Paragraph (d) added by Amdt. 3; Subparagraph (b) (19) amended by Amdt. 6; Subparagraphs (b) (6), (10) and (36) and (c) (3), (10), (19) and (36) amended by Amdt. 9; Subparagraphs (c) (36) and (d) (36) amended by Amdt. 10; Subparagraphs (b) (4), (5), (8), (9), (10), (15), and (19), (c) (4), (5), (8), (9), (10), (15) and (19), and (d) (4), (5), (8), (9), (10), (15) and (19) amended by Amdt. 14; Subparagraphs (b) (8), (12), (19), (32), (33) and (36), (c) (8), (10) and (36) and (d) (4), (8), (10), (32) and (36) amended by Amdt. 15; Subparagraph (d) (36) amended by Amdt. 16]

SEC. 38. *Table of markups for "perishables" (Table B)*—(a) *Table B: Markups over "net cost" allowed to Group 3 and Group 4 retailers for "perishables" covered by this regulation by commodities.*

TABLE B—MARKUPS OVER "NET COST" ALLOWED TO GROUP 3 AND GROUP 4 RETAILERS FOR PERISHABLES COVERED BY THIS REGULATION BY COMMODITIES

Food Commodities	Allowed markups over net cost		Selling unit in which ceiling price must be calculated
	Group 3, retailer other than independent with annual volume under $375,000	Group 4, any retailer with annual volume of $375,000 or more	
	Percent	*Percent*	
(1) Dairy products:			
Butter	10	10	1 pound.
Cheese	27	25	1 pound or 1 package.

[Subparagraph (2) added by Amdt. 8, deleted by Amdt. 20; Subparagraph (3) added by Amdt. 10, deleted by Amdt. 16; Paragraph (a) amended by Amdt. 14]

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(1) "*Dairy products*". "*Butter*" (packaged) means only butter from milk, including but not limited to, processed salted, unsalted and whipped butter. Not included in this definition are peanut, nut, fruit or honey butters. "*Cheese*" shall include all packaged cheese, cheese spreads, and cheese foods purchased packaged.	"*Butter*". Excluded are: Bulk or tub butter. "*Cheese*". Excluded are: Imported packaged cheese if imported in consumer size containers. Cheese gift packages of assorted cheeses if assembled by you, and all types of bulk cheese.	"*Butter*". Excluded are: None. "*Cheese*". Excluded are: None.

[Paragraph (b) amended by Amdts. 3, 6, 8, 10 and 13; Paragraph (c) added by Amdt. 3, amended by Amdts. 6, 8 and 10; Paragraph (d) added by Amdt. 3, amended by Amdts. 8, 10 and 15; Subparagraphs (b) (3), (c) (3) and (d) (3) deleted by Amdt. 16]

[Section 38 revised by Amdt. 20]

SEC. 39. *Table of ceiling prices based on any given "net cost" and mark-up (Table C)*—(a) *Table C: Retail ceiling prices obtained by applying any given percentage mark-up to any given net cost.*

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST

ITEMS WITH A "NET COST" OF FROM ½¢ TO 10¢ PER UNIT

Net cost (per unit)	½¢	1¢	1½¢	2¢	2½¢	3¢	3½¢	4¢	4½¢	5¢	5½¢	6¢	6½¢	7¢	7½¢	8¢	8½¢	9¢	9½¢	10¢
Mark-up (percent)	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
7	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
8	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
9	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
10	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
11	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	11
12	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	10	10	11	11
13	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	10	10	11	11
14	1	2	2	3	3	4	4	5	5	6	6	7	7	8	9	9	10	10	11	11
15	1	2	2	3	3	4	4	5	5	6	6	7	7	8	9	9	10	10	11	12
16	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	10	11	12
17	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
18	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
19	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
20	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
21	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
22	1	2	2	3	3	4	4	5	5	6	7	7	8	9	9	10	10	11	12	12
23	1	2	2	3	3	4	4	5	6	6	7	7	8	9	9	10	10	11	12	12
24	1	2	2	3	3	4	4	5	6	6	7	7	8	9	9	10	11	11	12	12
25	1	2	2	3	3	4	4	5	6	6	7	8	8	9	9	10	11	11	12	13
26	1	2	2	3	3	4	4	5	6	6	7	8	8	9	9	10	11	11	12	13
27	1	2	2	3	3	4	4	5	6	6	7	8	8	9	10	10	11	11	12	13
28	1	2	2	3	3	4	4	5	6	6	7	8	8	9	10	10	11	12	12	13
29	1	2	2	3	3	4	5	5	6	6	7	8	8	9	10	10	11	12	12	13
30	1	2	2	3	3	4	5	5	6	7	7	8	8	9	10	10	11	12	12	13
31	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	10	11	12	12	13
32	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
33	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
34	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
35	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	14
36	1	2	2	3	3	4	5	5	6	7	7	8	9	10	10	11	12	12	13	14
37	1	2	2	3	3	4	5	5	6	7	8	8	9	10	10	11	12	12	13	14
38	1	2	2	3	3	4	5	6	6	7	8	8	9	10	10	11	12	12	13	14
39	1	2	2	3	3	4	5	6	6	7	8	8	9	10	10	11	12	13	13	14
40	1	2	2	3	4	4	5	6	6	7	8	8	9	10	11	11	12	13	13	14
41	1	2	2	3	4	4	5	6	6	7	8	8	9	10	11	11	12	13	13	14
42	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	11	12	13	13	14
43	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	11	12	13	14	14
44	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	12	12	13	14	14
45	1	2	2	3	4	4	5	6	7	7	8	9	9	10	11	12	12	13	14	15
46	1	2	2	3	4	4	5	6	7	7	8	9	9	10	11	12	12	13	14	15
47	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	12	13	14	15
48	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	13	13	14	15
49	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	13	13	14	15
50	1	2	2	3	4	5	5	6	7	8	8	9	10	11	11	12	13	14	14	15

ITEMS WITH A "NET COST" OF FROM 10½¢ TO 18¢ PER UNIT

Net cost (per unit)	10½¢	11¢	11½¢	12¢	12½¢	13¢	13½¢	14¢	14½¢	15¢	15½¢	16¢	16½¢	17¢	17½¢	18¢
Mark up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	11	12	12	13	13	14	14	15	15	16	16	17	17	18	19	19
7	11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19
8	11	12	12	13	14	14	15	15	16	16	17	17	18	18	19	19
9	11	12	13	13	14	14	15	15	16	16	17	17	18	19	19	20
10	12	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20
11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19	20
12	12	12	13	13	14	15	15	16	16	17	17	18	18	19	20	20
13	12	12	13	14	14	15	15	16	16	17	18	18	19	19	20	20
14	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20	21
15	12	13	13	14	14	15	16	16	17	17	18	18	19	20	20	21
16	12	13	13	14	15	15	16	16	17	17	18	19	19	20	20	21
17	12	13	13	14	15	15	16	16	17	18	18	19	19	20	20	21
18	12	13	14	14	15	15	16	17	17	18	18	19	19	20	21	21
19	12	13	14	14	15	15	16	17	17	18	18	19	20	20	21	21
20	13	13	14	14	15	16	16	17	17	18	19	19	20	20	21	22
21	13	13	14	15	15	16	16	17	18	18	19	19	20	21	21	22
22	13	13	14	15	15	16	16	17	18	18	19	20	20	21	21	22
23	13	14	14	15	15	16	17	17	18	18	19	20	20	21	22	22
24	13	14	14	15	16	16	17	17	18	19	19	20	20	21	22	22
25	13	14	14	15	16	16	17	18	18	19	19	20	21	21	22	23
26	13	14	14	15	16	16	17	18	18	19	20	20	21	21	22	23
27	13	14	15	15	16	17	17	18	18	19	20	20	21	22	22	23
28	13	14	15	15	16	17	17	18	19	19	20	20	21	22	22	23
29	14	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23
30	14	14	15	16	16	17	18	18	19	20	20	21	21	22	23	23
31	14	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24
32	14	15	15	16	17	17	18	18	19	20	20	21	22	22	23	24
33	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23	24
34	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23	24
35	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24	24
36	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24	24
37	14	15	16	16	17	18	18	19	20	21	21	22	23	23	24	25
38	14	15	16	17	17	18	19	19	20	21	21	22	23	23	24	25
39	15	15	16	17	17	18	19	19	20	21	22	22	23	24	24	25
40	15	15	16	17	18	18	19	20	20	21	22	22	23	24	25	25
41	15	16	16	17	18	18	19	20	20	21	22	23	23	24	25	25
42	15	16	16	17	18	18	19	20	21	21	22	23	23	24	25	26
43	15	16	16	17	18	19	19	20	21	21	22	23	24	24	25	26
44	15	16	17	17	18	19	19	20	21	22	22	23	24	24	25	26
45	15	16	17	17	18	19	20	20	21	22	22	23	24	25	25	26
46	15	16	17	18	18	19	20	20	21	22	23	23	24	25	26	26
47	15	16	17	18	18	19	20	21	21	22	23	24	24	25	26	26
48	16	16	17	18	19	19	20	21	21	22	23	24	24	25	26	27
49	16	16	17	18	19	19	20	21	22	22	23	24	25	25	26	27
50	16	17	17	18	19	20	20	21	22	23	23	24	25	26	26	27

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 18½¢ TO 26¢ PER UNIT

Net cost (per unit)	18½¢	19¢	19½¢	20¢	20½¢	21¢	21½¢	22¢	22½¢	23¢	23½¢	24¢	24½¢	25¢	25½¢	26¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	28
7	20	20	21	21	22	22	23	24	24	25	25	26	26	27	27	28
8	20	21	21	22	22	23	23	24	24	25	25	26	26	27	28	28
9	20	21	21	22	22	23	23	24	25	25	26	26	27	27	28	28
10	20	21	21	22	23	23	24	24	25	25	26	26	27	28	28	29
11	21	21	22	22	23	23	24	24	25	26	26	27	27	28	28	29
12	21	21	22	22	23	24	24	25	25	26	26	27	27	28	29	29
13	21	21	22	23	23	24	24	25	25	26	27	27	28	28	29	29
14	21	22	22	23	23	24	25	25	26	26	27	27	28	29	29	30
15	21	22	22	23	24	24	25	25	26	26	27	28	28	29	29	30
16	21	22	23	23	24	24	25	26	26	27	27	28	28	29	30	30
17	22	22	23	23	24	25	25	26	26	27	27	28	29	29	30	30
18	22	22	23	24	24	25	25	26	27	27	28	28	29	30	30	31
19	22	23	23	24	24	25	26	26	27	27	28	29	29	30	30	31
20	22	23	23	24	25	25	26	26	27	28	28	29	29	30	31	31
21	22	23	24	24	25	25	26	27	27	28	28	29	30	30	31	31
22	23	23	24	24	25	26	26	27	27	28	29	29	30	31	31	32
23	23	23	24	25	25	26	26	27	28	28	29	30	30	31	31	32
24	23	24	24	25	25	26	27	27	28	29	29	30	30	31	32	32
25	23	24	24	25	26	26	27	28	28	29	29	30	31	31	32	33
26	23	24	25	25	26	26	27	28	28	29	30	30	31	32	32	33
27	23	24	25	25	26	27	27	28	29	29	30	30	31	32	32	33
28	24	24	25	26	26	27	28	28	29	29	30	31	31	32	33	33
29	24	25	25	26	26	27	28	28	29	30	30	31	32	32	33	34
30	24	25	25	26	27	27	28	29	29	30	31	31	32	33	33	34
31	24	25	26	26	27	28	28	29	29	30	31	31	32	33	33	34
32	24	25	26	26	27	28	28	29	30	30	31	32	32	33	34	34
33	25	25	26	27	27	28	29	29	30	31	31	32	33	33	34	35
34	25	25	26	27	27	28	29	29	30	31	31	32	33	34	34	35
35	25	26	26	27	28	28	29	30	30	31	32	32	33	34	34	35
36	25	26	27	27	28	29	29	30	31	31	32	33	33	34	35	35
37	25	26	27	27	28	29	29	30	31	32	32	33	34	34	35	36
38	26	26	27	28	28	29	30	30	31	32	32	33	34	35	35	36
39	26	26	27	28	28	29	30	31	31	32	33	33	34	35	35	36
40	26	27	27	28	29	29	30	31	32	32	33	34	34	35	36	36
41	26	27	27	28	29	30	30	31	32	32	33	34	35	35	36	37
42	26	27	28	28	29	30	31	31	32	33	33	34	35	36	36	37
43	26	27	28	29	29	30	31	31	32	33	34	34	35	36	36	37
44	27	27	28	29	30	30	31	32	32	33	34	35	35	36	37	37
45	27	28	28	29	30	30	31	32	33	33	34	35	36	36	37	38
46	27	28	28	29	30	31	31	32	33	34	34	35	36	37	37	38
47	27	28	29	29	30	31	32	32	33	34	35	35	36	37	37	38
48	27	28	29	30	30	31	32	33	33	34	35	36	36	37	38	38
49	28	28	29	30	31	31	32	33	34	34	35	36	37	37	38	39
50	28	29	29	30	31	32	32	33	34	35	35	36	37	38	38	39

ITEMS WITH A "NET COST" OF FROM 26½¢ TO 34¢ PER UNIT

Net cost (per unit)	26½¢	27¢	27½¢	28¢	28½¢	29¢	29½¢	30¢	30½¢	31¢	31½¢	32¢	32½¢	33¢	33½¢	34¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	28	29	29	30	30	31	31	32	32	33	33	34	34	35	36	36
7	28	29	29	30	30	31	32	32	33	33	34	34	35	35	36	36
8	29	29	30	30	31	31	32	32	33	33	34	35	35	36	36	37
9	29	29	30	31	31	32	32	33	33	34	34	35	35	36	37	37
10	29	30	30	31	31	32	32	33	34	34	35	35	36	36	37	37
11	29	30	31	31	32	32	33	33	34	34	35	36	36	37	37	38
12	30	30	31	31	32	32	33	34	34	35	35	36	36	37	38	38
13	30	31	31	32	32	33	33	34	34	35	36	36	37	37	38	38
14	30	31	31	32	32	33	34	34	35	35	36	36	37	38	38	39
15	30	31	32	32	33	33	34	35	35	36	36	37	37	38	39	39
16	31	31	32	32	33	34	34	35	35	36	37	37	38	38	39	39
17	31	32	32	33	33	34	35	35	36	36	37	37	38	39	39	40
18	31	32	32	33	34	34	35	35	36	37	37	38	38	39	40	40
19	32	32	33	33	34	35	35	36	36	37	37	38	39	39	40	40
20	32	32	33	34	34	35	35	36	37	37	38	38	39	40	40	41
21	32	33	33	34	34	35	36	36	37	38	38	39	39	40	41	41
22	32	33	34	34	35	35	36	37	37	38	38	39	40	40	41	41
23	33	33	34	34	35	36	36	37	38	38	39	39	40	41	41	42
24	33	33	34	35	35	36	37	37	38	38	39	40	40	41	42	42
25	33	34	34	35	36	36	37	38	38	39	39	40	41	41	42	43
26	33	34	35	35	36	37	37	38	38	39	40	40	41	42	42	43
27	34	34	35	36	36	37	37	38	39	39	40	41	41	42	43	43
28	34	35	35	36	36	37	38	38	39	40	40	41	42	42	43	44
29	34	35	35	36	37	37	38	39	39	40	41	41	42	43	43	44
30	34	35	36	36	37	38	38	39	40	40	41	42	42	43	44	44
31	35	35	36	37	37	38	39	39	40	41	41	42	43	43	44	45
32	35	36	36	37	38	38	39	40	40	41	42	42	43	44	44	45
33	35	36	37	37	38	39	39	40	41	41	42	43	43	44	45	45
34	36	36	37	38	38	39	40	40	41	42	42	43	44	44	45	46
35	36	36	37	38	38	39	40	41	41	42	43	43	44	45	45	46
36	36	37	37	38	39	39	40	41	41	42	43	44	44	45	46	46
37	36	37	38	38	39	40	40	41	42	42	43	44	45	45	46	47
38	37	37	38	39	39	40	41	41	42	43	43	44	45	46	46	47
39	37	38	38	39	40	40	41	42	42	43	44	44	45	46	47	47
40	37	38	39	39	40	41	41	42	43	43	44	45	46	46	47	48
41	37	38	39	39	40	41	42	42	43	44	44	45	46	47	47	48
42	38	38	39	40	40	41	42	43	43	44	45	45	46	47	48	48
43	38	39	39	40	41	41	42	43	44	44	45	46	46	47	48	49
44	38	39	40	40	41	42	42	43	44	45	45	46	47	48	48	49
45	38	39	40	41	41	42	43	44	44	45	46	46	47	48	49	49
46	39	39	40	41	42	42	43	44	45	45	46	47	47	48	49	50
47	39	40	40	41	42	43	43	44	45	46	46	47	48	49	49	50
48	39	40	41	41	42	43	44	44	45	46	47	47	48	49	50	50
49	39	40	41	42	42	43	44	45	45	46	47	48	48	49	50	51
50	40	41	41	42	43	44	44	45	46	47	47	48	49	50	50	51

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 34½¢ TO 42¢ PER UNIT

Net cost (per unit)	34½¢	35¢	35½¢	36¢	36½¢	37¢	37½¢	38¢	38½¢	39¢	39½¢	40¢	40½¢	41¢	41½¢	42¢
Mark-up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	37	37	38	38	39	39	40	40	41	41	42	42	43	43	44	45
7	37	37	38	39	39	40	40	41	41	42	42	43	43	44	44	45
8	37	38	38	39	39	40	41	41	42	42	43	43	44	44	45	45
9	38	38	39	39	40	40	41	41	42	43	43	44	44	45	45	46
10	38	39	39	40	40	41	41	42	42	43	43	44	45	45	46	46
11	38	39	39	40	41	41	42	42	43	43	44	44	45	46	46	47
12	39	39	40	40	41	41	42	43	43	44	44	45	45	46	46	47
13	39	40	40	41	41	42	42	43	44	44	45	45	46	46	47	47
14	39	40	40	41	42	42	43	43	44	44	45	46	46	47	47	48
15	40	40	41	41	42	43	43	44	44	45	45	46	47	47	48	48
16	40	41	41	42	42	43	44	44	45	45	46	46	47	48	48	49
17	40	41	42	42	43	43	44	44	45	46	46	47	47	48	49	49
18	41	41	42	42	43	44	44	45	45	46	47	47	48	48	49	50
19	41	42	42	43	43	44	45	45	46	46	47	48	48	49	49	50
20	41	42	43	43	44	44	45	46	46	47	47	48	49	49	50	50
21	42	42	43	44	44	45	45	46	47	47	48	48	49	50	50	51
22	42	43	43	44	45	45	46	46	47	48	48	49	49	50	51	51
23	42	43	44	44	45	46	46	47	47	48	49	49	50	50	51	52
24	43	43	44	45	45	46	47	47	48	48	49	50	50	51	51	52
25	43	44	44	45	46	46	47	48	48	49	49	50	51	51	52	53
26	43	44	45	45	46	47	47	48	49	49	50	50	51	52	52	53
27	44	44	45	46	46	47	48	48	49	50	50	51	51	52	53	53
28	44	45	45	46	47	47	48	49	49	50	51	51	52	52	53	54
29	45	45	46	46	47	48	48	49	50	50	51	52	52	53	54	54
30	45	46	46	47	47	48	49	49	50	51	51	52	53	53	54	55
31	45	46	47	47	48	48	49	50	50	51	52	52	53	54	54	55
32	46	46	47	48	48	49	50	50	51	51	52	53	53	54	55	55
33	46	47	47	48	49	49	50	51	51	52	53	53	54	55	55	56
34	46	47	48	48	49	50	50	51	52	52	53	54	54	55	56	56
35	47	47	48	49	49	50	51	51	52	53	53	54	55	55	56	57
36	47	48	48	49	50	50	51	52	52	53	54	54	55	56	56	57
37	47	48	49	49	50	51	51	52	53	53	54	55	55	56	57	58
38	48	48	49	50	50	51	52	52	53	54	55	55	56	57	57	58
39	48	49	49	50	51	51	52	53	54	54	55	56	56	57	58	58
40	48	49	50	50	51	52	53	53	54	55	55	56	57	57	58	59
41	49	49	50	51	51	52	53	54	54	55	56	56	57	58	59	59
42	49	50	50	51	52	53	53	54	55	55	56	57	58	58	59	60
43	49	50	51	51	52	53	54	54	55	56	56	57	58	59	59	60
44	50	50	51	52	53	53	54	55	55	56	57	58	58	59	60	60
45	50	51	51	52	53	54	54	55	56	57	57	58	59	59	60	61
46	50	51	52	53	53	54	55	55	56	57	58	58	59	60	61	61
47	51	51	52	53	54	54	55	56	57	57	58	59	60	60	61	62
48	51	52	53	53	54	55	56	56	57	58	58	59	60	61	61	62
49	51	52	53	54	54	55	56	57	57	58	59	60	60	61	62	63
50	52	53	53	54	55	56	56	57	58	59	59	60	61	62	62	63

ITEMS WITH A "NET COST" OF FROM 42½¢ TO 50¢ PER UNIT

Net cost (per unit)	42½¢	43¢	43½¢	44¢	44½¢	45¢	45½¢	46¢	46½¢	47¢	47½¢	48¢	48½¢	49¢	49½¢	50¢
Mark-up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	45	46	46	47	47	48	48	49	49	50	50	51	51	52	52	53
7	45	46	47	47	48	48	49	49	50	50	51	51	52	52	53	54
8	46	46	47	48	48	49	49	50	50	51	51	52	52	53	53	54
9	46	47	47	48	49	49	50	50	51	51	52	52	53	53	54	55
10	47	47	48	48	49	50	50	51	51	52	52	53	53	54	54	55
11	47	48	48	49	49	50	51	51	52	52	53	53	54	54	55	56
12	48	48	49	49	50	50	51	52	52	53	53	54	54	55	55	56
13	48	49	49	50	50	51	51	52	53	53	54	54	55	55	56	57
14	48	49	50	50	51	51	52	52	53	54	54	55	55	56	56	57
15	49	49	50	51	51	52	52	53	53	54	55	55	56	56	57	58
16	49	50	50	51	52	52	53	53	54	55	55	56	56	57	57	58
17	50	50	51	51	52	53	53	54	54	55	56	56	57	57	58	59
18	50	51	51	52	52	53	54	54	55	55	56	57	57	58	58	59
19	51	51	52	52	53	54	54	55	55	56	57	57	58	58	59	60
20	51	52	52	53	53	54	55	55	56	56	57	58	58	59	59	60
21	51	52	53	53	54	54	55	56	56	57	57	58	59	59	60	61
22	52	52	53	54	54	55	56	56	57	57	58	59	59	60	60	61
23	52	53	54	54	55	55	56	57	57	58	58	59	60	60	61	62
24	53	53	54	55	55	56	56	57	58	58	59	60	60	61	61	62
25	53	54	54	55	56	56	57	58	58	59	59	60	61	61	62	63
26	54	54	55	55	56	57	57	58	59	59	60	60	61	62	62	63
27	54	55	55	56	57	57	58	58	59	60	60	61	62	62	63	64
28	54	55	56	56	57	58	58	59	60	60	61	61	62	63	63	64
29	55	55	56	57	57	58	59	59	60	61	61	62	63	63	64	65
30	55	56	57	57	58	59	59	60	60	61	62	62	63	64	64	65
31	56	56	57	58	58	59	60	60	61	62	62	63	64	64	65	66
32	56	57	57	58	59	59	60	61	61	62	63	63	64	65	65	66
33	57	57	58	59	59	60	61	61	62	63	63	64	65	65	66	67
34	57	58	58	59	60	60	61	62	62	63	64	64	65	66	66	67
35	57	58	59	59	60	61	61	62	63	63	64	65	65	66	67	68
36	58	58	59	60	61	61	62	63	63	64	65	65	66	67	67	68
37	58	59	60	60	61	62	62	63	64	64	65	66	66	67	68	69
38	59	59	60	61	61	62	63	63	64	65	66	66	67	68	68	69
39	59	60	60	61	62	63	63	64	65	65	66	67	67	68	69	70
40	60	60	61	62	62	63	64	64	65	66	67	67	68	69	69	70
41	60	61	61	62	63	63	64	65	66	66	67	68	68	69	70	71
42	60	61	62	62	63	64	65	65	66	67	67	68	69	70	70	71
43	61	61	62	63	64	64	65	66	66	67	68	69	69	70	71	72
44	61	62	63	63	64	65	66	66	67	68	68	69	70	71	71	72
45	62	62	63	64	65	65	66	67	67	68	69	70	70	71	72	73
46	62	63	64	64	65	66	66	67	68	69	69	70	71	72	72	73
47	62	63	64	65	65	66	67	68	68	69	70	71	71	72	73	74
48	63	64	64	65	66	67	67	68	69	70	70	71	72	73	73	74
49	63	64	65	66	66	67	68	69	69	70	71	72	72	73	74	75
50	64	65	65	66	67	68	68	69	70	71	71	72	73	74	74	75

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 50½¢ TO 58¢

Net cost (per unit)	50½¢	51¢	51½¢	52¢	52½¢	53¢	53½¢	54¢	54½¢	55¢	55½¢	56¢	56½¢	57¢	57½¢	58¢
Mark-up (percent)	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	54	54	55	55	56	56	57	57	58	58	59	59	60	60	61	61
7	54	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62
8	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63
9	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63	63
10	56	56	57	57	58	58	59	59	60	61	61	62	62	63	63	64
11	56	57	57	58	58	59	59	60	60	61	62	62	63	63	64	64
12	57	57	58	58	59	59	60	60	61	62	62	63	63	64	64	65
13	57	58	58	59	59	60	60	61	62	62	63	63	64	64	65	66
14	58	58	59	59	60	60	61	62	62	63	63	64	64	65	66	66
15	58	59	59	60	60	61	62	62	63	63	64	64	65	66	66	67
16	59	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67
17	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67	68
18	60	60	61	61	62	63	63	64	64	65	65	66	67	67	68	68
19	60	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69
20	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69	70
21	61	62	62	63	64	64	65	65	66	67	67	68	68	69	70	70
22	62	62	63	63	64	65	65	66	66	67	68	68	69	70	70	71
23	62	63	63	64	65	65	66	66	67	68	68	69	69	70	71	71
24	63	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72
25	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72	73
26	64	64	65	66	66	67	67	68	69	69	70	71	71	72	72	73
27	64	65	65	66	67	67	68	69	69	70	70	71	72	72	73	74
28	65	65	66	67	67	68	68	69	70	70	71	72	72	73	74	74
29	65	66	66	67	68	68	69	70	70	71	72	72	73	74	74	75
30	66	66	67	68	68	69	70	70	71	72	72	73	73	74	75	75
31	66	67	67	68	69	69	70	71	71	72	73	73	74	75	75	76
32	67	67	68	69	69	70	71	71	72	73	73	74	75	75	76	77
33	67	68	68	69	70	70	71	72	72	73	74	74	75	76	76	77
34	68	68	69	70	70	71	72	72	73	74	74	75	76	76	77	78
35	68	69	70	70	71	72	72	73	74	74	75	76	76	77	78	78
36	69	69	70	71	71	72	73	73	74	75	75	76	77	78	78	79
37	69	70	71	71	72	73	73	74	75	75	76	77	77	78	79	79
38	70	70	71	72	72	73	74	75	75	76	77	77	78	79	79	80
39	70	71	72	72	73	74	74	75	76	76	77	78	79	79	80	81
40	71	71	72	73	74	74	75	76	76	77	78	78	79	80	81	81
41	71	72	73	73	74	75	75	76	77	78	78	79	80	80	81	82
42	72	72	73	74	75	75	76	77	77	78	79	80	80	81	82	82
43	72	73	74	74	75	76	77	77	78	79	79	80	81	82	82	83
44	73	73	74	75	76	76	77	78	78	79	80	81	81	82	83	84
45	73	74	75	75	76	77	78	78	79	80	80	81	82	83	83	84
46	74	75	75	76	77	77	78	79	80	80	81	82	82	83	84	85
47	74	75	76	76	77	78	79	79	80	81	82	82	83	84	85	85
48	75	75	76	77	78	78	79	80	81	81	82	83	84	84	85	86
49	75	76	77	77	78	79	80	80	81	82	83	83	84	85	86	86
50	76	77	77	78	79	80	80	81	82	83	83	84	85	86	86	87

ITEMS WITH A "NET COST" OF FROM 58½¢ TO 66½¢

Net cost (per unit)	58½¢	59¢	59½¢	60¢	60½¢	61¢	61½¢	62¢	62½¢	63¢	63½¢	64¢	64½¢	65¢	65½¢	66¢	66½¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	62	63	63	64	64	65	65	66	66	67	67	68	68	69	69	70	70
7	63	63	64	64	65	65	66	66	67	67	68	68	69	70	70	71	71
8	63	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72
9	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72	72
10	64	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73
11	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73	74
12	66	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	74
13	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	75	75
14	67	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76
15	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76	76
16	68	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77
17	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77	78
18	69	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	78
19	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79
20	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80
21	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	80
22	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81
23	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81	82
24	73	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	82
25	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	83	83
26	74	74	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84
27	74	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84	84
28	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84	84	85
29	75	76	77	77	78	79	79	80	81	81	82	83	83	84	84	85	86
30	76	77	77	78	79	79	80	81	81	82	83	83	84	85	85	86	86
31	77	77	78	79	79	80	81	81	82	83	83	84	84	85	86	86	87
32	77	78	79	79	80	81	81	82	83	83	84	84	85	86	86	87	88
33	78	78	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88
34	78	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89
35	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90
36	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90	90
37	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90	90	91
38	81	81	82	83	83	84	85	86	86	87	88	88	89	90	90	91	92
39	81	82	83	83	84	85	85	86	87	88	88	89	90	90	91	92	92
40	82	83	83	84	85	85	86	87	88	88	89	90	90	91	92	92	93
41	82	83	84	85	85	86	87	87	88	89	90	90	91	92	92	93	94
42	83	84	84	85	86	87	87	88	89	89	90	91	92	92	93	94	94
43	84	84	85	86	87	87	88	89	89	90	91	92	92	93	94	94	95
44	84	85	86	86	87	88	89	89	90	91	91	92	93	94	94	95	96
45	85	86	86	87	88	88	89	90	91	91	92	93	94	94	95	96	96
46	85	86	87	88	88	89	90	91	91	92	93	93	94	95	96	96	97
47	86	87	87	88	89	90	90	91	92	93	93	94	95	96	96	97	98
48	87	87	88	89	90	90	91	92	93	93	94	95	95	96	97	98	98
49	87	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99
50	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99	100

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 67¢ TO 75¢

Net cost (per unit)	67¢	67½¢	68¢	68½¢	69¢	69½¢	70¢	70½¢	71¢	71½¢	72¢	72½¢	73¢	73½¢	74¢	74½¢	75¢
Mark-up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	71	72	72	73	73	74	74	75	75	76	76	77	77	78	78	79	80
7	72	72	73	73	74	74	75	75	76	77	77	78	78	79	79	80	80
8	72	73	73	74	75	75	76	76	77	77	78	78	79	79	80	80	81
9	73	74	74	75	75	76	76	77	77	78	78	79	80	80	81	81	82
10	74	74	75	75	76	76	77	78	78	79	79	80	80	81	81	82	83
11	74	75	75	76	77	77	78	78	79	79	80	80	81	82	82	83	83
12	75	76	76	77	77	78	78	79	80	80	81	81	82	82	83	83	84
13	76	76	77	77	78	79	79	80	80	81	81	82	82	83	84	84	85
14	76	77	78	78	79	79	80	80	81	82	82	83	83	84	84	85	86
15	77	78	78	79	79	80	81	81	82	82	83	83	84	85	85	86	86
16	78	78	79	79	80	81	81	82	82	83	84	84	85	85	86	86	87
17	78	79	80	80	81	81	82	82	83	84	84	85	85	86	87	87	88
18	79	80	80	81	81	82	83	83	84	84	85	86	86	87	87	88	89
19	80	80	81	82	82	83	83	84	84	85	86	86	87	87	88	89	89
20	80	81	82	82	83	83	84	85	85	86	86	87	88	88	89	89	90
21	81	82	82	83	83	84	85	85	86	87	87	88	88	89	90	90	91
22	82	82	83	84	84	85	85	86	87	87	88	88	89	90	90	91	92
23	82	83	84	84	85	85	86	87	87	88	89	89	90	90	91	92	92
24	83	84	84	85	86	86	87	87	88	89	89	90	91	91	92	92	93
25	84	84	85	86	86	87	88	88	89	89	90	91	91	92	93	93	94
26	84	85	86	86	87	88	88	89	89	90	91	91	92	93	93	94	95
27	85	86	86	87	88	88	89	90	90	91	91	92	93	93	94	95	95
28	86	86	87	88	88	89	90	90	91	92	92	93	93	94	95	95	96
29	86	87	88	88	89	90	90	91	92	92	93	94	94	95	95	96	97
30	87	88	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98
31	88	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98
32	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99
33	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99	100
34	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99	100	101
35	90	91	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101
36	91	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102
37	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103
38	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103	104
39	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103	104	104
40	94	95	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105
41	94	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106
42	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106	107
43	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107
44	96	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107	108
45	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107	108	109
46	98	99	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110
47	98	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110
48	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111
49	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111	112
50	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111	112	113

[Above portion of Table C amended by Amdt. 6]

(b) *Instructions for use of Table A, Table B, and Table C.* Tables A and B contain the mark-ups for all commodities in this regulation. Table C is included to assist you in determining ceiling prices without burdensome calculations.

Table A lists by commodity groups the "dry groceries" covered by this regulation and the mark-ups to be used by Group 3 and Group 4 retailers in figuring their ceiling prices. Table B gives the same information for "perishables." However, in addition, Table B also lists the selling units, on the basis of which retailers must figure their net costs and ceiling prices for "perishables." For a detailed list of the items in each commodity group, see "Commodity definitions of dry groceries" printed immediately after Table A, and "Commodity definitions of perishables" printed immediately after Table B. After you have determined your "net cost" for an item in accordance with the method set up in this regulation, find your proper mark-up in the commodity group which includes the item you are pricing. Commodity groups are listed at the left of Table A and Table B. Directly opposite each commodity group you will find a percentage mark-up for your group of retailers.

If a percentage mark-up is shown, you get your ceiling price for the item by turning to Table C, which shows the ceiling price for all items with per unit net costs ranging from ½¢ to 75¢. Percentage mark-ups over net cost are listed in the column at the extreme left of Table C, and "net cost" across the top of the table. "Net cost per unit" means, in the case of dry groceries, the "net cost" of a single unit (one can, one jar, etc.). For perishables, it means the "net cost" of the selling unit listed in the list column of Table B.

[Above paragraph amended by Amdts. 18 and 20]

To determine your ceiling price from Table C, find your net cost at the top of the table. Go down that column until you come to the figure (in that column) on the same line as your mark-up. The figure at that point is your ceiling price for the item.

If your net cost per unit is more than 75 cents, you cannot use Table C to get your ceiling price. In those cases, you must (1) multiply your net cost by your percentage mark-up, (2) add the result to your net cost, and (3) round the sum to the nearest whole cent. For perishables, your net cost must be in terms of the selling unit specified in Table B.

Example (1). A Group 3 retailer wishes to figure a new ceiling price for "xx" Brand, 11 ounces canned tomato soup, which he must put into effect by May 14, 1951, in accordance with section 3. His most recent purchase of a customary quantity of this item from a customary type of supplier delivered to his usual receiving point was a carload purchased from a packer and delivered at a cost of $4.40 a case (48) on December 22, 1950. He must first figure to the nearest half-cent, his "net cost" on a single unit basis (sec. 4, (a) (2)), that is, for a single can. He therefore divides the cost for the case, $4.40, by the number of single units in the case, 48, and gets a result of $0.0916 before rounding. Rounding to the nearest half-cent, this becomes $0.09. (If the figure had been $0.0925 before rounding, he would have rounded to $0.095.) He then turns to Table A to find the mark-up to be applied to his net cost. Going down the column at the left of Table A he will find a listing of the commodity group which includes the item he is pricing. For canned tomato soup this group is "Soup (canned)." Going across the page on that line, he will find his mark-up for the item in the column for Group 3 retailers. In this case, his mark-up is 19 percent. Having his mark-up and net cost, Table C will give him his ceiling price without further computations. Checking across the top of Table C, he will find a column headed by his net cost $0.09. Going down this $0.09 column until he comes to the figure on the same line as his percentage mark-up of 19 percent listed in the column at the extreme left of Table C he will find his ceiling price for the item to be 11 cents per can.

[Example (1) amended by Amdt. 1]

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

TIGHE E. WOODS,
Director of Price Stabilization.
By: JOSEPH L. DWYER,
Recording Secretary.

[F. R. Doc. 52-12920; Filed, Dec. 3, 1952; 12:02 p. m.]

[Ceiling Price Regulation 16, Collation 2]

CPR 16—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 1 AND GROUP 2 STORES

COLL. 2—INCLUDING AMENDMENTS 1-20

Ceiling Price Regulation 16 is republished to incorporate the text of Amendments 1 through 20, inclusive. Ceiling Price Regulation 16 was issued March 28, 1951 (16 F. R. 2750). Statements of Consideration for Ceiling Price Regulation 16, and for Amendments 1-20, inclusive, as previously published, are applicable to this republication. The effective dates of this regulation and the amendments are shown in a note preceding the first section of the regulation.

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AUTHORITY: Sections 1 to 34 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended, 50 U. S. C. App. Sup., 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

DERIVATION: Sections 1 to 34 contained in Ceiling Price Regulation 16, March 28, 1951 (16 F. R. 2750), except as otherwise noted in brackets following text affected.

EFFECTIVE DATES: CPR 16, April 5, 1951, 16 F. R. 2750. Amendment 1, April 27, 1951, 16 F. R. 3651. Amendment 2, May 10, 1951, 16 F. R. 4438. Amendment 3, May 18, 1951, 16 F. R. 4694. Amendment 4, July 18, 1951, 16 F. R. 6799. Amendment 5, August 17, 1951, 16 F. R. 8108. Amendment 6, August 27, 1951, 16 F. R. 8454. Amendment 7, September 22, 1951, 16 F. R. 9469. Amendment 8, October 2, 1951, 16 F. R. 10066. Amendment 9, December 26, 1951, 16 F. R. 12868. Amendment 10, January 28, 1952, 17 F. R. 719. Amendment 11, January 31, 1952, 17 F. R. 989. Amendment 12, March 31, 1952, 17 F. R. 2649. Amendment 13, April 9, 1952, 17 F. R. 3103. Amendment 14, June 2, 1952, 17 F. R. 4928. Amendment 15, June 7, 1952, 17 F. R. 4983. Amendment 16, June 6, 1952, 17 F. R. 5191. Amendment 17, August 12, 1952, 17 F. R. 7221. Amendment 18, August 19, 1952, 17 F. R. 7536. Amendment 19, November 5, 1952, 17 F. R. 9850. Amendment 20, November 24, 1952, 17 F. R. 10696.

ARTICLE I—GENERAL PROVISIONS

SECTION 1. *What this regulation does.* This regulation fixes new ceiling prices for the "dry groceries" listed in Table A and the "perishables" listed in Table B for all "independent" retail stores doing an annual business of under $375,000. These new ceiling prices are to be used instead of the ceiling prices figured under any other price regulation issued by the Office of Price Stabilization (hereinafter called OPS, and regardless of any contract or any other law. All other retail stores (Group 3 and Group 4 stores) selling these food products are covered by Ceiling Price Regulation No. 15.

SEC. 2. *How you find out whether your store is covered by this regulation and what group it is in*—(a) *What stores are covered.* Your store is covered by this regulation if it is a Group 1 or 2 store as defined below and if you are a retailer who buys and resells food products, generally without materially changing their form, for the most part to ultimate consumers who are not commercial, industrial or institutional users. For the purposes of this regulation, "Great Lakes marine suppliers" shall be considered as retailers. The provisions of this regulation do not apply to "retail route sellers", to sales of "specially prepared dietetic foods" by "health food stores" or "health food departments", or to automatic vending machines or farmers selling produce grown on their own farms.

[Paragraph (a) amended by Amdt. 2]

(b) *What are Groups 1 and 2 stores.* For the purpose of this regulation, Groups 1 and 2 stores are defined as follows:

(1) *Group 1.* Your store is in Group 1 if it is an "independent" store with "annual gross sales" of less than $75,000. Your store is an "independent" store if it is not one of four or more stores under one ownership whose combined "annual gross sales" are $750,000 or more.

(2) *Group 2.* Your store is in Group 2 if it is an "independent" store with "annual gross sales" of $75,000 or more, but less than $375,000.

(If you are not sure what group your store is in, use the directions in section 26 for figuring the "annual gross sales," of your store. See section 30 for definitions of Group 3 and Group 4 retailers.

(c) *How to display a sign of the group your store is in.* At all times, you must have the group your store is in under this regulation displayed on a sign reading "OPS-1" or "OPS-2," whichever it is, or on a sign which the OPS may furnish to you. The sign must be displayed so that it can be clearly seen by your customers.

(d) *When you choose to treat your store as a Group 2, 3 or 4 store.* You may choose to treat your store as either a Group 2 store under this regulation or a Group 3 or Group 4 store under Ceiling Price Regulation No. 15 and display a sign in your store as a member of such other group if you:

(1) Figure your ceiling prices for all the items listed in Tables A and B of this regulation as a member of the group you choose; and

(2) Notify the OPS district office for your area of these facts.

[Paragraph (d) amended by Amdt. 6]

(e) *When you must notify OPS of the group in which your store falls.* Within 30 days after the issuance of this regulation, you must notify the OPS district office for your area of the group of your store, using OPS Public Form No. 5 which you may obtain from the OPS district office for your area. If you open a new retail store after May 14, 1951, you must notify, within 15 days, the OPS district office for your area of the group of the store, using OPS Public Form No. 5 which you may obtain from the OPS district office for your area. Even though you sell food products, if none of these prod-

ucts are subject to this regulation, you need not furnish this notification. In the event that this regulation is amended to cover one or more of the food products you sell, you must furnish the notification within 30 days of the effective date of the amendment.

[Paragraph (e) amended by Amdts. 1 and 19]

SEC. 3. *How and when you figure your ceiling prices for "dry groceries"*—(a) *General rule.* Your ceiling price for each item (that is, for each kind, brand, grade, variety, container-type and container-size) of "dry groceries" listed in Table A shall be the total of (1) the "net cost" you had to pay for the most recent delivery of the item to you before May 14, 1951, plus (2) the mark-up given you for it in Table A.

[Paragraph (a) amended by Amdt. 1]

(b) *When you must figure your ceiling prices.* By the opening of business on May 14, 1951, you must have figured your ceiling price for each item of "dry groceries" listed in Table A which you have in stock at that time. Between April 5, 1951, and May 14, 1951, you may put into effect the new ceiling price on any item as soon as you figure it; you must put the new ceiling prices into effect on all items not later than May 14, 1951. If you do not put the new price for an item into effect before May 14, 1951, you must continue to use your existing ceiling for that item until May 14, 1951. If you receive delivery of any item between April 5, 1951, and May 14, 1951, for which you have no ceiling price, you must, before selling it, figure your ceiling price according to the rules of this regulation.

[Paragraph (b) amended by Amdt. 1]

(c) *Special rule for certain items of the 1950 pack.* If, in the case of any item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32 and 33 in Table A, your last purchase of the particular item was made prior to January 26, 1951, you may continue to use your legal ceiling price for such item under the General Ceiling Price Regulation until you receive delivery of a purchase made after that date. When you receive delivery of such a purchase, you must figure your ceiling price for the item in accordance with the provisions of this regulation.

(d) *Pricing special promotions.* Where you have a "special promotion" consisting of two or more items bound together for joint sale or bearing appropriate printing or labeling referring to the joint sale, you shall compute your ceiling price for the joint sale as follows:

(1) Determine which item or items are the regular portion of the "special promotion" and which item or items are the "special" portion.

(2) For the regular item or items compute your ceiling prices according to this regulation, disregarding entirely the special item or items.

(3) For the special item or items you may charge up to 50 percent of your existing ceiling price for those items.

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(4) If you have no existing ceiling price for the special item or items you may use as your markup a maximum of 3 cents per item.

(5) Your ceiling price for the joint sale is the sum of the ceiling price for the regular item plus the price determined under subparagraphs (3) or (4) of this paragraph for the special items. You may not price any special promotion on the same items under this paragraph for a period of more than 120 days. Also you may not price under this paragraph another special promotion on the same items until six months after the conclusion of the previous such offering.

[Paragraph (d) added by Amdt. 6]

SEC. 4. *Directions for applying the rule for "dry groceries"*—(a) *Net cost.* To figure your ceiling price, first find the "net cost" of the item, based on its most recent delivery to you before May 14, 1951. Your "net cost" will be the amount you paid your supplier less all discounts except (1) discounts on items in Category No. 5, "Cookies, toast and crumbs" and Category No. 5A, "Crackers," (section 32 (b) (5) and (5A)), (2) the discount for prompt payment, and (3) swell and label allowances, plus all transportation charges you paid except local trucking and local unloading. This exception shall not apply to any shipments by water. In such cases, there may be added also as part of the cost of transportation the cost of moving the shipment from the place at which it was processed to the dock, the cost of unloading at that dock, wharfage, handling, tollage and usage charges, the cost of marine insurance the cost of loading the goods on a car, truck or other conveyance at the port of discharge and the cost of transporting that shipment from the port of discharge to receiving point. However, cost of loading the shipment at the place at which it was processed, segregation charges, and cost of unloading at receiving point may not be added. If you are located on an island or otherwise accessible only by water, for any items delivered from a warehouse under the same ownership or control, where a combination of land and water transportation is required, you may include in your "net cost" the actual cost of the water transportation between the warehouse and your store, including any charges for loading and unloading the water carrier. Treat as a separate item each kind, brand, grade, variety, container-size and container-type of "dry groceries."

[Paragraph (a) amended by Amdts. 1, 4, 9 and 19.]

(1) Your net cost must be figured on purchases of a customary quantity from a customary type of supplier delivered to your "usual receiving point" by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on a single unit basis (that is, per can, per pound, per package, per jar, etc.), to the nearest half cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.) Your invoice cost may be the cost of a carton, case or barrel, for instance, and not the cost of the package, can or other unit you sell. You must get the net cost of the single unit you sell by dividing the cost of the carton, case or barrel by the number of units in the carton, case or barrel.

(3) When figuring your net cost of canned baby food (Category #1, Table A), compute your net cost on a unit of three cans to the nearest half-cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters cent are rounded up to the next cent.) You must get the net cost of a unit of three cans by dividing your invoice cost per case by one-third of the number of cans in the case. (For example, you would divide the cost of a case of twenty-four cans by eight.) To determine your ceiling price for a single can of baby food divide your ceiling price for a unit of three cans by three and, in the event that any fraction results, round up to the next cent.

[Subparagraph (3) added by Amdt. 18]

(4) If you are figuring your net cost of canned baby food on the basis of a purchase from a manufacturer on a net price basis (that is, a net price to you which includes all cash discounts), and you receive a notice from him pursuant to SR 107 to the GCPR, you may use as your "net cost" the adjusted net cost furnished in the notice, plus transportation charges you paid, if any, as defined in this section.

[Subparagraph (4) added by Amdt. 18]

(5) If you are figuring your ceiling price for an item on the basis of a purchase made from a "service fee wholesaler", your "net cost" shall be his estimated ceiling price for the item figured on a single unit basis plus transportation charges you paid, if any, as defined in this section. You will be notified by the "service fee wholesaler" of his estimated ceiling price either on his invoice or order form or other written document.

[Subparagraph (3) added by Amdt. 2; amended by Amdt. 7; redesignated (5) by Amdt. 18.]

(b) *Markup.* Turn to Table A to find the markup for the item given your group of store. Table A lists all the "dry groceries" covered by this regulation by commodity groups.

(c) *Ceiling price.* (1) Next turn to Table C. Using the directions given there, you will get your ceiling price for the item. You must not change the ceil-

ing price except in accordance with section 6.

(2) If you sell canned baby food (Category #1, Table A), determine your ceiling price for a single can by dividing your ceiling price for the multiple unit by three and rounding any resulting fractions of a cent to the next higher cent. Moreover, if you sell canned baby food you must offer for sale multiple units of three cans as well as single units of one can.

[Paragraph (c) amended by Amdt. 18]

(d) *Invoices.* You must write your "net cost" per unit of the purchase on which you have figured your ceiling price either on your invoice or other record of the price you paid for the item or on a separate slip of paper and attached to that invoice or other record. You must keep separate or mark or tag plainly, all invoices or records showing the net cost per unit which you used in figuring your ceiling prices. These invoices and records you used in figuring your ceiling prices are your means of proving that your ceiling prices are right.

SEC. 5. *How you figure your ceiling prices for "new items" of "dry groceries".* A "new item" of "dry groceries" is any item of "dry groceries" which you did not have in stock at the opening of business on May 14, 1951. You must figure the ceiling price for a new item before selling it, following the rules in section 4, but basing your "net cost" on the first delivery of the item to you on or after May 14, 1951.

In pricing new items it is a violation to use the net cost of a first purchase made in a non-customary manner (that is, from a non-customary supplier or in a non-customary quantity) when you know that you will be making future purchases in a customary manner. If your first purchase is of this type you must find out and use in figuring your ceiling price, what the net cost would be of a purchase from a type of supplier usually used for a similar item and of a quantity in which a similar item is usually purchased.

[Sec. 5 amended by Amdt. 1]

SEC. 6. *How you figure your ceiling prices each week, starting Monday, May 14, 1951.* Before making any sale of an item of "dry groceries" on each Monday after May 14, 1951 (or on Tuesday if Monday is a holiday and your store is closed) you must refigure your ceiling price for any item if your "net cost" of that item is different from the "net cost" on which your existing ceiling price is based. You must follow the rules in section 4 basing your "net cost," however, on the largest single delivery of a customary quantity received by you from your customary type of supplier during the seven days preceding Monday. If you cannot determine your "largest single delivery" because you have received more than one delivery of the same quantity, use the most recent of these deliveries.

[Sec. 6 amended by Amdt. 1]

SEC. 7. *Dry groceries which you import.* This regulation shall not apply to you for sales of any dry grocery item purchased by you directly from a foreign seller or his agent for importation into the continental United States. Your ceiling price for such items shall be determined by you in accordance with General Ceiling Price Regulation or any other applicable ceiling price regulation covering the sale of the item by importers.

PERISHABLES

SEC. 8. *How and when you figure your ceiling prices for "perishables"*—(a) *General rule.* Your ceiling price for each item (that is, for each kind, brand, variety, grade and size and also, for each growing area where the governing regulation at the producing or wholesale level makes distinction by growing areas) of "perishables" listed in Table B shall be the total of (1) the "net cost" of the largest delivery of the item to you during the seven days preceding Monday of each week, plus (2) the markup given you for it in Table B. However, separate ceiling prices shall not be figured for each brand with respect to fresh fruits and vegetables.

[Paragraph (a) amended by Amdt. 10]

(b) *When you must figure your ceiling prices.* By the opening of business on May 14, 1951, you must have figured your ceiling price for each item of "perishables" listed in Table B which you have in stock at that time. These ceiling prices must be checked each week after May 14, 1951, and changed on Monday of each week for any item if your "net cost" of that item has changed in the preceding 7 days. Never change your ceiling price on any day but Monday.

For items which you receive for the first time or which you have not had in stock for 7 days, you must figure and use a ceiling price at once using the net cost of that first delivery. On each Monday after that, you must treat the item as you would any other item of perishables covered under this regulation.

[Paragraph (b) amended by Amdt. 1]

SEC. 9. *Directions for applying the rule for "perishables"*—(a) *Net cost.* To figure your ceiling price, first find the "net cost" of the largest delivery to you of the item during the 7-day period before the Monday for which you are figuring your price. If you have received more than one delivery of the same largest quantity, use the most recent of these deliveries. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment, plus all transportation charges you paid, which may include costs for icing, refrigeration, and ventilation, but which may not include costs for local trucking and local unloading.

(1) Your net cost must be based on purchases from a customary type of supplier delivered to your usual receiving point by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on the basis of the "selling unit" (for example, 1 pound), listed in Table B for the commodity group which includes the item you are pricing. Always figure net cost to the nearest half cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.)

(3) If you have an item in stock at the opening of business on May 14, 1951 but you did not receive delivery of the item during the week before, you shall, in figuring your first ceiling price for the item on May 14, 1951, base your net cost on its most recent delivery to you.

[Subparagraph (3) amended by Amdt. 1]

(b) *Markup.* Turn to Table B to find the markup for the item given for your group of store. Table B lists all the "perishables" covered by this regulation by commodity groups.

(c) *Ceiling price.* Next turn to Table C. Using the directions given there, you will get your ceiling price for the item.

(1) *Sales in other quantities.* You may sell an item in a quantity other than the "selling unit" given in Table B. If you sell an item in a quantity other than the "selling unit" given in Table B, you must reduce or increase your ceiling price proportionately. If figuring a price for a quantity different from the "selling unit" results in a fraction of a cent, you may charge the next higher cent. Separate ceiling prices shall be figured for each container size of an item purchased already packaged in consumer containers.

[Subparagraph (1) amended by Amdt. 10]

SEC. 10. *Price which you must display.* At all times, you must have your current selling price for each item of food covered by this regulation clearly shown on the item or at or near the place in your store where the item is offered for sale. However, you must display for canned baby foods (category #1, Table A, your current selling prices for multiple units of three cans. Of course, this displayed price must never exceed your ceiling price.

SEC. 11. *Indirect price increases prohibited.* You must not evade any of the provisions of this regulation or any order issued pursuant to it by any scheme, or device. You must not, as a condition of selling any particular food, require a customer to buy anything else. Any such evasion is punishable as a violation of this regulation.

You may not use an unnecessarily high "net cost" in figuring a ceiling price under this regulation. If you make such a high cost purchase, you must find out what your net cost as used in section 4 or 9 would be and use that net cost to figure your ceiling price. You may never use the net cost of a purchase from another retailer to figure a ceiling price if it results in a net cost higher than you would have if you purchased the item from your regular supplier or any other source normally available to you.

SEC. 12. *Sales slips and receipts.* If you have customarily given a purchaser a sales slip, receipt or similar evidence of purchase, you must continue to do so. Furthermore, regardless of your custom, you must give any customer who asks for it a receipt showing the date, your name and address, and quantity and name of each food item sold, and the price you charged for it.

SEC. 13. *Records.* After April 5, 1951, you must keep for one year after you receive them all your invoices, freight bills, and other records showing the price you paid and the date you received delivery of each item covered by this regulation.

You are required to show all your invoices on request of any OPS representative and to furnish on request of any OPS representative a written record of your

ceiling price in effect at any particular time or times for any or all of the items covered by this regulation. You must also keep available for inspection by an OPS representative the records you used in deciding what group your store is in.

SEC. 14. *Prohibitions.* On and after May 14, 1951, if you sell or deliver or offer to sell or deliver at a price higher than your ceiling price fixed by this regulation or any order issued pursuant to it, or if you otherwise violate any provisions of this regulation or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that Act.

[Sec. 14 amended by Amdts. 1 and 2]

SEC. 15. *Notice of dollars-and-cents ceiling prices.* From time to time the OPS may, by order, fix in your area or community, dollars-and-cents ceiling prices for some or all of the "dry groceries" or "perishables" under this regulation. When these dollars-and-cents prices are fixed, you may not thereafter sell at higher prices, and those orders may provide that such prices take the place of the ceiling prices which you have under this regulation. If such orders do not provide that they replace your prices under this regulation, you must continue to figure your prices under this regulation.

SEC. 16. *Further provisions supplementing or explaining this regulation.* From time to time, the Price Director may, by amendment, issue further provisions which will supplement the provisions of this regulation or explain the rights and duties of buyers and sellers under it. These further provisions will become part of this regulation and may be added as paragraphs to this section.

(a) Whenever an amendment adds any food product to the list of items covered in Tables A or B, you must figure your ceiling price for that food product in accordance with sections 3, 4 and 5 or sections 8 and 9 according to whether the food product is a "dry grocery" item or "perishable" item. However, in doing so, you shall substitute the effective date of such amendment for the date May 14, 1951, wherever it appears in the applicable sections.

[Paragraph (a) amended by Amdts. 1 and 11]

(b) Whenever an amendment changes either a commodity definition in Tables A or B by transferring a food product from one commodity group to another or the markup for your group of retailers, you must by the opening of business on the effective date of such amendment refigure your ceiling prices for the items affected by such amendment. However, in doing so, you must use as your "net cost" the same "net cost" you used in figuring the ceiling prices you had on the effective date of the amendment.

[Paragraph (b) amended by Amdt. 14.]

ARTICLE II—SPECIAL PRICING PROVISIONS

SEC. 17. *Addition allowed for deliveries made by you to your customers.* (a) If you deliver to your customers' homes or places of business any of the items covered by this regulation, you may add to the total value of the delivery, as a separate charge, 25 cents for such delivery, if the total value thereof is $3 or more.

SEC. 18. *Additions for packaging.* (a) If you buy in bulk any item covered by this regulation (except spices, tea and gelatin) and then package and sell it in cardboard containers, cotton bags, transparent bags, interlined coffee bags, or Kraft bags or similar type bags, on which the name, weight and ingredients of the commodity are stamped or printed and which are packed and sealed at a place and time other than the point and time of sale, you may add to your "net cost" whichever of the following allowances applies:

(1) 2 cents for every such bag or container with a net weight of less than 2 pounds.

(2) 2½ cents for every such bag or container with a net weight of 2 pounds or more, but less than 5 pounds.

(3) 1 cent per pound for every such bag or container with a net weight of 5 pounds or more but not to exceed a total of 5 cents.

[Paragraph (a) amended by Amdt. 2]

SEC. 19. *Gift and holiday packages assembled by you.* If you assemble, into gift or holiday packages, any food items covered by this regulation, with or without any items not covered by this regulation, you must figure your ceiling price for such package under whichever of the following paragraphs applies:

(a) For packages assembled in cardboard, wooden, or other plain containers (for example, "overseas" or "servicemen's" packages), your ceiling price will be the sum of the following, multiplied by 1.05:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your direct cost of the packaging materials used for the particular package, including the container.

(b) For packages assembled in permanent containers designed and constructed for re-use (including but not limited to trays, cedar boxes, hampers, teakwood chests, fancy baskets), your ceiling price will be the sum of the following, multiplied by 1.15:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your ceiling price for the container figured under the applicable ceiling price regulation. If you have no ceiling price for the container, use your direct cost for the container.

(3) Your direct cost of the packaging materials used for the particular package.

SEC. 20. *Special allowance for forwarding gift package to a donee in a foreign country.* If you deliver a food package directly upon order of the purchaser to a donee (other than a member of the armed forces of the United States) in a foreign country outside of the North American continent, you may add to your ceiling price an amount not to exceed 50 cents for forwarding such package, plus the actual mailing and insurance charges. This allowance may be applied only to the shipment and delivery of individual food gift packages and not of wholesale lots.

SEC. 21. *Sections in Ceiling Price Regulation No. 15 which you must use if they apply to your method of doing business.* Ceiling Price Regulation No. 15, which covers the same food items as this regulation, but for Groups 3 and 4 stores, contains a number of special pricing provisions which you are required to follow if you perform the operations they cover. (You may obtain a copy of Ceiling Price Regulation No. 15 from the OPS District Office for your area.) The sections of that regulation which you must follow if they apply to you are as follows:

(a) Section 21 *How you figure your "net cost" in certain cases* (applies to you if you have items of frozen fruits, berries, or vegetables in storage for a period of 4 weeks or more; if you process smoked fish prior to offering it for sale).

[Paragraph (a) amended by Amdts. 10 and 16]

(b) Section 22 *Additions for delivery from your warehouse to your store* (applies to you if your usual receiving point is a warehouse over 125 miles from your store).

(c) Section 23 *How you figure your ceiling prices for foods you "manufacture or otherwise process"* (applies to you if you manufacture or process any of the foods covered by this regulation).

(d) Section 25 *Mail Order Sales* (applies to you if you make mail order sales).

(e) Section 33 *Export Sales* (applies to you if you make export sales).

(f) Section 21a—*Additional allowance for warehousing and delivery of frozen foods*—(applies if you warehouse and deliver frozen foods to your retail store).

[Paragraph (f) added by Amdt. 12]

SEC. 21a. *How you may figure your ceiling prices for "perishables" on a weighted average net cost basis.* Sections 8 and 9 of this regulation require you to use in figuring your ceiling price for "perishables" the net cost of the largest delivery to you in the seven-day period before the Monday (or Friday for stores which price from a central point) for which you are figuring your prices. If you so desire, however, you may use as the net cost of an item of "perishables" the weighted average net cost of all deliveries of that item to you during that seven-day period. Before beginning to figure "net cost" in this manner you must notify in writing the OPS district office for your area. After notification you may not use the net cost of the largest delivery during the seven-day period to figure your ceiling price for any of the "perishables" listed in Table B and you must, thereafter, use the weighted average method for all "perishables". However, you must continue to use all other provisions of sections 8 and 9 in figuring your ceiling prices for these items.

[Sec. 21a added by Amdt. 10]

SEC. 22. *How you figure ceiling prices for items if you are also a wholesaler and*

receive such items from a warehouse owned or controlled by you. (a) If, prior to January 1951 you owned or controlled a warehouse physically separate and apart from your retail store, and you acted as a wholesaler distributing from such warehouse, food products to independent retail stores not owned or controlled by you, and you still own or control such a warehouse, you may, in figuring your ceiling price for each item customarily obtained by you from such warehouse and sold by you from your retail store to the ultimate consumer other than commercial, industrial or institutional users, use as the basis of your "net cost," the net cost you used in figuring your ceiling prices for your wholesale sales under Ceiling Price Regulation No. 14 plus the mark-up allowed in that regulation for a Class 1 (retailer-owned cooperative) wholesaler. To get your ceiling prices, reduce the resulting figure to the "net cost" of a single unit and apply the mark-up for your group of retailer as set forth in section 4.

(b) Within 10 days after you first figure your prices in accordance with the provisions of this section, you must notify the OPS district office for your area in writing that you have so figured your prices.

(c) If you qualify under paragraph (a) of this section, and

(1) Your sales of food to independent retail stores not owned or controlled by you were equal to at least 25 percent of the total sales of food made by you at retail; and

(2) At least 80 percent of such wholesale food sales were of items sold at wholesale by you only; and

(3) During your fiscal year 1950 the average wholesale mark-up on all food items sold at wholesale by you only was at least 18 percent on cost;

you may file an application for permission to use as the basis of your "net cost", in figuring your retail ceiling prices on items sold at wholesale by you only, your wholesale ceiling prices of such items figured under Ceiling Price Regulation No. 14. Such application must be filed in duplicate with the Distribution Branch Food and Restaurant Division, OPS, Washington, D. C., and shall contain the following information:

(1) That you have previously qualified under this section, by submitting a certified copy of the letter submitted to your local OPS office in compliance with paragraph (b) of this section.

(2) A breakdown of total sales, for the fiscal year 1950, showing that your sales to independent retail stores were equal to at least 25 percent of total sales at retail.

(3) A breakdown of the above sales at wholesale to show that at least 80 per cent of the items were sold by you only.

(4) A statement that during the fiscal year 1950 the average wholesale markup on all food items sold at wholesale only by you was at least 18 percent on cost.

[Paragraph (c) added by Amdt. 5]

SEC. 23. *Special pricing provisions for manufacturers selling some commodities at retail.* Any person, the larger part of whose business is the manufacturing or processing of foods, but:

(a) His entire business in connection with a particular commodity consists of the purchase and resale of such commodity without materially changing its form, and

(b) The larger part of his sales of such commodity are made to ultimate consumers other than commercial, industrial or institutional users.

(c) Shall figure his ceiling prices for sales of such commodity to utlimate consumers other than commercial, industrial or institutional users in accordance with the provisions of this regulation, and shall for such purposes be considered a retailer covered by this regulation.

ARTICLE III—ADJUSTMENT PROVISIONS

SEC. 24. *How certain stores, where necessary to assure an adequate supply of food in a locality, may apply for markup adjustments.* (a) If your store is necessary to provide an adequate supply of food products in a locality; and by reason of remote location, long-term credit, short selling season, or other such unusual operating conditions, you find it impossible to operate under the markups fixed by this regulation, you may apply for an adjustment of such markups by filing with the OPS district office for your area two copies of a signed statement giving for your store: (1) its name and address; (2) its group under this regulation; (3) its type (for example, cash-and-carry; service, delicatessen); (4) the approximate number of its food customers; (5) the total number of stores selling food in its community; (6) its distance from the nearest store selling food and the name and address of that store; and (7) the reasons why you are unable to operate under the markups fixed by this regulation.

If you have more than one store you may file one application for all your stores which meet the conditions stated above. Your application must state separately for each store the specific information this section calls for.

(b) Any Regional Office of the OPS, or such offices as may be authorized by order issued by the appropriate Regional Office, may act on all applications for adjustment under the provisions of this regulation. Applications for adjustment are governed by Price Procedural Regulation 1.

SEC. 24a. *How certain stores or food departments, selling mostly "specialty" food items may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department meets the average markup requirement specified in this section and does business in the manner outlined below you may apply under paragraph (b) of this section to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(1) Most of your sales in your store or food department are sales of "specialty" food items made by sales clerks who assist customers in selecting, collecting and wrapping or packaging merchandise.

(2) Your store or food department generally offers to all its customers the services of accepting and filling telephone orders, carrying monthly charge accounts and providing delivery.

(3) The general level of your prices in your store or food department was higher than Group 1 stores in your community during your fiscal year 1950.

(4) The average markup on "net cost" was at least 40 percent on all food sales for your fiscal year 1950 and also, if you are not an independent store, at least 40 percent on the combined food sales in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950, use your most recent fiscal period.

(b) You must before September 30, 1951, file with the OPS district office for your area an application in duplicate (1) showing clearly that you do business as outlined in paragraph (a) of this section and (2) showing the number of items you normally sell in your store or food department, and (3) showing your average markup on "net cost" for fiscal year 1950 (if not in business during all of 1950 use your most recent fiscal period), and (4) showing the percentage of food items which produce an average markup on "net cost" of 40 percent or more to the total number of food items you sell in your store or food department. You may consider your store or food department excluded from using the markups in this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. Then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section. Applications for adjustments are governed by Price Procedural Regulation 1.

(c) Any adjustment granted at anytime under this section shall not apply to fresh fruits and vegetables or to items under this regulation for which dollars-and-cents ceiling prices at retail are fixed in any regulation or order which has been or may be issued by OPS. If you are a Group 2 store you shall consider yourself a Group 1 store and use the applicable markups in this regulation for fresh fruits and vegetables. You shall also consider yourself a Group 1 Store under any OPS regulation or order fixing dollars-and-cents ceiling prices at retail for items under this regulation.

(d) If you desire to operate as a "specialty" food store or food department, you may apply under this section to be excluded from using the markups of this regulation for the purpose of establishing your ceiling prices, provided your operation is planned to meet the following criteria:

(1) At least 51 percent of your dollar volume of sales will be made by sales clerks who assist customers in selecting, collecting, and wrapping or packaging merchandise.

(2) Your store or food department generally will offer to all of its customers the services of accepting and filling tele-

phone orders, carrying charge accounts, and providing delivery.

(3) That the estimated dollar volume of sales of "specialty" food items of your store or food department (excluding restaurants) will constitute at least 60 percent of your total dollar volume of all sales.

You must file a statement signed by you or your authorized representative and forwarded by Registered Mail, return receipt requested, to the OPS District Office for your area, stating your trade name and address, and that you meet the above criteria, and including a list of 25 or more of the "specialty" food items which were considered in the 60 percent estimate of your total dollar volume of "specialty" food item sales.

You may, for a "trial period" of four months, consider your new operation a "specialty" food store or food department as soon as you have submitted the above statement, and may for that period figure your ceiling prices under the GCPR.

[Paragraph (d) added by Amdt. 19]

(e) At the end of your trial period, you must re-examine the operation of your store or food department to determine from actual records of four months' operation that you have met the criteria listed in paragraph (d) of this section.

If you find that your trial period experience meets these criteria and you wish to continue to operate as a specialty store and price under the GCPR, you must, within 15 days after the end of the trial period, file with the OPS District Office for your area a statement containing your trade name and address and signed by you or your authorized representative to this effect. You must include as a part of your statement a list of 25 or more of the best-selling items you have included when re-examining your operation for compliance with paragraph (d) (3) of this section. You may then continue to operate as a "specialty store" unless you receive notice from the OPS District Office for your area that permission to operate as a "specialty store" under this section has been revoked because upon examination of the facts it has been determined that you have not met the criteria.

If you do not furnish this data within 15 days after the expiration of your trial period, or if you determine that your store or food department has not met the criteria as estimated in your application, you must, beginning the third Monday after the trial period, establish your ceiling prices under the provisions of CPR 16. You then may not re-apply under the provisions of paragraph (d) of this section for at least six months from the end of the trial period.

[Paragraph (e) added by Amdt. 19]

[Sec. 24a added by Amdt 2; amended by Amdts. 6 and 10]

Sec. 24b. *How certain stores that ship most of their sales via mail or express may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department ships 65 percent or more by dollar volume of the items it sells via mail or express, you may obtain permission to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(b) In order to obtain this permission you must file an application with the OPS District Office for your area and furnish the following information:

(1) Your total dollar volume of food sales in the calendar year or fiscal year preceding the date of your application.

(2) Total dollar volume of food sales shipped via mail or express in the calendar year or your fiscal year preceding the date of your application.

(c) You may consider your store or food department excluded from the requirement that you use the markups prescribed by this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. You must then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section.

[Sec. 24b added by Amdt. 17]

ARTICLE IV—MISCELLANEOUS PROVISIONS

Sec. 25. *How you find the "annual gross sales" of your store.* (a) To find your "annual gross sales", take your total sales for the calendar year 1950. Include all sales as shown on your books, except sales made by a restaurant operated in conjunction with your store. You can use your Federal Income Tax Return to get your gross sales for all or part of the calendar year 1950 which is covered by such return. If you own more than one store, figure the sales for each store separately, treating each as a separate retailer.

(b) If you were not in business during the entire year 1950 you must divide your total sales from the time you began operation up to May 14, 1951 by the number of weeks you were in business. This will get you your weekly average sales. Multiply this figure by 52, and the result is your "annual gross sales".

[Paragraph (b) amended by Amdt. 1]

Sec. 26. *How you determine your group in certain special cases*—(a) *Department stores.* If you operate a department store, that is, a store in which the greater volume of sales is general merchandise and not foods, and you sell foods in a separate department or departments, you must determine your group by using only the "annual gross sales" of your food department or departments.

(b) *Stores in which more than one retailer operates.* (1) If you sell food in a retail store in which there are other food retailers, none of whom sells a complete line of the same general class of food, you must find your group by taking the combined "annual gross sales" of all the food retailers in that store. If the total "annual gross sales" of all the food retailers in that store is not readily available, you shall apply, in writing, within 30 days after the issuance of the regulation to the OPS District Office for your area, for a determination of your group, stating your own "annual gross sales" figure for the applicable year. Each District Director is authorized to act on requests covering stores located within his district, and action taken shall be by order.

(2) If you sell foods in a retail store in which more than one retailer sells a complete line of the same general class of food, you will be considered as operating a separate retail store of your own, and you must determine your group by using only your own sales.

(c) *New stores.* If you open a retail store after May 14, 1951, you may consider yourself a Group 1 or Group 3 retailer, depending upon whether or not at that date your store is an "independent" store, and you must figure your ceiling prices accordingly. (If you are a Group 3 store, you must figure your ceiling prices under Ceiling Price Regulation No. 15.) However, after you have been in business for 3 months you must determine again what group your store is in. To do this, take your total sales for the 3-month period and multiply by 4. Use the result as your "annual gross sales" in determining the group in which your store belongs.

Furthermore, if by reason of the new store you are now one of four or more stores under one ownership, you must at the end of the three-month period refigure the combined "annual gross sales" for all your stores. If the combined "annual gross sales" are $750,000 or more, all of your stores must then be considered as Group 3 or Group 4 stores. You may continue to use the existing ceiling prices in each store until the second Monday following the end of the 3 month period, by which time you must have refigured all of your ceiling prices in each store, using the mark-ups for its proper group.

If you find that only the new store should now be in another group, you may continue to use the Group 1 mark-ups until the second Monday following the end of the 3-month period, by which time you must have refigured all your ceiling prices using the mark-ups for your new group in which this store falls. You shall use as your "net cost" the same "net cost" which you would have used in refiguring your ceiling prices on that Monday. If, under that section, you would not have been required to refigure your ceiling price for any item on that Monday, you shall use as your "net cost" for that item the same "net cost" on which your existing ceiling price at that time is based.

[Paragraph (c) amended by Amdt. 1]

Sec. 27. *Taxes.* You may collect, in addition to your ceiling price, any tax upon or incident to a sale at retail of food covered by this regulation if you state the tax separately, and if the statute or ordinance does not prohibit sellers from stating and collecting the tax separately from the price.

Sec. 28. *Transfer of business and stock in trade.* If, after May 14, 1951, you acquire in any way the business assets, and stock in trade of any retail store covered by this regulation and you carry on the business, or continue to deal in the same type of food products in that same store, your ceiling prices shall be the same as those of the former owner as if no transfer had taken place. You must keep all the records needed to verify your ceiling prices. The former owner must either preserve and make available to you, or give you, all the records of his transactions before you acquire the store

which you need to comply with the record provisions of this regulation.

If the transfer changes the business from one group of retail stores to another, your ceiling prices shall be those for the group of retailer to which you belong under this regulation.

[Sec. 28 amended by Amdt. 1]

SEC. 29. *Relation to other regulations.* The provisions of this Ceiling Price Regulation No. 16, except as otherwise provided in this regulation, shall, on and after May 14, 1951, supersede the provisions of the General Ceiling Price Regulation, and any other price regulation or order issued by the OPS with respect to sales and deliveries for which ceiling prices are established by this regulation.

[Sec. 29 amended by Amdt. 1]

SEC. 30. *Definitions.* (a) *Retail route seller.* A "retail route seller" is a retailer who distributes food products to ultimate consumers who are not commercial, industrial or institutional users, either on a future delivery basis or otherwise, from an inventory stocked in trucks or other conveyances operated by driver-salesmen over regular routes. A retailer, most of whose business is the personal solicitation of orders by salesmen calling at the homes or places of business of ultimate consumers, who are not commercial, industrial or institutional users, shall also be considered a retail route seller. A retailer is a "retail route seller" only of the food products he sells in this way.

(b) *Health food stores.* A "health food store" or "health food department" is one whose sales to consumers consists principally of "specially prepared dietetic foods." For the purpose of this regulation a "health food department" is a separate and distinct department operated by separate and specially trained personnel and for which separate records and accounts are maintained. "Specially prepared dietetic foods" are foods manufactured and sold for restricted diets and for special dietetic purposes, including but not limited to, specially prepared foods for diabetic or arthritic conditions, or high blood pressure; specially prepared weight building or tonic foods; and vitamin or mineral supplements.

(c) *Delivery.* Delivery to you of an item covered by this regulation shall be considered to have occurred when the item has been received by you at your usual receiving point.

(d) *Usual receiving point.* Your usual receiving point will be either your retail store or your warehouse from which you supply your retail stores, depending upon where you normally receive the particular item you are pricing under this regulation.

(e) *Item.* You must determine a separate ceiling price for each item; that is, for each kind, brand, size, variety, grade, container-type, and container-size.

(f) *Manufacture or otherwise process.* "Manufacture or otherwise process" shall mean blending, freezing, canning, preserving, bottling, milling, crushing, straining, roasting, centrifuging, cooking, distilling, purifying with heat, printing of butter, and other similar operations, and packaging of spices, tea and gelatin.

Packaging as used in section 18 shall not be considered manufacturing or processing under this regulation.

(g) *Group 3 retailer.* A retailer is in Group 3 if he has an "annual gross sales" of less than $375,000 and he is not an "independent" retailer.

(h) *Group 4 retailer.* A retailer is in Group 4 whether "independent" or not, if he has an "annual gross sales" of $375,000 or more.

(i) *Great Lakes marine supplier.* A "Great Lakes marine supplier" means a person operating a selling establishment which buys and resells food products for the most part to "operators of a lake vessel or vessels," for consumption aboard such vessel or vessels, with delivery from shore locations by use of truck or launch facilities. "Operator of a lake vessel or vessels" means any person who owns or operates a lake vessel or vessels, other than passenger boats, engaged in shipping upon the Great Lakes, and who in operating such vessels purchases or receives food products covered by this regulation from a Great Lakes marine supplier for consumption aboard such vessels.

(j) *Specialty foods.* Specialty foods shall mean food items normally classed as table delicacies or luxury items such as sea squab, terrapin stew, brandied fruits, fancy imported foods, wild game, etc., which the average wholesale grocer and retailer does not stock as a complete line of merchandise.

[Paragraph (j) added by Amdt. 2]

(k) *Canned.* "Canned" means processed and packaged in any container, whether or not hermetically sealed.

[Paragraph (k) added by Amdt. 15]

SEC. 31. *Geographical applicability.* The provisions of this regulation shall apply to the 48 States of the United States and to the District of Columbia.

SEC. 32. *Table of markups for "dry groceries" (Table A)*—(a) *Table A: Markups over "net cost" allowed to Groups 1 and 2 retailers for dry groceries covered by this regulation by commodities.*

TABLE A—MARKUPS OVER "NET COST" ALLOWED TO GROUP 1 AND GROUP 2 RETAILERS FOR DRY GROCERIES COVERED BY THIS REGULATION BY COMMODITIES

Food commodities	Allowed markups over net cost independent retailers with annual volumes	
	Group 1, under $75,000	Group 2, $75,000 or more but less than $375,000
	Percent	*Percent*
1. Baby foods	25	23
2. Cereals, breakfast	24	22
3. Cocoa, chocolate and cereal drink preparations	29	29
4. Coffee	17	17
4a. Coffee concentrates	19	19
5. Cookies, toast and crumbs	30	30
5a. Crackers	25	25
6. Corn meal, hominy and flour mixes	29	29
7. Dog and cat foods	27	27
8. Fish, processed	29	29
8a. Salmon and tuna, processed	27	27
9. Flour	27	27
10. Frozen foods	30	30
11. Fruits, berries and fruit juices (canned) except fruit cocktail, pineapple, peaches and pears	31	31
12. Fruit cocktail, pineapple, peaches and pears (canned) except juices [1]	----------	----------
13. Fruits, dried and dehydrated [1]	----------	----------
14. Gelatin and pudding mixtures	28	25
15. Jams, jellies, preserves and honey	36	36
15a. Peanut butter	32	32
16. Lard, pure	20	18
17. Macaroni and spaghetti products	32	32
18. Mayonnaise and salad dressing	24	24
19. Meat, canned	25	25
19a. Luncheon meats	21	21
20. Milk, canned	20	20
21. Oils, cooking and salad	28	28
22. Oleomargarine	20	18
23. Pickles and relishes [1]	----------	----------
24. Rice	28	28
25. Shortening, hydrogenated	9	9
26. Shortening, other	18	18
27. Soups, canned	27	26
28. Soups, dehydrated	34	34
29. Spices	46	46
30. Syrups	28	28
31. Tea	26	26
32. Vegetables and vegetable juices (canned) except corn, green beans, peas, tomatoes and tomato juice	32	32
33. Corn, green beans, peas, tomatoes and tomato juice (canned) [1]	----------	----------
34. Vegetables, dried and dehydrated [1]	----------	----------
35. Vinegar	39	37
36. Miscellaneous foods	40	40

[1] All commodities in this category are excluded from price control.

[Table A amended by Amdt. 14]

(b) Commodity definitions. These definitions apply to both domestic and imported items	(c) Commodities excluded from this regulation, but subject to GCPR or other applicable regulations	(d) Commodities excluded from price control at wholesale and retail
(1) "*Baby foods*" means "baby" or "junior" cereals, fruits, vegetables, meats, puddings, soups and mixtures thereof, packed in hermetically sealed containers.	(1) "*Baby foods*". Excluded are: Dry baby cereals.	(1) "*Baby foods*". Excluded are: Fruits, vegetables (including creamed vegetables), and their juices, and combinations of fruits, vegetables, or their juices, with no other ingredients added except water sufficient for preparation, salt or sugar. Soups are not within this exclusion.
(2) "*Cereals, breakfast*" means cereal items commonly used as breakfast foods, both uncooked and ready-to-eat types including, but not limited to, bran flakes, farina, popped rice, and rolled oats. Not included in this definition are barley, corn meal, corn grits, hominy grits and flakes, rice and wheat bran flour.	(2) "*Cereals, breakfast*". Excluded are: Steel cut oats.	(2) "*Cereals, breakfast*". Excluded are: Wheat germ and imported "cereals, breakfast" if imported in consumer size containers.
(3) "*Cocoa, chocolate, and cereal-drink preparations*" includes, but is not limited to, coffee substitutes or extenders, chicory, malted milk preparations containing less than 35 percent malted milk, chocolate syrup packed in consumer sizes, chocolate bits, and cooking chocolate and packaged powdered skim milk (spray process). Not included in this definition is any powdered milk product containing 40 percent or more milk sugars.	(3) "*Cocoa, chocolate, and cereal-drink preparations.*" Excluded are: Chocolate confections, bitter-sweet bars, milk chocolate, powdered whole milk; powdered skim milk (except spray process).	(3) "*Cocoa, chocolate, and cereal-drink preparations*". Excluded are: Powdered malted milk and any preparations containing 35 percent or more powdered malted milk, and imported cocoa, chocolate and cereal drink preparations if imported in consumer size containers.
(4) "*Coffee*" means roasted coffee, whole or ground, decaffeinated coffee, and any mixtures of coffee with other products for beverage purposes. Not included in this definition are all "coffee concentrates," including "frozen coffee concentrates."	(4) "*Coffee*". Excluded are: Green coffee in containers of the customary unit and weight in which they are imported into the United States.	(4) "*Coffee*". Excluded are: Imported coffee if imported in consumer size containers (2 pounds or less) and coffee packaged in bags, each containing only the amount necessary to make 1 ordinary cup of coffee.
(4a) "*Coffee concentrates*" includes but is not limited to instant and soluble coffee concentrates whether or not mixed with other ingredients. Not included in this definition is frozen coffee concentrate.	(4a) "*Coffee concentrates*". Excluded are: None.	(4a) "*Coffee concentrates*". Excluded are: Imported coffee concentrates if imported in consumer size containers
(5) "*Cookies, toast, and crumbs*" includes, but is not limited to biscuits, Christmas cookies, fig bars or cookies, pretzels, rye crackers, zwelback, melba toast, bread crumbs, cracker crumbs, cookies, matzo, matzo meal and related matzo products. Not included in this definition are any items which are bought by you in bulk and sold loose, or any "crackers" as defined below.	(5) "*Cookies, toast, and crumbs*". Excluded are: Any bakery product which you manufacture except "crackers," Passover matzo, Passover matzo meal and related Passover products, any item which is purchased in consumer sizes in tin or glass containers, baked goods fresh such as bread, pies, cakes, rolls, doughnuts, coffee cakes, candies (except cookies, toast and crumbs), and rice crackers.	(5) "*Cookies, toast, and crumbs*". Excluded are: Imported cookies and toast, if imported in consumer size containers.
(5a) "*Crackers*" means all types of soda, sprayed, butter and graham crackers. Not included in this definition are any items which are bought by you in bulk and sold loose.	(5a) "*Crackers*". Excluded are: Any cracker product which you manufacture, and any cracker item which is purchased in consumer sizes in tin or glass containers.	(5a) "*Crackers*". Excluded are: Imported crackers, if imported in consumer size containers.
(6) "*Corn meal, hominy and flour mixes*" means corn meal, corn grits, hominy, hominy grits, hominy flakes, prepared hominy and flour mixes milled from wheat, semolina, farina, buckwheat, corn, rice and potatoes; including, but not limited to prepared pancake, biscuit, pie crust and gingerbread mix and any item containing ingredients to prepare crust and filling for a pie. Not included in this definition is canned hominy, which is in "Vegetables and vegetable juices, canned".	(6) "*Corn meal, hominy and flour mixes*". Excluded are: None.	(6) "*Corn meal, hominy and flour mixes*". Excluded are: Water ground corn meal.
(7) "*Dog and cat food*" shall not include any item prepared by you for pet food, or any frozen dog or cat food.	(7) "*Dog and cat food*". Excluded are: None.	(7) "*Dog and cat food*". Excluded are: None.
(8) "*Fish, processed*" includes canned fish, canned seafood, and salted or otherwise processed fish, such as fish cakes. Not included in this definition are canned crab meat, lobster, oysters, salmon and tuna, and frozen food products in which fish or seafood are combined with other ingredients.	(8) "*Fish, processed*". Excluded are: Kippered, marinated, dried or smoked fish and seafoods (except sardines).	(8) "*Fish, processed*". Excluded are: Canned clams, shrimp a la Newburg, shad, turtle or terrapin, anchovy roll fillets; frozen fish and seafood; fresh fish and seafood; fish and seafood pâtes, pastes and purees; sauce containing fish and seafood; fish roe, caviar, fish and seafood hors d'oeuvres; and imported "fish, processed" if imported in consumer size containers.
(8a) "*Salmon and tuna, processed.*"	(8a) "*Salmon and tuna, processed*". Excluded are: Frozen, kippered, marinated, dried or smoked salmon or tuna.	(8a) "*Salmon and tuna, processed*" Excluded are: None.
(9) "*Flour*" means flour milled from wheat, semolina, farina, buckwheat, corn, rice, and potatoes, including but not limited to, all-purpose family flour, self rising flour, cake flour, and enriched flour. Not included in this definition are all flour mixes.	(9) "*Flour*". Excluded are: None.	(9) "*Flour*". Excluded are: Potato flour, water ground wheat flour and water ground buckwheat flour.
(10) "*Frozen foods*" means packaged quick-frozen or cold-packed foods sold from refrigerated cabinets or lockers, including but not limited to dog and cat food, Chinese foods, macaroni products, coffee concentrates, concentrated fresh milk, pies and pastries, meat stews, corned beef hash, meat pies, and food products in which fish or seafood, meat or poultry are combined with other ingredients.	(10) "*Frozen foods*". Excluded are: Meat, poultry, ice cream, sherbet, and confections.	(10) "*Frozen foods*". Excluded are: Hollandaise sauce, fish and seafood, prepared pastry doughs, all fruits, berries, fruit or berry juices and concentrates, vegetables, vegetable juices, mushrooms, cocoanut, cooked spaghetti products with or without sauce, bean sprouts, Chinese mixed vegetables, Chinese chow mein, Chinese chop suey, soups, gravies and pork and beans.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(11) "*Fruits, berries and fruit juices, canned*" includes fountain fruits, and non-carbonated liquid fruit beverages such as grapeade, lemonade and orangeade. Not included in this definition are apple butter, fruit butters, jams, jellies fruit preserves, cocoanut, baby foods, fruit cocktail, pineapple (except pineapple juice), peaches, pears and frozen fruits.	(11) "*Fruits, berries and fruit juices, canned*". Excluded are: None.	(11) "*Fruits, berries and fruit juices, canned*". Excluded are: Brandied, liquor flavored or stuffed melon, fruit rind, fruits or berries; whole or half citrus fruits; cocktail slices and sticks; maraschino cherries; all varieties of canned apples, applesauce, apricots, berries, currants, cherries, figs, fruit for salad (including fruit mixtures), fruit and berry juices and nectars, including apple and other fruit ciders, plums, prunes, mangoes, citrus fruits, juices and concentrates, grapes, nectarines, quinces, papayas and guavas.
(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".	(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".	(12) "*Fruit cocktail, pineapple, peaches and pears (canned) except juices*".
All commodities in this category are excluded from price control.		
(13) "*Fruits, dried and dehydrated*".	(13) "*Fruits, dried and dehydrated*".	(13) "*Fruits, dried and dehydrated*".
All commodities in this category are excluded from price control, including all dried dehydrated and stuffed fruits either whole, pitted or in macerated form.		
(14) "*Gelatin and pudding mixtures*" includes, but is not limited to, gelatin, gelatin desserts, tapioca, arrowroot, consumer ice cream mixes, rennet, and pie fillings.	(14) "*Gelatin and pudding mixtures*". Excluded are: None.	(14) "*Gelatin and pudding mixtures*". Excluded are: Wine gelatins, wine dessert powders, and all imported gelatin and pudding mixtures if imported in consumer size containers.
(15) "*Jams, jellies, preserves and honey*" includes but is not limited to, tomato preserves, marmalade, fruit preserves, fruit butters, honey butter and all extracted honey (including combinations of extracted and comb honey) packaged in containers of a capacity of 15 pounds or less. Not included in this definition are cranberry jelly or sauce and peanut butter.	(15) "*Jams, jellies, preserves and honey*". Excluded are: Honey packed with blossom and comb honey.	(15) "*Jams, jellies, preserves and honey*". Excluded are: Wine jellies, preserved kumquats, lemon marmalade, guava jelly, and imported jams, jellies, preserves and honey if imported in consumer size containers.
(15a) "*Peanut butter*" includes all smooth or crunch type nut butters.	(15a) "*Peanut butter*". Excluded are: None.	(15a) "*Peanut butter*". Excluded are: None.
(16) "*Lard, pure*" includes, but is not limited to, rendered pork fat. Not included in this definition are lard compounds, which are classed as "shortenings, other".	(16) "*Lard, pure*". Excluded are: None.	(16) "*Lard, pure*". Excluded are: None.
(17) "*Macaroni and spaghetti products*" includes but is not limited to, bows, egg alphabets, macaroni, spaghetti, vermicelli, sea shells, noodles, macaroni dinners, spaghetti dinners, canned macaroni and canned spaghetti. Not included in this definition are meat ravioli, tamales, dry noodle soup mixtures, spaghetti-and-meat balls, chicken-and-noodles, Chinese-style noodles, and frozen macaroni and spaghetti products.	(17) "*Macaroni and spaghetti products*". Excluded are: None.	(17) "*Macaroni and spaghetti products*". Excluded are: Imported macaroni and spaghetti products if imported in consumer size containers.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(18) "*Mayonnaise and salad dressing*" includes, but is not limited to, relish spreads, other mayonnaise spreads and French dressing. Not included in this definition are meat spreads.	(18) "*Mayonnaise and salad dressing*". Excluded are: None.	(18) "*Mayonnaise and salad dressing*". Excluded are: Bottled table dressings and sauces of the following flavors: avocado, dill onion, poppy seed, sherry, chive, garlic and mint; tartar sauce, hollandaise sauce, cheese dressings, and imported mayonnaise and salad dressing if imported in consumer size containers.
(19) "*Meat, canned*" includes but is not limited to, canned or glass chicken products, turkey products, chicken and noodles, corned beef, meat ravioli, chili con carne, meat stews, meat spreads, and spaghetti and meat balls. Not included in this definition are pigs feet, scrapple, tamales, enchiladas, tripe, veal loaf, mincemeat, frozen food products in which meat, chicken or turkey are combined with other ingredients, frozen meat gravies, frozen meat stews and pies, and any meat or meat product which is in a pliable plastic or similar type of container, and luncheon meats.	(19) "*Meat, canned*". Excluded are: Breast of chicken, chicken fricassee, whole or half chicken, chicken a la king, "Smithfield" ham and "Smithfield" ham products and any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts.	(19) "*Meat, canned*". Excluded are: Tongue spread, deviled tongue, pickled pork knuckles, pickled pork tidbits, liver paste, meat gravy, smoked tongue, liver, hearts, gizzards, cocktail frankfurters, canned wild game, meat or poultry pates, pate de foie gras, rattlesnake meat, turtle meat, and imported canned meat if imported in consumer sizes of 2 pounds or less, except beef and beef products.
(19a) "*Luncheon meats, canned*" includes, but is not limited to, spiced ham, pressed ham, chopped ham, spiced pork and spiced beef and pork. Not included in this definition are pigs feet, scrapple, tamales, tripe, veal loaf, mincemeat, frozen food products in which meat, chicken or turkey are combined with other ingredients, frozen meat gravies, any frozen meat or meat product which is in a pliable plastic or similar type of container and any "canned meat" as defined in category (19) above.	(19a) "*Luncheon meats, canned*". Excluded are: Any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts.	(19a) "*Luncheon meats, canned*". Excluded are: Imported luncheon meats if imported in consumer sizes of 2 pounds or less, except beef products.
(20) "*Milk, canned*" means evaporated or condensed cow milk, including but not limited to, filled evaporated milk products.	(20) "*Milk, canned*". Excluded are: None.	(20) "*Milk, canned*". Excluded are: None.
(21) "*Oils, cooking and salad*" means all vegetable oils, fruit leaf plant oils, and cooking fats other than lard and shortening. Not included in this definition are olive oil, prepared dressings, and spice oils.	(21) "*Oils, cooking and salad*". Excluded are: None.	(21) "*Oils, cooking and salad*". Excluded are: None.
(22) "*Oleomargarine*" means any product labeled "Oleomargarine".	(22) "*Oleomargarine*". Excluded are: None.	(22) "*Oleomargarine*". Excluded are: None.
(23) "*Pickles and relishes*".	(23) "*Pickles and relishes*".	(23) "*Pickles and relishes*".
All commodities in this category are excluded from price control, including pickled fruits and vegetables, pickled relishes and stuffed pickles.		
(24) "*Rice*" means all rice (including second heads) of the grades defined by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946). Not included in this definition are rice flour, rice flakes, popped rice, and canned Spanish rice.	(24) "*Rice*". Excluded are: Screenings and brewers' rice graded as Class XIII and Class XIV, respectively, by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946).	(24) "*Rice*". Excluded are: Wild rice.
(25) "*Shortening, hydrogenated*" means all fully hydrogenated shortening.	(25) "*Shortening, hydrogenated*". Excluded are: None.	(25) "*Shortening, hydrogenated*". Excluded are: None.

(b) Commodity definitions. These definitions apply to both domestic and imported items	(c) Commodities excluded from this regulation, but subject to GCPR or other applicable regulations	(d) Commodities excluded from price control at wholesale and retail
(26) "*Shortening, other*" means shortenings other than fully hydrogenated shortening. Not included in this definition are butter, lard, oleomargarine, and suet.	(26) "*Shortening, other*". Excluded are: None.	(26) "*Shortening, other*". Excluded are: None.
(27) "*Soups, canned*" includes soups, broths and chowder. Not included in this definition are meat stews, "baby" or "junior" soups, debydrated soups and frozen soups.	(27) "*Soups, canned*". Excluded are: All bisques (except tomato, chicken, celery and mushroom).	(27) "*Soups, canned*". Excluded are: French onion soup (consumer size containers), consomme madrilene, jellied chicken consomme, vichysoisse, black bean soup, borscht, cheese soup, consomme julienne, minestrone, mushroom broth, onion a la Bretton, petite marmite, turtle, wine and sherry flavored, fish or seafood soups (except clam chowder), smoked turkey and game bird soups, almond, artichoke, avacado, broccoli, cucumber and watercress soups, and all imported soups if imported in consumer size containers.
(28) "*Soups, dehydrated*" means dry mixtures sold for soup making, including but not limited to, dry vegetable and dry noodle soup mixtures. Not included in this definition are other macaroni or noodle products, lentils and dried peas.	(28) "*Soups, dehydrated*". Excluded are: None.	(28) "*Soups, dehydrated*". Excluded are: Bouillon cubes and bouillon powders.
(29) "*Spices*" includes imported spices and domestic spices mixed or combined with imported spices, seeds and herbs. Included in this definition are caraway seeds, dried peppers, dry chili, chili powders, herbs, dry mustard, poultry seasoning, poppy seed, sesame seed, thyme, and cream of tartar. Not included in this definition are table salt and spice oils.	(29) "*Spices*". Excluded are: Raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States; spices in assorted sets, contained in wooden or other type trays designed as permanent kitchen furniture, and spices and herbs packed in glass.	(29) "*Spices*". Excluded are: Imported spices, seeds and herbs if imported in consumer size containers, and domestic spices produced in the United States that are not mixed or combined with imported spices, seeds and herbs.
(30) "*Syrups*" means all malt, molasses, cane, maple, corn syrups, and imitations or blends. Not included in this definition are chocolate and ice cream sundae syrups.	(30) "*Syrups*". Excluded are: Unmixed corn syrups, molasses sold for feeding purposes, sorghum syrup and fruit syrups for making beverages.	(30) "*Syrups*". Excluded are: Rock candy syrup, and imported syrup, if imported in consumer size containers.
(31) "*Tea*" includes all bulk or packaged tea, teabags and concentrated tea.	(31) "*Tea*". Excluded are: Assam, Darjeeling, Formosa, Oolong, Ceylon, Kee-Mun, Lapsang, Souchong, Jasmine, and Fancy Green Teas and blends thereof, mate, and sales of tea in containers of the customary unit and weight in which they are imported into the United States.	(31) "*Tea*". Excluded are Imported tea, if imported in consumer size containers.
(32) "*Vegetables and vegetable juices, canned*" includes baked beans with ham, mushroom sauce, Chinese style foods, including soy sauce and brown sauce. Not included n this definition are vegetable soups, "baby" or "junior" foods, pickles, corn, green beans, peas (except canned black-eye, crowder, cream and field peas), shoestring and julienne potatoes, french fried onions, tomatoes, tomato juice and frozen vegetables.	(32) "*Vegetab es and vegetable juices, canned*": Excluded are: None.	(32) "*Vegetables and vegetable juices, canned*". Excluded are: Artichoke products, asparagus, cabbage (red or white), brussel sprouts, broccoli, beans (lima or wax), beets, carrots, celery, eggplant, fresh and dry black-eye, crowder, cream and field peas and fresh shelled beans (all varieties), cauliflower, fresh field corn, salsify tomato sauce, seafood cocktail sauce, hominy, soy beans, mixtures of vegetables, mushrooms, okra, onions, pol, peppers (all varieties), parsnips, pimentos, potatoes white and sweet, pumpkin, sauerkraut, squash, spinach, succotash, rhubarb, rutabagas, turnips, turnip greens, vegetable greens, vegetable juices and mixtures thereof, tomato paste, tomato pulp or puree, chili sauce, tomato catsup, canned beans including pork and beans but excluding beans with ham or other meat, bean sprouts, Chinese mixed vegetables, Chinese chow mein, and Chinese chop suey.
(33) "*Corn, green beans, peas, tomatoes and tomato juice, canned.*"	(33) "*Corn, green beans, peas, tomatoes and tomato juice, canned*".	(33) "*Corn, green beans peas, tomatoes and tomato juice, canned*".
All commodities in this category are excluded from price control.		
(34) "*Vegetables, dried and dehydrated.*"	(34) "*Vegetables, dried and dehydrated*".	(34) "*Vegetables, dried and dehydrated*".
All commodities in this category are excluded from price control, including dried and dehydrated beans, peas mushrooms and lentils.		
(35) "*Vinegar*" includes, but is not limited to pure cider vinegar and distilled vinegar.	(35) "*Vinegar*". Excluded are: Malt and fruit vinegar (except apple).	(35) "*Vinegar*". Excluded are: Wine and herbal vinegar and imported vinegars if imported in consumer size containers.
(36) "*Miscellaneous foods*" shall include all other dry grocery items except those specifically excluded in paragraphs (c) and (d) of this section. Non-food items are, of course, not included. Among the items included under this heading are the following: Baking powder. Baking soda. Barley, pearl. Brown bread, and date and nut bread, canned. Brewers yeast in consumer size packages not to exceed 2 pounds. Coconut, shredded, desiccated or moist. "Cookies, crackers, toast and crumbs" bought by you in bulk and sold loose. Corn starch packaged in containers of 10 pounds or less. Crab meat, canned. Enchiladas (tins, jars, paper or corn wrapped). Fruit pectins. Ice cream sundae syrups, including chocolate syrup packed in No. 10 tins or larger.	(36) "*Miscellaneous foods.*" Excluded are: Beer. Bread. Buttermilk, fresh. Candy (except pure maple sugar candy). Corn starch (packaged in containers of more than 10 pounds) Corn sugar. Cream, fresh. Eggs. Feed, animal, poultry or pet foods (except dog and cat food). Fruit cake, except holiday fruit cake. Gift or h liday packages bought assembled, and containing one or more items covered by this regulation. Goat milk. Ice cream in cones. Ice cream, sherbets and frozen confections. Liquors. Meat (except "meat,	(36) "*Miscellaneous foods.*" Excluded are: All package and bulk sales of the following prepared salads and ready-to-serve desserts: cabbage, potato, mixed vegetables, macaroni, waldorf, apple-pecan in gelatin, fresh banana in gelatin, fruit cocktail in gelatin, lemon aspic in gelatin, pineapple in gelatin, and crushed pineapple in pineapple gelatin. Antipasto. Apple chips, crunchy, canned and packaged. Apple nougats, canned or packaged. Apple-pie mix. Apple and other fruit pomaces. Babas in tins. Bacon rinds, fried. Bamboo shoots, canned. Cane or beet sugar. Capers. Cherry-pie mix. Chutney, canned. Citrus fruit beverage bases and

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodities excluded from this regulation, but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(36) "*Miscellaneous foods*"—Continued Lobster canned. Macaroni salad, canned Meat flavorings. Meat sauces, except catsup, cocktail sauce and chili sauce. Mustard, prepared. Oysters (canned) except smoked. Puddings, date, fig or plum. Powdered milk product containing 40 percent or more milk sugars. Scrapple, canned. Spanish rice, canned. Table salt packaged in cartons, bags, or packets containing 100 pounds or less, meat-curing and smoked salt, Kosher salt in cartons and salt packaged in containers of 10 pounds or less and labeled by the manufacturer as ice cream salt. (Excluded are onion, celery or garlic salt.) Spice oils. Tamales, canned. Tripe, canned. Vanilla extract. Veal loaf, canned. Yeast.	(36) "*Miscellaneous foods*"—Con. Excluded are—Continued canned"). Milk, fresh. Mineral oil. Nuts. Peanuts. Poultry, other than canned. Salt not covered by sec. 32 (b) (36). Soft drinks. Tamales, bulk. Tortillas. Vitamin concentrates. Wine. Yogurt.	(36) "*Miscellaneous foods*"—Con. Excluded are—Continued other fruit beverage bases (but not fruit ades or soft drinks made therefrom). Clam juice. Cones for ice cream. Crab meat, deviled. Crepes suzette. Easter egg dye. Egg-nog, bottled. Flavorings in containers of 16 ounces or less. Food colorings in containers of 16 ounces or less. Food flavoring extracts (except vanilla). Fresh fruits and vegetables. Fried worms, canned. Fruit cake, holiday, that is fruit cake which: (1) contains not less than 30 percent by weight of fruits and nuts in relation to the total weight of the fruit cake mix; and which (2) is packaged by the manufacturer in a wrapper or container which indicates that such fruit cake is packaged expressly for sale during the Thanksgiving or Christmas season or both. Ginger, candied. Gravy and gravy mixes, canned or dehydrated. Horseradish. Lobster a la Newburg. Maple sugar pure. Maple sugar candy, pure. Meat loaf spice mixtures, canned. Mincemeat. Monosodium glutumate when sold in containers of 16 ounces or less. Olives. Olive oil. Olive spreads. Onions, French fried, canned. Oysters, smoked. Palm hearts, canned. Pickled boneless or semiboneless pigs feet in containers of 28 ounces or less. Popcorn and popping corn. Potatoes, white, peeled, whole or sliced, chemically treated. Potato chips. Potatoes, julienne and shoestring. Potato starch. Prepared pastry doughs. Processed pumpkin seeds. Pumpkin-pie mix. Snails, canned. Sauces, hot. Sauces, fish. Sweetpotato-pie mix, canned. Tapioca food starch sold in bulk. Tom and Jerry batter. Tomato aspic and any other vegetable aspic, canned. Toppings in hermetically sealed containers when processed from vegetable oils, stabilizers and dry milk solids with not more than 15 percent of the total ingredients by weight consisting of dry milk solids.
		(36) "*Miscellaneous foods*"—Con. Excluded are—Continued Truffles. Vegetable flakes. Vegetable powders. Vegetable protein, hydrolized, when sold in containers of 16 ounces or less. Vegetable salt. Walnut sauce. Water chestnuts, canned.

[Paragraphs (b) and (c) amended by Amdt. 3; Paragraph (d) added by Amdt. 3; Subparagraph (b) (19) amended by Amdt. 6; Subparagraphs (b) (6) and (10), and (c) (3), (10) and (19) amended by Amdt. 9; Subparagraphs (c) (36) and (d) (36) amended by Amdt. 10; Subparagraphs (b) (4), (5), (8), (10), (15), and (19), and (c) (4), (5), (8), (10), (15) and (19), and (d) (4), (5), (8), (10), (15) and (19) amended by Amdt. 14; Subparagraphs (b) (8), (12), (19), (32), (33) and (36), and (c) (8), (10) and (36), and (d) (4), (8), (10), (32) and (36) amended by Amdt. 15; Subparagraph (d) (36) amended by Amdt. 16]

[Sec. 32 revised by Amdt. 20]

SEC. 33. (a) *Table of markups for "perishables"* (*Table B*)—(a) *Table B: Markups over "net costs" allowed to Group 1 and Group 2 retailers for "perishables" covered by this regulation by commodities.*

TABLE B—MARKUPS OVER "NET COST" ALLOWED TO GROUP 1 AND GROUP 2 RETAILERS FOR PERISHABLES COVERED BY THIS REGULATION BY COMMODITIES

Food commodities	Allowed markups over net cost independent retailers with annual volumes		Selling unit in which ceiling price must be calculated
	Group 1, under $75,000	Group 2, $75,000 or more but less than $375,000	
(1) Dairy products:	*Percent*	*Percent*	
Butter	10	10	1 pound.
Cheese	20	20	1 pound or 1 package.

[Subparagraph (2) added by Amdt. 8, deleted by Amdt. 20; Subparagraph (3) added by Amdt. 10, deleted by Amdt. 16; Table B amended by Amdt. 14]

(b) *Commodity definitions.* These definitions apply to both domestic and imported items	(c) *Commodity excluded from this regulation but subject to GCPR or other applicable regulations*	(d) *Commodities excluded from price control at wholesale and retail*
(1) "*Dairy products*". "*Butter*" (packaged) means only butter from milk, including but not limited to, processed salted, unsalted and whipped butter. Not included in this definition are peanut, nut, fruit or honey butters. "*Cheese*" shall include all packaged cheese, cheese spreads, and cheese foods purchased packaged.	"*Butter*" Excluded are: Bulk or tub butter. "*Cheese*" Excluded are: Imported packaged cheese if imported in consumer size containers. Cheese gift packages of assorted cheeses if assembled by you, and all types of bulk cheese.	"*Butter*" Excluded are: None. "*Cheese*" Excluded are: None.

[Paragraph (b) amended by Amdts. 3, 6, 8, 10, and 13; Paragraph (c) added by Amdt. 3, amended by Amdts. 6, 8, 10; Paragraph (d) added by Amdt. 3, amended by Amdts. 8 and 10; Subparagraphs (b) (2), (c) (2) and (d) (2) deleted by Amdt. 20; Subparagraphs (b) (3), (c) (3) and (d) (3) deleted by Amdt. 16]

[Sec. 33 revised by Amdt. 20]

SEC. 34. *Table of ceiling prices based on any given "net cost" and mark-up (Table C)*—(a) *Table C. Retail ceiling prices obtained by applying any given percentage mark-up to any given net cost.*

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST

ITEMS WITH A "NET COST" OF FROM ½¢ TO 10¢ PER UNIT

Net cost (per unit)	½¢	1¢	1½¢	2¢	2½¢	3¢	3½¢	4¢	4½¢	5¢	5½¢	6¢	6½¢	7¢	7½¢	8¢	8½¢	9¢	9½¢	10¢
Mark-up (percent)	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
7	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
8	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
9	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
10	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
11	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	11
12	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	10	10	11	11
13	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	10	10	11	11
14	1	2	2	3	3	4	4	5	5	6	6	7	7	8	9	9	10	10	11	11
15	1	2	2	3	3	4	4	5	5	6	6	7	7	8	9	9	10	10	11	12
16	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	10	11	12
17	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
18	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
19	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
20	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
21	1	2	2	3	3	4	4	5	5	6	7	7	8	8	9	10	10	11	11	12
22	1	2	2	3	3	4	4	5	5	6	7	7	8	9	9	10	10	11	12	12
23	1	2	2	3	3	4	4	5	6	6	7	7	8	9	9	10	10	11	12	12
24	1	2	2	3	3	4	4	5	6	6	7	7	8	9	9	10	11	11	12	12
25	1	2	2	3	3	4	4	5	6	6	7	8	8	9	9	10	11	11	12	13
26	1	2	2	3	3	4	4	5	6	6	7	8	8	9	9	10	11	11	12	13
27	1	2	2	3	3	4	4	5	6	6	7	8	8	9	10	10	11	11	12	13
28	1	2	2	3	3	4	4	5	6	6	7	8	8	9	10	10	11	12	12	13
29	1	2	2	3	3	4	5	5	6	6	7	8	8	9	10	10	11	12	12	13
30	1	2	2	3	3	4	5	5	6	7	7	8	8	9	10	10	11	12	12	13
31	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	10	11	12	12	13
32	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
33	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
34	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	13
35	1	2	2	3	3	4	5	5	6	7	7	8	9	9	10	11	11	12	13	14
36	1	2	2	3	3	4	5	5	6	7	7	8	9	10	10	11	12	12	13	14
37	1	2	2	3	3	4	5	5	6	7	8	8	9	10	10	11	12	12	13	14
38	1	2	2	3	3	4	5	6	6	7	8	8	9	10	10	11	12	12	13	14
39	1	2	2	3	3	4	5	6	6	7	8	8	9	10	10	11	12	13	13	14
40	1	2	2	3	4	4	5	6	6	7	8	8	9	10	11	11	12	13	13	14
41	1	2	2	3	4	4	5	6	6	7	8	8	9	10	11	11	12	13	13	14
42	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	11	12	13	13	14
43	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	11	12	13	14	14
44	1	2	2	3	4	4	5	6	6	7	8	9	9	10	11	12	12	13	14	14
45	1	2	2	3	4	4	5	6	7	7	8	9	9	10	11	12	12	13	14	15
46	1	2	2	3	4	4	5	6	7	7	8	9	9	10	11	12	12	13	14	15
47	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	12	13	14	15
48	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	13	13	14	15
49	1	2	2	3	4	4	5	6	7	7	8	9	10	10	11	12	13	13	14	15
50	1	2	2	3	4	5	5	6	7	8	8	9	10	11	11	12	13	14	14	15

ITEMS WITH A "NET COST" OF FROM 10½¢ TO 18¢ PER UNIT

Net cost (per unit)	10½¢	11¢	11½¢	12¢	12½¢	13¢	13½¢	14¢	14½¢	15¢	15½¢	16¢	16½¢	17¢	17½¢	18¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	11	12	12	13	13	14	14	15	15	16	16	17	17	18	19	19
7	11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19
8	11	12	12	13	14	14	15	15	16	16	17	17	18	18	19	19
9	11	12	13	13	14	14	15	15	16	16	17	17	18	19	19	20
10	12	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20
11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19	20
12	12	12	13	13	14	15	15	16	16	17	17	18	18	19	20	20
13	12	12	13	14	14	15	15	16	16	17	18	18	19	19	20	20
14	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20	21
15	12	13	13	14	14	15	16	16	17	17	18	18	19	20	20	21
16	12	13	13	14	15	15	16	16	17	17	18	19	19	20	20	21
17	12	13	13	14	15	15	16	16	17	18	18	19	19	20	20	21
18	12	13	14	14	15	15	16	17	17	18	18	19	19	20	21	21
19	12	13	14	14	15	15	16	17	17	18	18	19	20	20	21	21
20	13	13	14	14	15	16	16	17	17	18	19	19	20	20	21	22
21	13	13	14	15	15	16	16	17	18	18	19	19	20	21	21	22
22	13	13	14	15	15	16	16	17	18	18	19	20	20	21	21	22
23	13	14	14	15	15	16	17	17	18	18	19	20	20	21	22	22
24	13	14	14	15	16	16	17	17	18	19	19	20	20	21	22	22
25	13	14	14	15	16	16	17	18	18	19	19	20	21	21	22	23
26	13	14	14	15	16	16	17	18	18	19	20	20	21	21	22	23
27	13	14	15	15	16	17	17	18	18	19	20	20	21	22	22	23
28	13	14	15	15	16	17	17	18	19	19	20	20	21	22	22	23
29	14	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23
30	14	14	15	16	16	17	18	18	19	20	20	21	21	22	23	23
31	14	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24
32	14	15	15	16	17	17	18	18	19	20	20	21	22	22	23	24
33	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23	24
34	14	15	15	16	17	17	18	19	19	20	21	21	22	23	23	24
35	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24	24
36	14	15	16	16	17	18	18	19	20	20	21	22	22	23	24	24
37	14	15	16	16	17	18	18	19	20	21	21	22	23	23	24	25
38	14	15	16	17	17	18	19	19	20	21	21	22	23	23	24	25
39	15	15	16	17	17	18	19	19	20	21	22	22	23	24	24	25
40	15	15	16	17	18	18	19	20	20	21	22	22	23	24	25	25
41	15	16	16	17	18	18	19	20	20	21	22	23	23	24	25	25
42	15	16	16	17	18	18	19	20	21	21	22	23	23	24	25	26
43	15	16	16	17	18	19	19	20	21	21	22	23	24	24	25	26
44	15	16	17	17	18	19	19	20	21	22	22	23	24	24	25	26
45	15	16	17	17	18	19	20	20	21	22	22	23	24	25	25	26
46	15	16	17	18	18	19	20	20	21	22	23	23	24	25	26	26
47	15	16	17	18	18	19	20	21	21	22	23	24	24	25	26	26
48	16	16	17	18	19	19	20	21	21	22	23	24	24	25	26	27
49	16	16	17	18	19	19	20	21	22	22	23	24	25	25	26	27
50	16	17	17	18	19	20	20	21	22	23	23	24	25	26	26	27

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 18½¢ TO 26¢ PER UNIT

Net cost (per unit)	18½¢	19¢	19½¢	20¢	20½¢	21¢	21½¢	22¢	22½¢	23¢	23½¢	24¢	24½¢	25¢	25½¢	26¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	28
7	20	20	21	21	22	22	23	24	24	25	25	26	26	27	27	28
8	20	21	21	22	22	23	23	24	24	25	25	26	26	27	28	28
9	20	21	21	22	22	23	23	24	25	25	26	26	27	27	28	28
10	20	21	21	22	23	23	24	24	25	25	26	26	27	28	28	29
11	21	21	22	22	23	23	24	24	25	26	26	27	27	28	28	29
12	21	21	22	22	23	24	24	25	25	26	26	27	27	28	29	29
13	21	21	22	23	23	24	24	25	25	26	27	27	28	28	29	29
14	21	22	22	23	23	24	25	25	26	26	27	27	28	29	29	30
15	21	22	22	23	24	24	25	25	26	26	27	28	28	29	29	30
16	21	22	23	23	24	24	25	26	26	27	27	28	28	29	30	30
17	22	22	23	23	24	25	25	26	26	27	27	28	29	29	30	30
18	22	22	23	24	24	25	25	26	27	27	28	28	29	30	30	31
19	22	23	23	24	24	25	26	26	27	27	28	29	29	30	30	31
20	22	23	23	24	25	25	26	26	27	28	28	29	29	30	31	31
21	22	23	24	24	25	25	26	27	27	28	28	29	30	30	31	31
22	23	23	24	24	25	26	26	27	27	28	29	29	30	31	31	32
23	23	23	24	25	25	26	26	27	28	28	29	30	30	31	31	32
24	23	24	24	25	25	26	27	27	28	29	29	30	30	31	32	32
25	23	24	24	25	26	26	27	28	28	29	29	30	31	31	32	33
26	23	24	25	25	26	26	27	28	28	29	30	30	31	32	32	33
27	23	24	25	25	26	27	27	28	29	29	30	30	31	32	32	33
28	24	24	25	26	26	27	28	28	29	29	30	31	31	32	33	33
29	24	25	25	26	26	27	28	28	29	30	30	31	32	32	33	34
30	24	25	25	26	27	27	28	29	29	30	31	31	32	33	33	34
31	24	25	26	26	27	28	28	29	29	30	31	31	32	33	33	34
32	24	25	26	26	27	28	28	29	30	30	31	32	32	33	34	34
33	25	25	26	27	27	28	29	29	30	31	31	32	33	33	34	35
34	25	25	26	27	27	28	29	29	30	31	31	32	33	34	34	35
35	25	26	26	27	28	28	29	30	30	31	32	32	33	34	34	35
36	25	26	27	27	28	29	29	30	31	31	32	33	33	34	35	35
37	25	26	27	27	28	29	29	30	31	32	32	33	34	34	35	36
38	26	26	27	28	28	29	30	30	31	32	32	33	34	35	35	36
39	26	26	27	28	28	29	30	31	31	32	33	33	34	35	35	36
40	26	27	27	28	29	29	30	31	32	32	33	34	34	35	36	36
41	26	27	27	28	29	30	30	31	*32	32	33	34	35	35	36	37
42	26	27	28	28	29	30	31	31	32	33	33	34	35	36	36	37
43	26	27	28	29	29	30	31	31	32	33	34	34	35	36	36	37
44	27	27	28	29	30	30	31	32	32	33	34	35	35	36	37	37
45	27	28	28	29	30	30	31	32	33	33	34	35	36	36	37	38
46	27	28	28	29	30	31	31	32	33	34	34	35	36	37	37	38
47	27	28	29	29	30	31	32	32	33	34	35	35	36	37	37	38
48	27	28	29	30	30	31	32	33	33	34	35	36	36	37	38	38
49	28	28	29	30	31	31	32	33	34	34	35	36	37	37	38	39
50	28	29	29	30	31	32	32	33	34	35	35	36	37	38	38	39

ITEMS WITH A "NET COST" OF FROM 26½¢ TO 34¢ PER UNIT

Net cost (per unit)	26½¢	27¢	27½¢	28¢	28½¢	29¢	29½¢	30¢	30½¢	31¢	31½¢	32¢	32½¢	33¢	33½¢	34¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	28	29	29	30	30	31	31	32	32	33	33	34	34	35	36	36
7	28	29	29	30	30	31	32	32	33	33	34	34	35	35	36	36
8	29	29	30	30	31	31	32	32	33	33	34	35	35	36	36	37
9	29	29	30	31	31	32	32	33	33	34	34	35	35	36	37	37
10	29	30	30	31	31	32	32	33	34	34	35	35	36	36	37	37
11	29	30	31	31	32	32	33	33	34	34	35	36	36	37	37	38
12	30	30	31	31	32	32	33	34	34	35	35	36	36	37	38	38
13	30	31	31	32	42	33	33	34	34	35	36	36	37	37	38	38
14	30	31	31	32	32	33	34	34	35	35	36	36	37	38	38	39
15	30	31	32	32	33	33	34	35	35	36	36	37	37	38	39	39
16	31	31	32	32	33	34	34	35	35	36	37	37	38	38	39	39
17	31	32	32	33	33	34	35	35	36	36	37	37	38	39	39	40
18	31	32	32	33	34	24	35	35	36	37	37	38	38	39	40	40
19	32	32	33	33	34	35	35	36	36	37	37	38	39	39	40	40
20	32	32	33	34	34	35	35	36	37	37	38	38	39	40	40	41
21	32	33	33	34	34	35	36	36	37	38	38	39	39	40	41	41
22	32	33	34	34	35	35	36	37	37	38	38	39	40	40	41	41
23	33	33	34	35	35	36	36	37	38	38	39	39	40	41	41	42
24	33	33	34	35	35	36	37	37	38	38	39	40	40	41	42	42
25	33	34	34	35	36	36	37	38	38	39	39	40	41	41	42	43
26	33	34	35	35	36	37	37	38	38	39	40	40	41	42	42	43
27	34	34	35	36	36	37	37	38	39	39	40	41	41	42	43	43
28	34	35	35	36	36	37	38	38	39	40	40	41	42	42	43	44
29	34	35	35	36	37	37	38	39	39	40	41	41	42	43	43	44
30	34	35	36	36	37	38	38	39	40	40	41	42	42	43	44	44
31	35	35	36	37	37	38	39	39	40	41	41	42	43	43	44	45
32	35	36	36	37	38	38	39	40	40	41	42	42	43	44	44	45
33	35	36	37	37	38	39	39	40	41	41	42	43	43	44	45	45
34	36	36	37	38	38	39	40	40	41	42	42	43	44	44	45	46
35	36	37	37	38	39	39	40	41	41	42	43	43	44	45	45	46
36	36	37	38	38	39	39	40	41	41	42	43	44	44	45	46	46
37	36	37	38	38	39	40	40	41	42	42	43	44	45	45	46	47
38	37	37	38	39	39	40	41	41	42	43	43	44	45	46	46	47
39	37	38	38	39	40	40	41	42	42	43	44	44	45	46	47	47
40	37	38	39	39	40	41	41	42	43	43	44	45	46	46	47	48
41	37	38	39	39	40	41	42	42	43	44	44	45	46	47	47	48
42	38	38	39	40	40	41	42	43	43	44	45	45	46	47	48	48
43	38	39	39	40	41	41	42	43	44	44	45	46	46	47	48	49
44	38	39	40	40	41	42	42	43	44	45	45	46	47	48	48	49
45	38	39	40	41	41	42	43	44	44	45	46	46	47	48	49	49
46	39	39	40	41	42	42	43	44	45	45	46	47	47	48	49	50
47	39	40	40	41	42	43	43	44	45	46	46	47	48	49	49	50
48	39	40	41	41	42	43	44	44	45	46	47	47	48	49	50	50
49	39	40	41	42	42	43	44	45	45	46	47	48	48	49	50	51
50	40	41	41	42	43	44	44	45	46	47	47	48	49	50	50	51

[Above portion of Table C amended by Amdt. 6]

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 34½¢ TO 42¢ PER UNIT

Net cost (per unit)	34½¢	35¢	35½¢	36¢	36½¢	37¢	37½¢	38¢	38½¢	39¢	39½¢	40¢	40½¢	41¢	41½¢	42¢
Mark-up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	37	37	38	38	39	39	40	40	41	41	42	42	43	43	44	45
7	37	37	38	39	39	40	40	41	41	42	42	43	43	44	44	45
8	37	38	38	39	39	40	41	41	42	42	43	43	44	44	45	45
9	38	38	39	39	40	40	41	41	42	43	43	44	44	45	45	46
10	38	39	39	40	40	41	41	42	42	43	43	44	45	45	46	46
11	38	39	39	40	41	41	42	42	43	43	44	44	45	46	46	47
12	39	39	40	40	41	41	42	43	43	44	44	45	45	46	46	47
13	39	40	40	41	41	42	42	43	44	44	45	45	46	46	47	47
14	39	40	40	41	42	42	43	43	44	44	45	46	46	47	47	48
15	40	40	41	41	42	43	43	44	44	45	45	46	47	47	48	48
16	40	41	41	42	42	43	44	44	45	45	46	46	47	48	48	49
17	40	41	42	42	43	43	44	44	45	46	46	47	47	48	49	49
18	41	41	42	42	43	44	44	45	45	46	47	47	48	48	49	50
19	41	42	42	43	43	44	45	45	46	46	47	48	48	49	49	50
20	41	42	43	43	44	44	45	46	46	47	47	48	49	49	50	50
21	42	42	43	44	44	45	45	46	47	47	48	48	49	50	50	51
22	42	43	43	44	45	45	46	46	47	48	48	49	49	50	51	51
23	42	43	44	44	45	46	46	47	47	48	49	49	50	50	51	52
24	43	43	44	45	45	46	47	47	48	48	49	50	50	51	51	52
25	43	44	44	45	46	46	47	48	48	49	49	50	51	51	52	53
26	43	44	45	45	46	47	47	48	49	49	50	50	51	52	52	53
27	44	44	45	46	46	47	48	48	49	50	50	51	51	52	53	53
28	44	45	45	46	47	47	48	49	49	50	51	51	52	52	53	54
29	45	45	46	46	47	48	48	49	50	50	51	52	52	53	54	54
30	45	46	46	47	47	48	49	49	50	51	51	52	53	53	54	55
31	45	46	47	47	48	48	49	50	50	51	52	52	53	54	54	55
32	46	46	47	48	48	49	50	50	51	51	52	53	53	54	55	55
33	46	47	47	48	49	49	50	51	51	52	53	53	54	55	55	56
34	46	47	48	48	49	50	50	51	52	52	53	54	54	55	56	56
35	47	47	48	49	49	50	51	51	52	53	53	54	55	55	56	57
36	47	48	48	49	50	50	51	52	52	53	54	54	55	56	56	57
37	47	48	49	49	50	51	51	52	53	53	54	55	55	56	57	58
38	48	48	49	50	50	51	52	52	53	54	55	55	56	57	57	58
39	48	49	49	50	51	51	52	53	54	54	55	56	56	57	58	58
40	48	49	50	50	51	52	53	53	54	55	55	56	57	57	58	59
41	49	49	50	51	51	52	53	54	54	55	56	56	57	58	59	59
42	49	50	50	51	52	53	53	54	55	55	56	57	58	58	59	60
43	49	50	51	51	52	53	54	54	55	56	56	57	58	59	59	60
44	50	50	51	52	53	53	54	55	55	56	57	58	58	59	60	60
45	50	51	51	52	53	54	54	55	56	57	57	58	59	59	60	61
46	50	51	52	53	53	54	55	55	56	57	58	58	59	60	61	61
47	51	51	52	53	54	54	55	56	57	57	58	59	60	60	61	62
48	51	52	53	53	54	55	56	56	57	58	58	59	60	61	61	62
49	51	52	53	54	54	55	56	57	57	58	59	60	60	61	62	63
50	52	53	53	54	55	56	56	57	58	59	59	60	61	62	62	63

ITEMS WITH A "NET COST" OF FROM 42½¢ TO 50¢ PER UNIT

Net cost (per unit)	42½¢	43¢	43½¢	44¢	44½¢	45¢	45½¢	46¢	46½¢	47¢	47½¢	48¢	48½¢	49¢	49½¢	50¢
Mark-up (percent)	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	45	46	46	47	47	48	48	49	49	50	[illegible]	51	51	52	[illegible]	53
7	45	46	47	47	48	48	49	49	50	50	51	51	52	52	53	54
8	46	46	47	48	48	49	49	50	50	51	51	52	52	53	53	54
9	46	47	47	48	49	49	50	50	51	51	52	52	53	53	54	55
10	47	47	48	48	49	50	50	51	51	52	52	53	53	54	54	55
11	47	48	48	49	49	50	51	51	52	52	53	53	54	54	55	56
12	48	48	49	49	50	50	51	52	52	53	53	54	54	55	55	56
13	48	49	49	50	50	51	51	52	53	53	54	54	55	55	56	57
14	48	49	50	50	51	51	52	52	53	54	54	55	55	56	56	57
15	49	49	50	51	51	52	52	53	53	54	55	55	56	56	57	58
16	49	50	50	51	52	52	53	53	54	55	55	56	56	57	57	58
17	50	50	51	51	52	53	53	54	54	55	56	56	57	57	58	59
18	50	51	51	52	53	53	54	54	55	55	56	57	57	58	58	59
19	51	51	52	52	53	54	54	55	55	56	57	57	58	58	59	60
20	51	52	52	53	53	54	55	55	56	56	57	58	58	59	59	60
21	51	52	53	53	54	54	55	56	56	57	57	58	59	59	60	61
22	52	52	53	54	54	55	56	56	57	57	58	59	59	60	60	61
23	52	53	54	54	55	55	56	57	57	58	58	59	60	60	61	62
24	53	53	54	55	55	56	56	57	58	58	59	60	60	61	61	62
25	53	54	54	55	56	56	57	58	58	59	59	60	61	61	62	63
26	54	54	55	55	56	57	57	58	59	59	60	60	61	62	62	63
27	54	55	55	56	57	57	58	58	59	60	60	61	62	62	63	64
28	54	55	56	56	57	58	58	59	60	60	61	61	62	63	63	64
29	55	55	56	57	57	58	59	59	60	61	61	62	63	63	64	65
30	55	56	57	57	58	59	59	60	60	61	62	62	63	64	64	65
31	56	56	57	58	58	59	60	60	61	62	62	63	64	64	65	66
32	56	57	57	58	59	59	60	61	61	62	63	63	64	65	65	66
33	57	57	58	59	59	60	61	61	62	63	63	64	65	65	66	67
34	57	58	58	59	60	60	61	62	62	63	64	64	65	66	66	67
35	57	58	59	59	60	61	61	62	63	63	64	65	65	66	67	68
36	58	58	59	60	61	61	62	63	63	64	65	65	66	67	67	68
37	58	59	60	60	61	62	62	63	64	64	65	66	66	67	68	69
38	59	59	60	61	61	62	63	63	64	65	66	66	67	68	68	69
39	59	60	60	61	62	63	63	64	65	65	66	67	67	68	69	70
40	60	60	61	62	62	63	64	64	65	66	67	67	68	69	69	70
41	60	61	61	62	63	63	64	65	66	66	67	68	68	69	70	71
42	60	61	62	62	63	64	65	65	66	67	67	68	69	70	70	71
43	61	61	62	63	64	64	65	66	66	67	68	69	69	70	71	72
44	61	62	63	63	64	65	66	66	67	68	68	69	70	71	71	72
45	62	62	63	64	65	65	66	67	67	68	69	70	70	71	72	73
46	62	63	64	64	65	66	66	67	68	69	69	70	71	72	72	73
47	62	63	64	65	65	66	67	68	68	69	70	71	71	72	73	74
48	63	64	64	65	66	67	67	68	69	70	70	71	72	73	73	74
49	63	64	65	66	66	67	68	69	69	70	71	72	72	73	74	75
50	64	65	65	66	67	68	68	69	70	71	71	72	73	74	74	75

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 50½¢ TO 58¢

Net cost (per unit)	50½¢	51¢	51½¢	52¢	52½¢	53¢	53½¢	54¢	54½¢	55¢	55½¢	56¢	56½¢	57¢	57½¢	58¢
Mark-up (percent)	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	54	54	55	55	56	56	57	57	58	58	59	59	60	60	61	61
7	54	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62
8	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63
9	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63	63
10	56	56	57	57	58	58	59	59	60	61	61	62	62	63	63	64
11	56	57	57	58	58	59	59	60	60	61	62	62	63	63	64	64
12	57	57	58	58	59	59	60	60	61	62	62	63	63	64	64	65
13	57	58	58	59	59	60	60	61	62	62	63	63	64	64	65	66
14	58	58	59	59	60	60	61	62	62	63	63	64	64	65	66	66
15	58	59	59	60	60	61	62	62	63	63	64	64	65	66	66	67
16	59	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67
17	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67	68
18	60	60	61	61	62	63	63	64	64	65	65	66	67	67	68	68
19	60	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69
20	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69	70
21	61	62	62	63	64	64	65	65	66	67	67	68	68	69	70	70
22	62	32	63	63	64	65	65	66	66	67	68	68	69	70	70	71
23	62	63	63	64	65	65	66	66	67	68	68	69	69	70	71	71
24	63	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72
25	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72	73
26	64	64	65	66	66	67	67	68	69	69	70	71	71	72	72	73
27	64	65	65	66	67	67	68	69	69	70	70	71	72	72	73	74
28	65	65	66	67	67	68	68	69	70	70	71	72	72	73	74	74
29	65	66	66	67	68	68	69	70	70	71	72	72	73	74	74	75
30	66	66	67	68	68	69	70	70	71	72	72	73	73	74	75	75
31	66	67	67	68	69	69	70	71	71	72	73	73	74	75	75	76
32	67	67	68	69	69	70	71	71	72	73	73	74	75	75	76	77
33	67	68	68	69	70	70	71	72	72	73	74	74	75	76	76	77
34	68	68	69	70	70	71	72	72	73	74	74	75	76	76	77	78
35	68	69	70	70	71	72	72	73	74	74	75	76	76	77	78	78
36	69	69	70	71	71	72	73	73	74	75	75	76	77	78	78	79
37	69	70	71	71	72	73	73	74	75	75	76	77	77	78	79	79
38	70	70	71	72	72	73	74	75	75	76	77	77	78	79	79	80
39	70	71	72	72	73	74	74	75	76	76	77	78	79	79	80	81
40	71	71	72	73	74	74	75	76	76	77	78	78	79	80	81	81
41	71	72	73	73	74	75	75	76	77	78	78	79	80	80	81	82
42	72	72	73	74	75	75	76	77	77	78	79	80	80	81	82	82
43	72	73	74	74	75	76	77	77	78	79	79	80	81	82	82	83
44	73	73	74	75	76	76	77	78	78	79	80	81	81	82	83	84
45	73	74	75	75	76	77	78	78	79	80	80	81	82	83	83	84
46	74	74	75	76	77	77	78	79	80	80	81	82	82	83	84	85
47	74	75	76	76	77	78	79	79	80	81	82	82	83	84	85	85
48	75	75	76	77	78	78	79	80	81	81	82	83	84	84	85	86
49	75	76	77	77	78	79	80	80	81	82	83	83	84	85	86	86
50	76	77	77	78	79	80	80	81	82	83	83	84	85	86	86	87

ITEMS WITH A "NET COST" OF FROM 58½¢ TO 66½¢

Net cost (per unit)	58½¢	59¢	59½¢	60¢	60½¢	61¢	61½¢	62¢	62½¢	63¢	63½¢	64¢	64½¢	65¢	65½¢	66¢	66½¢
Mark-up (percent):	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
6	62	63	63	64	64	65	65	66	66	67	67	68	68	69	69	70	70
7	63	63	64	64	65	65	66	66	67	67	68	68	69	70	70	71	71
8	63	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72
9	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72	72
10	64	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73
11	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73	74
12	66	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	74
13	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	75	75
14	67	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76
15	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76	76
16	68	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77
17	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77	78
18	69	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	78
19	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79
20	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80
21	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	80
22	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81
23	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81	82
24	73	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	82
25	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	83	83
26	74	74	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84
27	74	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84	84
28	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84	84	85
29	75	76	77	77	78	79	79	80	81	81	82	83	83	84	84	85	86
30	76	77	77	78	79	79	80	81	81	82	83	83	84	85	85	86	86
31	77	77	78	79	79	80	81	81	82	83	83	84	84	85	86	86	87
32	77	78	79	79	80	81	81	82	83	83	84	84	85	86	86	87	88
33	78	78	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88
34	78	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89
35	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90
36	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90	90
37	80	81	82	82	83	84	84	85	86	86	87	88	88	89	90	90	91
38	81	81	82	83	83	84	85	86	86	87	88	88	89	90	90	91	92
39	81	82	83	83	84	85	85	86	87	88	88	89	90	90	91	92	92
40	82	83	83	84	85	85	86	87	88	88	89	90	90	91	92	92	93
41	82	83	84	85	85	86	87	87	88	89	90	90	91	92	92	93	94
42	83	84	84	85	86	87	87	88	89	89	90	91	92	92	93	94	94
43	84	84	85	86	87	87	88	89	89	90	91	92	92	93	94	94	95
44	84	85	86	86	87	88	89	89	90	91	91	92	93	94	94	95	96
45	85	86	86	87	88	88	89	90	91	91	92	93	94	94	95	96	96
46	85	86	87	88	88	89	90	91	91	92	93	93	94	95	96	96	97
47	86	87	87	88	89	90	90	91	92	93	93	94	95	96	96	97	98
48	87	87	88	89	90	90	91	92	93	93	94	95	95	96	97	98	98
49	87	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99
50	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99	100

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 67¢ TO 75¢

Net cost (per unit)	67¢	67½¢	68¢	68½¢	69¢	69½¢	70¢	70½¢	71¢	71½¢	72¢	72½¢	73¢	73½¢	74¢	74½¢	75¢
Mark-up (percent):	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
6	71	72	72	73	73	74	74	75	75	76	76	77	77	78	78	79	80
7	72	72	73	73	74	74	75	75	76	77	77	78	78	79	79	80	80
8	72	73	73	74	75	75	76	76	77	77	78	78	79	79	80	80	81
9	73	74	74	75	75	76	76	77	77	78	78	79	80	80	81	81	82
10	74	74	75	75	76	76	77	78	78	79	79	80	80	81	81	82	83
11	74	75	75	76	77	77	78	78	79	79	80	80	81	82	82	83	83
12	75	76	76	77	77	78	78	79	80	80	81	81	82	82	83	83	84
13	76	76	77	77	78	79	79	80	80	81	81	82	82	83	84	84	85
14	76	77	78	78	79	79	80	80	81	82	82	83	83	84	84	85	86
15	77	78	78	79	79	80	81	81	82	82	83	83	84	85	85	86	86
16	78	78	79	79	80	81	81	82	82	83	84	84	85	85	86	86	87
17	78	79	80	80	81	81	82	82	83	84	84	85	85	86	87	87	88
18	79	80	80	81	81	82	83	83	84	84	85	86	86	87	87	88	89
19	80	80	81	82	82	83	83	84	84	85	86	86	87	87	88	89	89
20	80	81	82	82	83	83	84	85	85	86	86	87	88	88	89	89	90
21	81	82	82	83	83	84	85	85	86	87	87	88	88	89	90	90	91
22	82	82	83	84	84	85	85	86	87	87	88	88	89	90	90	91	92
23	82	83	84	84	85	85	86	87	87	88	89	89	90	90	91	92	92
24	83	84	84	85	86	86	87	87	88	89	89	90	91	91	92	92	93
25	84	84	85	86	86	87	88	88	89	89	90	91	91	92	93	93	94
26	84	85	86	86	87	88	88	89	89	90	91	91	92	93	93	94	95
27	85	86	86	87	88	88	89	90	90	91	91	92	93	93	94	95	95
28	86	86	87	88	88	89	90	90	91	92	92	93	93	94	95	95	96
29	86	87	88	88	89	90	90	91	92	92	93	94	94	95	95	96	97
30	87	88	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98
31	88	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98
32	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99
33	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99	100
34	90	90	91	92	92	93	94	94	95	95	96	97	98	98	99	100	101
35	90	91	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101
36	91	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102
37	92	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103
38	92	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103	104
39	93	94	95	95	96	97	97	98	99	99	100	101	101	102	103	104	104
40	94	95	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105
41	94	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106
42	95	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106	107
43	96	97	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107
44	96	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107	108
45	97	98	99	99	100	101	102	102	103	104	104	105	106	107	107	108	109
46	98	99	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110
47	98	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110
48	99	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111
49	100	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111	112
50	101	101	102	103	104	104	105	106	107	107	108	109	110	110	111	112	113

[Above portion of Table C amended by Amdt. 6]

(b) *Instructions for use of Table A, Table B, and Table C.* Tables A and B contain the mark-ups for all commodities in this regulation. Table C is included to assist you in determining ceiling prices without burdensome calculations.

Table A lists by commodity groups the "dry groceries" covered by this regulation and the mark-ups to be used by Group 1 and Group 2 retailers in figuring their ceiling prices. Table B gives the same information for "perishables." However, in addition, Table B also lists the selling units, on the basis of which retailers must figure their net costs and ceiling prices for "perishables." For a detailed list of the items in each commodity group, see "Commodity definitions of dry groceries" printed immediately after Table A, and the "Commodity definitions of perishables" printed immediately after Table B. After you have determined your "net cost" for an item in accordance with the method set up in this regulation, find your proper mark-up in the commodity group which includes the item you are pricing. Commodity groups are listed at the left of Table A and Table B. Directly opposite each commodity group you will find a percentage mark-up for your group of retailers.

If a percentage mark-up is shown, you get your ceiling price for the item by turning to Table C, which shows the ceiling price for all items with per unit net costs ranging from ½ to 75 cents. Percentage mark-ups over net cost are listed in the column at the extreme left of Table C, and "net cost" across the top of the table. "Net cost per unit" means, in the case of dry groceries, the "net cost" of a single unit (one can, one jar, etc.) For perishables, it means the "net cost" of the selling unit listed in the last column of Table B.

[Above Paragraph amended by Amdts. 18 and 20]

To determine your ceiling price from Table C, find your net cost at the top of the table. Go down that column until you come to the figure (in that column) on the same line as your mark-up. The figure at that point is your ceiling price for the item.

If your net cost per unit is more than 75 cents, you cannot use Table C to get your ceiling price. In those cases, you must (1) multiply your net cost by your percentage mark-up, (2) add the result to your net cost, and (3) round the sum to the nearest whole cent. For perishables, your net cost must be in terms of the selling unit specified in Table B.

Example. A Group 1 retailer wishes to figure a new ceiling price for "XX Brand," 11 oz. canned tomato soup, which he must put into effect by May 14, 1951, in accordance with section 3. In figuring his ceiling price, his "net cost" must be based on a purchase of a customary quantity from a customary type of supplier delivered to his "usual receiving point" by a customary means of delivery. Therefore, if prior to May 14, 1951, a Group 1 retailer's most recent purchase was five cases of XX Brand, 11 oz. canned tomato soup which he has purchased from a wholesaler (his customary type of supplier), at a delivered cost of $4.60 a case (48 cans), he must under sections 3 and 4 figure and put into effect a new ceiling price for the item by May 14, 1951. This is the most recent delivery of a customary quantity of the item he has received prior to May 14th (from his customary type of supplier delivered to his usual receiving point by a customary means of delivery). He must first figure, to the nearest half cent, his "net cost" on a single unit basis (section 4 (a) (2)), that is, for a single can. He therefore divides the cost for the case, $4.60, by the number of single units in the case, 48, and gets a result of $0.0958, before rounding. Rounding to the nearest half cent, this becomes $0.095 (if the figure had been $0.0924 before rounding, he would have rounded to $0.09). He then turns to Table A to find the markup to be applied to his net cost. Going down the column at the left of Table A he will find a listing of the commodity group which includes the item he is pricing. For canned tomato soup, this group is "soups, (canned)." Going across the page on that line, he will find his markup for the item in the column for Group 1 retailers. In this case his markup is 27 percent. Having his markup and net cost, Table C will give him his ceiling price without computations. Checking across the top of Table C, he finds a column headed by his net cost, $0.095. Going down this $0.095 column until he comes to the figure on the same line as the 27 percent markup listed in the column at the extreme left of Table C, he will find a ceiling price for the item to be $0.12 per can.

[Example amended by Amdt. 1]

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

JOSEPH H. FREEHILL,
Acting Director of Price Stabilization.
By: JOSEPH L. DWYER,
Recording Secretary.

[F. R. Doc. 52-12921; Filed, Dec. 3, 1952; 12:03 p. m.]

[General Ceiling Price Regulation, Supplementary Regulation 29, Interpretation 3]

GCPR, SR 29—CEILING PRICES FOR CERTAIN SALES AT RETAIL AND WHOLESALE

INT. 3—ADJUSTMENT OF CEILING PRICES FOR CIGARETTES (SECTION 2 (a))

The question has been raised as to whether General Ceiling Price Regulation, Supplementary Regulation 29 is applicable for modification of wholesalers' and retailers' ceiling prices in connection with the sale of cigarettes under the GCPR.

As stated in section 2 (a) Supplementary Regulation 29 covers generally the adjustment of ceiling prices of commodities for which ceiling prices have been established under the General Ceiling Price Regulation. The exclusions in section 2 (a) from the operation of the regulation relating to agricultural commodities listed in section 11 (a) of General Ceiling Price Regulation or food products processed from these commodities do not include cigarettes, inasmuch as cigarettes are neither an agricultural commodity nor a food product processed therefrom. Although tobacco is one of the agricultural commodities listed in section 11 (a) of the GCPR, cigarettes are a non-food commodity processed from tobacco. In addition, the fact that cigars are specifically excluded from the provisions of SR 29, under paragraph 2 (e) is a clear indication that other tobacco products are included under SR 29.

Inasmuch as ceiling prices at wholesale and retail for cigarettes were established under General Ceiling Price Regulation, the adjustment provisions of Supplementary Regulation 29 are available therefor.

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

HERBERT N. MALETZ,
Chief Counsel,
Office of Price Stabilization.

DECEMBER 3, 1952.

[F. R. Doc. 52-12923; Filed, Dec. 3, 1952; 12:03 p. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

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

Subchapter W—Timber and Stone Lands

[Circular 1835]

PART 284—TIMBER CUTTING, SALE OR USE

ADVERTISEMENT; POSTING OF NOTICE

Section 284.3 is amended to read as follows:

§ 284.3 *Advertisement; posting of notice.* After consideration of the report, the Regional Administrator or other authorized officer will, if he deems it advisable, offer the timber for sale under sealed bids by advertising as follows:

(a) In cases of small quantities of timber amounting in value to $1,000 or less, the sale shall be advertised for at least ten days by the posting of notices only.

(b) Where the timber to be sold exceeds $1,000 in value, the sale shall be advertised in a newspaper of general circulation in the county in which the timber to be sold is situated, once a week for four consecutive weeks next preceding the time set for the opening of the bids. And if the proposed sale be for 20,000,000 feet, board measure, or more, of timber available by location to a single logging operation, an advertisement of the proposed sale shall be inserted once in two lumber trade journals of general circulation. During the period of advertising, copies of the advertisement shall be posted where they will attract the notice of the general public.

(c) Where, in the judgment of the Regional Administrator, immediate sale of timber exceeding $1,000 in value is necessary in order to prevent loss to the Government due to expected rapid deterioration of the timber from insect or fungus attacks or from other causes, the sale may be effected, notwithstanding the provisions of paragraph (b) of this section, after the posting of public notices for not less than ten days and the publication of notice once during the ten-day posting period in a newspaper of general circulation in the county wherein the timber to be sold is situated.

(R. S. 2478, sec. 1, 37 Stat. 1015, as amended; 43 U. S. C. 1201, 16 U. S. C. 614)

VERNON D. NORTHROP,
Acting Secretary of the Interior.

NOVEMBER 26, 1952.

[F. R. Doc. 52-12813; Filed, Dec. 3, 1952; 8:45 a. m.]

Appendix—Public Land Orders

[Public Land Order 874]

ALASKA

WITHDRAWING PUBLIC LAND FOR THE USE OF THE DEPARTMENT OF THE AIR FORCE FOR MILITARY PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights, the following-described public land in Alaska is hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and mineral-leasing laws, and reserved for the use of the Department of the Air Force for military purposes:

FAIRBANKS MERIDIAN

T. 1 S., R. 2 W., Sec. 29, SW¼NW¼.

The area described contains 40 acres.

It is intended that the land described shall be returned to the administration of the Department of the Interior when it is no longer needed for the purpose for which it is reserved.

MASTIN G. WHITE,
Acting Assistant Secretary of the Interior.

NOVEMBER 28, 1952.

[F. R. Doc. 52-12814; Filed, Dec. 3, 1952; 8:45 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter B—Hunting and Possession of Wildlife

PART 6—MIGRATORY BIRDS AND CERTAIN GAME MAMMALS

COMPENSATORY EXTENSIONS OF WATERFOWL AND COOT SEASONS

Basis and purpose. To extend the waterfowl and coot season by the number of days sportsmen were not permitted to hunt such birds during the prescribed season due to emergency State action closing extensive areas to shooting as a forest fire prevention measure. It has been determined that these slight compensatory extensions are not likely to result in a diminution of the birds to any greater extent than was contemplated for the original period.

Pursuant to authority conferred by § 6.4 of the Migratory Bird Treaty Act Regulations (16 F. R. 7513) the waterfowl and coot seasons approved August 26, 1952 (17 F. R. 7903) are hereby extended for the 1952-53 season by adding at the end of each such open season in each of the States or respective areas within a State where hunting of these birds has been precluded by emergency action of the Governor or other State official to prevent forest fires, that number of consecutive days which equals the number of days during which such hunting was so precluded, except that no such season shall thereby be extended beyond January 10, 1953.

Since this amendment is a relaxation of existing regulations, notice and public procedure thereon are not required (60 Stat. 237; 5 U. S. C. 1001, et seq.), and it shall become effective immediately.

(Secs. 3, 4, 40 Stat. 755, as amended; 16 U. S. C. 704, 705)

ALBERT M. DAY,
Director,
Fish and Wildlife Service.

NOVEMBER 28, 1952.

[F. R. Doc. 52-12812; Filed, Dec. 3, 1952; 8:45 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Bureau of Internal Revenue

[26 CFR Part 29]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

INCOME FROM DISCHARGE OF INDEBTEDNESS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62).

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR Part 29) to section 304 of the Revenue Act of 1951, approved October 20, 1951, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.22 (b) (9)-1 the following:

SEC. 304. INCOME FROM DISCHARGE OF INDEBTEDNESS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Amendment of section 22 (b) (9).* Effective with respect to discharges of indebtedness occurring within taxable years ending after December 31, 1950, section 22 (b) (9) (relating to income from discharge of indebtedness) is hereby amended (1) by striking out "if the taxpayer makes and files at the time of filing the return, in such manner as the Commissioner, with the approval of the Secretary, by regulations prescribes, its consent" and inserting in lieu thereof "if the taxpayer, at such time and in such manner as the Secretary by regulations prescribes, makes and files its consent", and (2) by striking out the last sentence thereof.

* * * * *

PAR. 2. Section 29.22 (b) (9)-1, as amended by Treasury Decision 5839, approved April 17, 1951, is further amended as follows:

(A) By redesignating present subparagraphs (1) through (5) as paragraphs (a) through (e), and by striking from the newly designated paragraph (a) "and before January 1, 1952," and by striking from the newly designated paragraph (c) "and prior to January 1, 1952,".

(B) By striking the second sentence of paragraph (a) and inserting in lieu thereof the following: "To be entitled to the benefits of the provisions of section 22 (b) (9) for years beginning after December 31, 1941, and ending before January 1, 1951, a corporation must file with its return for the taxable year a consent to the provisions of the regulations, in effect at the time of the filing of the return, prescribed under section 113 (b) (3) (see §§ 29.113 (b) (3)-1 and 29.113 (b) (3)-2, relating to adjustments of basis). With respect to discharges of indebtedness occurring within taxable years ending after December 31, 1950, the consent must be filed with the return for the taxable year; except that the consent may be filed with an amended return or claim for credit or refund, where the taxpayer establishes to the satisfaction of the Commissioner reasonable cause for failure to file the consent with its original return, such as an expected change in the regulations resulting from a change in the law (see, for example, § 29.113 (b) (3)-1 (g))."

PAR. 3. Section 29.22 (b) (9)-2 is amended by adding at the end thereof the following: "In a case where a consent is permitted (under § 29.22 (b) (9)-1) after the original return has been filed, the original and duplicate of Form 982 shall be filed with the amended return or claim for credit or refund, as the case may be, and the consent shall be to the regulations which, at the time of the filing of the consent, are applicable to the taxable year for which such consent is filed."

PAR. 4. There is inserted immediately preceding § 29.22 (b) (10)-1 the following:

SEC. 304. INCOME FROM DISCHARGE OF INDEBTEDNESS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Amendment of section 22 (b) (10).* Section 22 (b) (10) (relating to income from discharge of indebtedness of a railroad corporation) is hereby amended by striking out "December 31, 1951" and inserting in lieu thereof "December 31, 1954".

PAR. 5. Section 29.22 (b) (10)-1, as amended by Treasury Decision 5839, approved April 17, 1951, is further amended by striking from the first sentence and from the last sentence "January 1, 1952" and inserting in lieu thereof in each instance "January 1, 1955".

PAR. 6. Section 29.113 (b) (3)-1 as amended by Treasury Decision 5403, approved September 5, 1944, is further amended by inserting immediately following the paragraph thereof denominated (e) the following:

(f) Effective with respect to a discharge of indebtedness occurring within a taxable year ending after December 31, 1950, any reduction in basis which remains to be taken (by reason of an exclusion from gross income under section 22 (b) (9)) after the application of (1) shall be applied first against property of a character subject to the allowance for depreciation under section 23 (l), property with respect to which a deduction for amortization is allowable under section 23 (t), and property with respect to which a deduction for depletion is allowable under section 23 (m) (but not including property specified in section 114 (b) (2), (3), or (4)), in the order in which such property is described in subparagraphs (2) and (3) of this paragraph. Any further adjustment in basis required to be made under section 22 (b) (9) shall be applied against other property in the order prescribed in subparagraphs (2), (3), and (4) of this paragraph.

PAR. 7. Section 29.113 (b) (3)-2 is amended as follows:

(A) By inserting immediately after the second sentence of paragraph (a) thereof the following: "Such adjustment, however, shall be consistent with the principles of § 29.113 (b) (3)-1 (g) where the discharge of indebtedness occurs within a taxable year ending after December 31, 1950."

(B) By striking the first sentence of paragraph (b) and inserting in lieu thereof the following: "A request for variations from the general rule prescribed in § 29.113 (b) (3)-1 shall be filed by the taxpayer with its return for the taxable year in which the discharge of indebtedness occurred unless a consent is permitted (under § 29.22 (b) (9)-1) after the original return has been filed, in which case such request shall be filed with the amended return or claim for credit or refund, as the case may be."

[F. R. Doc. 52-12846; Filed, Dec. 3, 1952; 8:48 a. m.]

[26 CFR Part 29]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 62 and 3791 of the Internal Revenue Code (53 Stat. 32, 467; 26 U. S. C. 62, 3791).

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR Part 29) to section 325 of the Revenue Act of 1951, approved October 20, 1951, relating to tax treatment of coal royalties, such regulations are amended as follows:

PARAGRAPH 1. Section 29.23 (m)-1, as amended by Treasury Decision 5461, approved July 9, 1945, is further amended as follows:

(A) By amending the second sentence of paragraph (b) thereof to read as follows: "However, no depletion deduction shall be allowed the owner with respect to any timber or coal which such owner has disposed of under any form of contract by virtue of which he retains an economic interest in such timber or coal, if such disposal is considered a sale of timber or coal under section 117 (k) (2) of the Code."

(B) By adding at the end of paragraph (f) thereof the following undesignated paragraph:

Rents and royalties paid or incurred by a taxpayer with respect to coal shall be excluded from the "gross income from the property" without regard to the treatment under section 117 (k) (2) of such rents and royalties in the hands of the recipient.

PAR. 2. Section 29.102-4, as amended by Treasury Decision 5796, approved July 19, 1950, is further amended by inserting immediately preceding the last paragraph thereof the following undesignated paragraph:

In determining "section 102 net income", section 117 (k) (2), in the case of coal, shall have no application. See § 29.117-8 (c).

PAR. 3. Section 29.113 (a) (14)-1, as amended by Treasury Decision 5394, approved July 27, 1944 is further amended by inserting in the second sentence of paragraph (b) thereof after "determination of loss upon timber" the following: "or coal".

PAR. 4. There is inserted immediately preceding § 29.117-1 the following:

SEC. 325. TAX TREATMENT OF COAL ROYALTIES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Definition of property used in the trade or business.* Section 117 (j) (1) (relating to the definition of property used in the trade or business) is hereby amended by adding after the word "timber" in the second sentence thereof the following: "or coal".

(b) *Gain or loss upon certain disposals of timber or coal.* Section 117 (k) (2) (relating to the disposal of timber) is hereby amended to read as follows:

(2) In the case of the disposal of timber or coal (including lignite), held for more than 6 months prior to such disposal, by the owner thereof under any form or type of contract by virtue of which the owner retains an economic interest in such timber or coal, the difference between the amount received for such timber or coal and the adjusted depletion basis thereof shall be considered as though it were a gain or loss, as the case may be, upon the sale of such timber or coal. Such owner shall not be entitled to the allowance for percentage depletion provided for in section 114 (b) (4) with respect to such coal. This paragraph shall not apply to income realized by the owner as a co-adventurer, partner, or principal in the mining of such coal. The date of disposal of such coal shall be deemed to be the date such coal is mined. In determining the gross income, the adjusted gross income, or the net income of the lessee, the deductions allowable with respect to rents and royalties shall be determined without regard to the provisions of this paragraph. This paragraph shall have no application, in the case of coal, for the purposes of applying section 102 or subchapter A of chapter 2 (including the computation under section 117 (c) (1) of a tax in lieu of the tax imposed by section 500).

(c) *Clerical amendment.* The heading to section 117 (k) (relating to the gain or loss upon the cutting of timber) is hereby amended to read as follows: "(k) *Gain or loss in the case of timber or coal.*".

* * * * *

(f) *Effective date.* * * * the amendments made by this section shall be applicable only with respect to taxable years ending after December 31, 1950 (whether the contract was made on, before, or after such date), but shall apply only with respect to amounts received or accrued after such date.

PAR. 5. Section 29.117-3 as proposed to be amended by notice of proposed rule making published August 8, 1952 (17 F. R. 7249), is further amended by adding at the end the following new paragraph (d):

(d) Where amounts are received or accrued after December 31, 1950, from the disposal of coal to which the provisions of section 117 (k) (2) are applicable, the computation under section 117 (c) (1) of a tax in lieu of the tax imposed by section 500 shall be made without regard to section 117 (k) (2); that is, the partial tax under section 117 (c) (1) (A), insofar as it involves the tax under section 500, is computed without regard to section 117 (k) (2).

PAR. 6. Section 29.117-7 as proposed to be amended by notice of proposed rule making published May 16, 1952 (17 F. R. 4494), is further amended by adding after the word "timber" in subdivision (iii) of paragraph (a) (1) thereof, the phrase ", or disposal of coal,".

PAR. 7. Section 29.117-8, as added by Treasury Decision 5394, is amended as follows:

(A) By amending the headnote to read as follows:

§ 29.117-8 *Gain or loss upon the cutting and disposal of timber and the disposal of coal.* * * *

(B) By adding at the end thereof the following new paragraph (c):

(c) *Gain or loss upon the disposal of coal.* (1) With respect to taxable years ending after December 31, 1950, but only with respect to amounts received or accrued after such date, if a taxpayer disposes of coal (including lignite), held for more than six months prior to such disposal, under any form or type of contract whereby he retains an economic interest in such coal, the difference between the amount received for such coal and the adjusted depletion basis thereof under section 114 (b) (1) shall be considered to be a gain or loss upon the sale of such coal.

(2) The adjusted depletion basis under section 114 (b) (1), for the purpose of this section, includes adjustments for development and exploration expenditures and for deductions under section 113 (b) (1) (J) and (M). For the purpose of this section, the date of disposal of the coal shall be deemed to be the date the coal is mined. If the coal has been held for more than six months on the date that it is mined, it is immaterial that it had been held for six months or less on the date of the contract. For the purpose of section 117 (j), such coal shall be considered to be property used in the trade or business, along with other property of the taxpayer used in the trade or business as defined in section 117 (j) (1). Whether gain or loss resulting from the disposition of the coal will be deemed to be gain or loss resulting from the sale of a capital asset held for more than six months will depend upon the application of section 117 (j) to that and other transactions of the taxpayer.

(3) There shall be no allowance for percentage depletion provided for in section 114 (b) (4) with respect to amounts received any part of which are considered to be received from the sale of coal under section 117 (k) (2). In computing the gross income, adjusted gross income, or the net income of the lessee, the deductions allowable with respect to rents and royalties shall be determined without regard to the provisions of section 117 (k) (2). Section 117 (k) (2) shall have no application with respect to amounts received by a taxpayer as a coadventurer, partner, or principal in the mining of coal.

(4) To the extent any advance payments are treated, under section 117 (k) (2) as received from the sale of coal for any taxable year, and the grant of the coal rights for which such payments are made expires, terminates, or is abandoned in a later taxable year before the coal which has been paid for has been mined, the grantor shall recompute the tax liability for the prior taxable year and treat such payments to such extent as not received from the sale of the coal; such recomputation should be in the form of an "amended return" if necessary.

PAR. 8. There is inserted immediately preceding § 29.481-1 the following:

SEC. 325. TAX TREATMENT OF COAL ROYALTIES (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(d) *Technical amendment.* Section 481 (a) (4) is hereby amended by striking out "cutting or disposal of timber" and inserting in lieu thereof "cutting of timber, or the disposal of timber or coal,".

* * * * *

(f) *Effective date.* * * * the amendments made by this section shall be applicable only with respect to taxable years ending after December 31, 1950 (whether the contract was made on, before, or after such date), but shall apply only with respect to amounts received or accrued after such date.

PAR. 9. Section 29.481-1, as added by Treasury Decision 5855, approved September 13, 1951, is further amended by adding after "timber" in paragraph (c) (4) (ii) thereof, the phrase "or disposal of coal".

[F. R. Doc. 52-12850; Filed, Dec. 3, 1952; 8:49 a. m.]

[26 CFR Part 29]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

SALE OF LAND WITH UNHARVESTED CROP

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set

forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of thirty days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 62 and 3791 of the Internal Revenue Code (53 Stat. 32, 467; 26 U. S. C. 62, 3791).

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR Part 29) to section 323 (relating to sale of land with unharvested crop) of the Revenue Act of 1951, approved October 20, 1951, such regulations are hereby amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.24-1 the following:

SEC. 323. SALE OF LAND WITH UNHARVESTED CROP (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Treatment of deductions*—(1) *Amendment of section 24.* Section 24 (relating to items not deductible) is hereby amended by adding at the end thereof a new subsection to read as follows:

(f) *Sale of land with unharvested crop.* Where an unharvested crop sold by the taxpayer is considered under the provisions of section 117 (j) (3) as "property used in the trade or business", in computing net income no deduction (whether or not for the taxable year of the sale and whether for expenses, depreciation, or otherwise) attributable to the production of such crop shall be allowed.

* * * * *

(c) *Effective date.* * * * The amendments made by subsection (b) shall be applicable to any taxable year for which a deduction is disallowed by reason of sales, exchanges, or conversions to which subsection (a) is applicable.

PAR. 2. There is inserted immediately after § 29.24-9 the following:

§ 29.24-10 *Items attributable to an unharvested crop sold with the land.* In computing net income no deduction shall be allowed in respect of items attributable to the production of an unharvested crop which is sold, exchanged, or involuntarily converted in a taxable year beginning after December 31, 1950, with the land and which is considered as property used in the trade or business under section 117 (j) (3). See § 29.117-7. Such items shall be so treated whether or not the taxable year involved is that of the sale, exchange, or conversion of such crop and whether they are for expenses, depreciation, or otherwise. If the taxable year involved is not that of the sale, exchange, or conversion of such crop, a recomputation of the tax liability for such year shall be made; such recomputation should be in the form of an "amended return" if necessary. For the adjustments to basis as a result of such disallowance, see § 29.113 (b) (1)-1.

PAR. 3. There is inserted immediately preceding § 29.113 (b) (1)-1 the following:

SEC. 323. SALE OF LAND WITH UNHARVESTED CROP (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

* * * * *

(b) *Treatment of deductions.* * * *

(2) *Amendment of section 113 (b) (1).* Section 113 (b) (1) (relating to adjustments to basis) is hereby amended by adding at the end thereof a new subparagraph to read as follows:

(L) for deductions to the extent disallowed under section 24 (f), notwithstanding the provisions of any other subparagraph of this paragraph.

(c) *Effective date.* * * * The amendments made by subsection (b) shall be applicable to any taxable year for which a deduction is disallowed by reason of sales, exchanges, or conversions to which subsection (a) is applicable.

PAR. 4. Section 29.113 (b) (1)-1, as amended by Treasury Decision 5873, approved December 7, 1951, is hereby amended by adding at the end thereof the following new paragraph (k):

(k) In the case of an unharvested crop which is sold, exchanged, or involuntarily converted in a taxable year beginning after December 31, 1950, with the land and which is considered as property used in the trade or business under section 117 (j) (3), the basis of such crop shall be increased by the amount of the items which are attributable to the production of such crop and which are disallowed, under section 24 (f) and § 29.24-10, as deductions in computing net income. See §§ 29.24-10 and 29.117-7. The basis of any other property shall be decreased by the amount of any such items which are attributable to such other property, notwithstanding any provision of section 113 (b) (1) or of this section to the contrary. For example, if the items attributable to the production of an unharvested crop consist only of fertilizer costing $100 and $50 depreciation on a tractor used only to cultivate such crop and such items are disallowed under section 24 (f) and § 29.24-10, the adjustments to the basis of such crop shall include an increase of $150 for such items and the adjustments to the basis of the tractor shall include a reduction of $50 for the depreciation on the tractor.

PAR. 5. There is inserted immediately preceding § 29.117-1 the following:

SEC. 323. SALE OF LAND WITH UNHARVESTED CROP (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Treatment of gain or loss.* Section 117 (j) (relating to sale or exchange of property used in the trade or business) is hereby amended—

(1) By inserting immediately before the period at the end of the second sentence of paragraph (1) thereof the following: "and unharvested crops to which paragraph (3) is applicable"; and

(2) By adding at the end thereof a new paragraph to read as follows:

(3) *Sale of land with unharvested crop.* In the case of an unharvested crop on land used in the trade or business and held for more than 6 months, if the crop and the land are sold or exchanged (or compulsorily or involuntarily converted as described in paragraph (2)) at the same time and to the same person, the crop shall be considered as "property used in the trade or business."

* * * * *

(c) *Effective date.* The amendment made by subsection (a) shall be applicable only with respect to sales, exchanges, and conversions, occurring in taxable years beginning after December 31, 1950. * * *

PAR. 6. Section 29.117-7, as proposed to be amended by notice of proposed rule making published May 16, 1952 (17 F. R. 4494), is hereby amended as follows:

(A) By adding at the end of paragraph (a) (1) (iv) thereof the following:

(v) Gains and losses from the sale, exchange, or involuntary conversion in a taxable year beginning after December 31, 1950, of an unharvested crop under the conditions specified in paragraph (e) of this section.

(B) By adding at the end thereof the following:

(e) *Unharvested crops.* The conditions referred to in paragraph (a) (1) (v) of this section are: (1) the unharvested crop is on land which is "section 117 (j) property", as defined in paragraph (a) (3) of this section, and such land has been held for more than six months; (2) such crop and such land are sold, exchanged, or converted at the same time and to the same person; and (3) no right or option is retained by the taxpayer, at the time of the sale, exchange, or conversion, to reacquire, directly or indirectly, the land (other than one customarily incident to a mortgage or other security transaction). The length of time for which the crop, as distinguished from the land, has been held is immaterial. A leasehold or estate for years is not "land" for the purpose of this section.

[F. R. Doc. 52-12849; Filed, Dec. 3, 1952; 8:49 a. m.]

[26 CFR Part 29]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

SURTAX ON CORPORATIONS IMPROPERLY ACCUMULATING SURPLUS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 62 and 3791 of the Internal Revenue Code (53 Stat. 32, 467; 26 U. S. C. 62, 3791) and pur-

suant to section 315 of the Revenue Act of 1951 (Pub. Law 183, 82d Cong., 1st Sess.), approved October 20, 1951.

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR Part 29) to section 315 of the Revenue Act of 1951 (Pub. Law 183, 82d Cong., 1st Sess.) approved October 20, 1951, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.102-1 the following:

SEC. 315. SURTAX ON CORPORATIONS IMPROPERLY ACCUMULATING SURPLUS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *Long-term capital gains.* Section 102 (d) (1) (relating to definition of section 102 net income) is hereby amended by adding at the end thereof the following new subparagraph:

(D) *Long-term capital gains.* The excess of the net long-term capital gain for the taxable year over the net short-term capital loss for such year, minus the taxes imposed by this chapter attributable to such excess. The taxes attributable to such excess shall be an amount equal to the difference between (i) the taxes imposed by this chapter (except the tax imposed by this section) for such year and (ii) such taxes computed for such year without including such excess in net income.

(b) *Effective date.* The amendment made by subsection (a) shall be applicable only with respect to taxable years beginning after December 31, 1950.

PAR. 2. Section 29.102-4, as amended by Treasury Decision 5796, approved July 19, 1950, is further amended as follows:

(A) By changing the period at the end of the second sentence to a semicolon and by adding at the end thereof the following: "(e) for taxable years beginning after December 31, 1950, the amount remaining after deducting from the excess of the net long-term capital gain for the taxable year over the net short-term capital loss for such year (computed without regard to any capital loss carry-over) the taxes attributable to such excess. For purposes of (e) above, the taxes attributable to such excess shall be the amount remaining after deducting from the taxes imposed by chapter 1 for such year (determined without regard to the taxes imposed by section 102) the taxes similarly imposed and determined for such year without including any excess of net long-term capital gain over the net short-term capital loss for such year in net income. For example, if the taxpayer pays the alternative tax as computed under section 117 (c) the tax attributable to the excess of the net long-term capital gain over the net short-term capital loss shall be the amount computed under section 117 (c) (1) (B)."

(B) By changing the period at the end of the fifth sentence to a comma and by adding at the end thereof the following: "and, in addition, for taxable years beginning after December 31, 1950, the deduction enumerated in paragraph (e) of this section."

(C) By striking the period at the end of the sixth sentence and adding at the end thereof the following: "(including, for taxable years beginning after December 31, 1950, the deduction enumerated in paragraph (e) of this section)."

[F. R. Doc. 52-12847; Filed, Dec. 3, 1952; 8:48 a. m.]

[26 CFR Part 29]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

DEFINITION OF REGULATED INVESTMENT COMPANY AMENDED TO INCLUDE CERTAIN VENTURE CAPITAL REGISTERED MANAGEMENT INVESTMENT COMPANIES

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of thirty days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 62 and 3791 of the Internal Revenue Code (53 Stat. 32, 467; 26 U. S. C. 62, 3791).

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 111 (26 CFR, Part 29) to section 337 of the Revenue Act of 1951, approved October 20, 1951, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.361-1 the following:

SEC. 337. TAX TREATMENT OF CERTAIN INVESTMENT COMPANIES (REVENUE ACT OF 1591, APPROVED OCTOBER 20, 1951).

(a) *Inclusion of certain registered management companies in the definition of regulated investment company.* Section 361 (relating to definition of regulated investment companies) is hereby amended by adding at the end thereof the following new subsection:

(c) *Certain investment companies.* If the Securities and Exchange Commission determines in accordance with regulations issued by it, and certifies to the Secretary not more than 60 days prior to the close of the taxable year of a registered management investment company, that such investment company is principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available, such investment company may, in the computation of 50 per centum of the value of its assets under subparagraph (A) of subsection (b) (3) for any quarter of such taxable year, include the value of any securities of an issuer, notwithstanding the fact that such investment company holds more than 10 per centum of the outstanding voting securities of such issuer, but only if the investment company has not continuously held any security of such issuer (or of any predecessor company of such issuer as determined under regulations prescribed by the Secretary) for 10 or more years preceding such quarter of such taxable year. The provisions of this subsection shall not apply at the close of any quarter of a taxable year to an investment company if at the close of such quarter more than 25 per centum of the value of its total assets is represented by securities of issuers with respect to each of which the investment company holds more than 10 per centum of the outstanding voting securities of such issuer and in respect of each of which or any predecessor thereof the investment company has continuously held any security for 10 or more years preceding such quarter unless the value of its total assets so represented is reduced to 25 per centum or less within 30 days after the close of such quarter. The terms used in this subsection shall have the same meaning as in subsection (b) (3) of this section. For the purposes of this subsection, unless the Securities and Exchange Commission determines otherwise, a corporation shall be considered to be principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available, for at least 10 years after the date of the first acquisition of any security in such corporation or any predecessor thereof by such investment company if at the date of such acquisition the corporation or its predecessor was principally so engaged, and an investment company shall be considered at any date to be furnishing capital to any company whose securities it holds if within 10 years prior to such date it has acquired any of such securities, or any securities surrendered in exchange therefore, from such other company or predecessor thereof. For the purposes of the certification hereunder, the Securities and Exchange Commission shall have authority to issue such rules, regulations and orders, and to conduct such investigations and hearings, either public or private, as it may deem appropriate.

(b) *Technical amendment.* Section 361 (b) (3) (A) is hereby amended by inserting after "the total assets of the taxpayer and" the following: ", except and to the extent provided in subsection (c),".

(c) *Effective date.* The amendments made by this section shall be applicable only with respect to taxable years beginning after December 31, 1950.

PAR. 2. Section 29.361-1 is amended as follows:

(A) By redesignating present subparagraphs (1) through (3) of paragraph (b) as subdivisions (i), (ii), and (iii) and striking out the period in the headnote of paragraph (b) of the section and inserting in lieu thereof the following: "— (1) *In general.*".

(B) By inserting in the second sentence of paragraph (b) of the section, immediately after "5 percent of the value of the total assets of the corporation and", the following: ", except and to the extent provided in section 361 (c) in the case of certain venture capital registered management investment companies qualifying thereunder,".

(C) By adding at the end of paragraph (b) of the section the following:

(2) *Venture capital registered management investment companies.* (i) Section 361 (c) provides, for taxable years beginning after December 31, 1950, that under certain conditions set forth below a registered management investment company which has been certified by the Securities and Exchange Commission

for the taxable year may, in the computation of 50 percent of the value of its assets under clause (A) of section 361 (b) (3) for any quarter of such taxable year, include, with respect to securities other than Government securities or securities of other regulated investment companies, the value of any securities of an issuer, notwithstanding the fact that such registered management investment company holds more than 10 percent of the outstanding voting securities of such issuer, but only if the investment company has not continuously held any security of such issuer or of any predecessor company of such issuer for 10 or more years preceding such quarter of such taxable year. All other provisions and requirements of section 361 and the regulations thereunder are applicable in determining whether such registered management investment company qualifies as a regulated investment company within the meaning of such section.

(ii) The provisions of section 361 (c) are applicable only to a registered management investment company which the Securities and Exchange Commission has determined, in accordance with regulations issued by it, and has certified to the Secretary, not more than 60 days prior to the close of the taxable year of such investment company, to be principally engaged in the furnishing of capital to other corporations which are principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available. For the purpose of the aforementioned determination and certification, unless the Securities and Exchange Commission determines otherwise, a corporation shall be considered to be principally engaged in the development or exploitation of inventions, technological improvements, new processes, or products not previously generally available, for at least 10 years after the date of the first acquisition of any security in such corporation or any predecessor thereof by such investment company if at the date of such acquisition the corporation or its predecessor was principally so engaged, and an investment company shall be considered at any date to be furnishing capital to any company whose securities it holds if within 10 years prior to such date it has acquired any of such securities, or any securities surrendered in exchange therefor, from such other company or its predecessor.

(iii) Section 361 (c) does not apply in the quarterly computation of 50 percent of the value of the assets of an investment company under clause (A) of section 361 (b) (3) for any taxable year if at the close of any quarter of such taxable year more than 25 percent of the value of its total assets (including the 50 percent or more mentioned in such clause (A)) is represented by securities (other than Government securities or the securities of other regulated investment companies) of issuers as to each of which (i) such investment company holds more than 10 percent of the outstanding voting securities of such issuer and (ii) such investment company has continuously held any security of such issuer (or any security of a predecessor of such issuer) for 10 or more years preceding such quarter, unless the value of its total assets so represented is reduced to 25 percent or less within 30 days after the close of such quarter.

(iv) As used in section 361 (c) and this subparagraph, the term "predecessor company" means any corporation the basis of whose securities in the hands of the investment company is, under the provisions of section 113, the same in whole or in part as the basis of any of the securities of the issuer and any corporation with respect to whose securities any of the securities of the issuer were received directly or indirectly in a transaction or series of transactions in which no gain or loss was recognized. The other terms used in this subparagraph have the same meaning as when used in section 361 (b) (3) (see subparagraph (1) of this paragraph).

[F. R. Doc. 52-12851; Filed, Dec. 3, 1952; 8:49 a. m.]

[26 CFR Part 40]

Excess Profits Taxes; Taxable Years Ending After June 30, 1950

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62).

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

Regulations 130 (26 CFR Part 40) are hereby amended by adding at the end of § 40.456-2 (b) the following: "Income from the sale of tangible property, however, even though such income may arise out of research and development which has extended over a period of more than 12 months is not income to which section 456 is applicable. Such income from the sale of tangible property accordingly may not constitute or be included in any class of income for purposes of section 456 (b)."

[F. R. Doc. 52-12852; Filed, Dec. 3, 1952; 8:49 a. m.]

[26 CFR Part 40]

Excess Profits Taxes; Taxable Years Ending After June 30, 1950

CONSOLIDATION OF NEWSPAPERS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing in duplicate to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62).

[SEAL] JOHN S. GRAHAM,
Acting Commissioner of Internal Revenue.

In order to conform Regulations 130 (26 CFR Part 40) to section 518 of the Revenue Act of 1951, approved October 20, 1951, such regulations are amended by inserting immediately after § 40.458-8 the following:

SEC. 518. CONSOLIDATION OF NEWSPAPERS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Section 459, as added by section 516 and 517 of this act, is hereby amended by adding after subsection (b) thereof the following new subsection:

(c) *Consolidation of newspaper operations.* In the case of a taxpayer engaged primarily in the newspaper publishing business in its last taxable year ending before July 1, 1950, if—

(1) After the close of the first half of the base period of the taxpayer and prior to July 1, 1950, the taxpayer consolidated its mechanical, circulation, advertising, and accounting operations in connection with its newspaper publishing business with such operations of another corporation engaged in the newspaper publishing business in the same area; and

(2) The taxpayer establishes to the satisfaction of the Secretary that, during the period beginning with the consolidation and ending with the close of the first taxable year beginning after the consolidation, such consolidation resulted in substantial reductions in the amounts which would otherwise have been paid or incurred as expenses in the conduct of the operations described in paragraph (1); and either

(3) The total deductions of the taxpayer under section 23, computed without regard to section 23 (s) and (bb), for the first taxable year beginning after such consolidation were not in excess of 80 per centum of the average of such deductions for the two taxable years of the taxpayer next preceding the taxable year in which such operations were consolidated; or

(4) The excess profits net income of the taxpayer, computed as provided in section 433 (b), for the first taxable year of the taxpayer beginning after such consolidation was 125 per centum or more of the amount determined under section 435 (d) (4);

the taxpayer's average base period net income determined under this subsection shall be an amount computed under section 435 (d) plus an amount equal to the excess of the average of the amounts paid or incurred as expenses in the conduct of the operations described in paragraph (1) during the two taxable years of the taxpayer next preceding the taxable year in which such operations were consolidated over such amounts paid or incurred during the first taxable year of the taxpayer beginning after such consolidation. In determining such excess amount

proper adjustment shall be made for increase in labor costs and newsprint following such consolidation. Proper adjustment shall also be made for any case in which a taxable year referred to in this subsection is a period of less than twelve months. This subsection shall not be applicable to any taxable year of the taxpayer unless the consolidation described in paragraph (1) was continued throughout such taxable year.

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951). Except as otherwise provided in section 506 (d), the amendments made by this title [including sec. 518] shall be applicable only with respect to taxable years ending after June 30, 1950.

§ 40.459 (c)-1 *Consolidation of newspapers.* (a) A taxpayer which was engaged primarily in the newspaper publishing business in its last taxable year ending before July 1, 1950, which after the close of the last half of its base period and before July 1, 1950, consolidated certain of its operations with those of another corporation engaged in the same business in the same area, and which satisfies all the requirements set forth in paragraphs (1) and (2) and in either paragraph (3) or paragraph (4) of section 459 (c) may compute its average base period net income, for the purpose of computing its excess profits tax for any taxable year ending after June 30, 1950, under the provisions of section 459 (c) instead of under any other applicable provision of the Code. The average base period net income may be computed under section 459 (c) in determining the excess profits tax for any taxable year, however, only if the consolidation described in paragraph (1) of section 459 (c) was continued throughout such taxable year. The average base period net income computed under section 459 (c) shall be used in computing the taxpayer's excess profits tax for any taxable year if, and only if, the use of such average base period net income computed under section 459 (c) results in a lesser excess profits tax than would result from any other allowable computation of such tax.

(b) If the taxpayer is to compute its average base period net income under section 459 (c), it must establish to the satisfaction of the Commissioner, under the provisions of paragraph (2) of section 459 (c), that the consolidation referred to in paragraph (1) of section 459 (c) resulted in substantial reductions in the amounts which otherwise would have been paid or incurred as expenses (within the meaning of section 23 (a) (1) (A)) in the conduct of the operations described in paragraph (1) of section 459 (c) during the period beginning with such consolidation and ending with the close of the first taxable year beginning after such consolidation. If the taxpayer first claims the benefits of section 459 (c) on its return or on an amended return or in a claim for refund, it must attach a statement to such return or amended return or claim for refund containing sufficient information to enable the Commissioner to determine whether the requisite substantial reductions in expenses occurred.

(c) The taxpayer must satisfy the conditions of either paragraph (3) or paragraph (4) of section 459 (c) in order to be allowed to compute its average base period net income under section 459 (c). Under the provisions of paragraph (4), the excess profits net income of the taxpayer, computed as provided in section 433 (b), for its first taxable year beginning after the consolidation described in paragraph (1) of section 459 (c) must be 125 percent or more of the amount determined under section 435 (d) (4), which relates to the computation of the average base period net income under the general average method. Section 433 (b) provides for the computation of excess profits net income for taxable years in the base period for the purpose of computing average base period net income. For the purpose of the test set forth in paragraph (4) of section 459 (c), however, the excess profits net income for the first taxable year of the taxpayer beginning after the consolidation shall be computed in the manner provided in section 433 (b) without regard to whether or not such first taxable year is a taxable year in the base period.

(d) Computation of average base period net income under section 459 (c):

(1) The average base period net income computed under section 459 (c) shall be the sum of the following two amounts:

(i) The amount computed under section 435 (d) (relating to the computation of average base period net income under the general average method); and

(ii) An amount equal to the amount by which the average of the amounts paid or incurred as expenses in the conduct of the operations described in paragraph (1) of section 459 (c) during the two taxable years of the taxpayer immediately preceding the taxable year in which the consolidation described in paragraph (1) of section 459 (c) occurred exceeded such amounts paid or incurred during the first taxable year of the taxpayer beginning after such consolidation.

(2) In determining the excess amount described in subdivision (ii) of subparagraph (1) of this paragraph, proper adjustment shall be made for any increase in the cost per unit of labor or newsprint, due to wage or price increases, following such consolidation. If the taxpayer can show by relevant data and under generally accepted principles of accounting that its average unit costs of labor or newsprint in its first taxable year beginning after the consolidation were higher, due to wage or price increases, than its average unit costs of labor or newsprint in its two taxable years immediately preceding the taxable year in which the consolidation took place, then the amount specified in subdivision (ii) of subparagraph (1) of this paragraph shall be determined by substituting for the costs of labor or newsprint in such first taxable year amounts determined on the basis of its average unit costs of labor or newsprint in such two taxable years immediately preceding the taxable year in which the consolidation occurred.

(3) If the first taxable year beginning after the consolidation described in section 459 (c) (1) or if either of the two taxable years immediately preceding the taxable year in which such consolidation occurred is a taxable year of less than 12 months, then, in determining the amount specified in subdivision (ii) of subparagraph (1) of this paragraph, the amounts paid or incurred as expenses in such taxable year in the conduct of the operations described in paragraph (1) of section 459 (c) shall be such amounts as would be reflected in a computation on an annualized basis under the method set forth in section 433 (a) (2) (A). Similarly, if the first taxable year beginning after the consolidation or either of the two taxable years immediately preceding the taxable year in which the consolidation occurred was a taxable year of less than 12 months, then in determining whether the taxpayer meets the requirement set forth in paragraph (3) of section 459 (c) the total deductions of the taxpayer referred to in such paragraph (3) for such short taxable year shall be the amount which would be reflected in a computation on an annualized basis under the method set forth in section 433 (a) (2) (A). If the first taxable year beginning after the consolidation was a taxable year of less than 12 months, the excess profits net income for such short taxable year shall also be annualized under the method set forth in section 433 (a) (2) (A). In each case proper adjustment shall be made to prevent distortion with respect to nonrecurring items.

(4) If the average base period net income is computed under section 459 (c) and this section for the purpose of determining the excess profits tax for any taxable year, the base period capital addition provided in section 435 (f) shall not be allowed in determining such tax for such year.

[F. R. Doc. 52-12848; Filed, Dec. 3, 1952; 8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 725]

BURLEY AND FLUE-CURED TOBACCO

NOTICE OF DETERMINATIONS TO BE MADE WITH RESPECT TO NATIONAL MARKETING QUOTA FOR FLUE-CURED TOBACCO FOR 1953-54 MARKETING YEAR

The Secretary of Agriculture is preparing to apportion the national marketing quota proclaimed for flue-cured tobacco for the 1953-54 marketing year (17 F. R. 6022) among the several States, and to convert the State marketing quotas into State acreage allotments.

Section 313 (a) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1313 (a)), requires the Secretary to apportion the national marketing quota, less the amount to be allotted under subsection (c) of section 313 (small farms and "new" farms), among the several States on the basis of the total production in each State during the five calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as

are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trend in production, giving due consideration to seed bed and other plant diseases during such five-year period.

The act (7 U. S. C. 1313 (g)) authorizes the Secretary to convert State marketing quotas into State acreage allotments on the basis of average yield per acre for the State during the five years preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production.

The Secretary is preparing, also, to review the present supply and demand outlook for flue-cured tobacco to determine whether the national marketing quota of 1,234 million pounds proclaimed on July 1, 1952, for the 1953-54 marketing year will meet market demands and avoid undue restriction of marketings in adjusting the total supply to the reserve supply level.

Section 312 (a) of the act (7 U. S. C. 1312 (a)) authorizes the Secretary to increase, but not decrease, the amount of the national marketing quota if he determines that such increase is necessary in order to meet marketing demands or to avoid undue restriction of marketings in adjusting the total supply to the reserve supply level. The proposed review of the quota is in line with the policy of the Department to make periodic reviews of all such determinations as later information with respect to the supply and demand outlook becomes available.

In making these determinations, consideration will be given to any data, views, and recommendations pertaining thereto which are submitted in writing to the Director, Tobacco Branch, Production and Marketing Administration, United States Department of Agriculture, Washington, D. C. All submissions must be postmarked not later than 10 days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered.

Issued at Washington, D. C., this 28th day of November 1952.

[SEAL] HAROLD K. HILL,
Acting Administrator.

[F. R. Doc. 52-12857; Filed, Dec. 3, 1952; 8:50 a. m.]

[7 CFR Ch. IX]

[Docket No. AO-242]

MILK IN NORTH CENTRAL TRI-STATE MARKETING AREA

NOTICE OF POSTPONEMENT OF HEARING ON PROPOSED MARKETING AGREEMENT AND ORDER REGULATING HANDLING

Notice is hereby given that the hearing on a proposed marketing agreement and order to regulate the handling of milk in the North Central Tri-State marketing area originally scheduled to begin at 10:00 a. m., c. s. t., December 9, 1952 (17 F. R. 10266), in the Council Chambers, City Hall, Rochester, Minnesota, is hereby postponed until February 24, 1953, at 10:00 a. m., c. s. t., in the Council Chambers, City Hall, Rochester, Minnesota.

Done at Washington, D. C., this 28th day of November 1952.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator.

[F. R. Doc. 52-12828; Filed, Dec. 3, 1952; 8:46 a. m.]

FEDERAL POWER COMMISSION

[18 CFR Part 154]

[Docket No. R-124]

REGULATIONS UNDER NATURAL GAS ACT

ORDER FIXING DATE OF ORAL ARGUMENT AND FOR FILING OF WRITTEN COMMENTS

NOVEMBER 25, 1952.

In the matter of amendment of general rules and regulations to govern the filing of rate increase applications under the provisions of section 4 (e) of the Natural Gas Act, as amended. Docket No. R-124.

By notice of proposed rule making dated September 30, 1952, published in the FEDERAL REGISTER of October 8, 1952 (17 F. R. 8989-8991), the Commission proposed for adoption a general rule to govern the filing of rate increase applications to replace the existing rule governing such filings.

Interested persons were advised that they could submit data, views and comments in writing concerning the proposed rule not later than November 21, 1952. On or before that date, the Commission received such views and comments, together with numerous requests for an opportunity to present the views orally with respect to the proposed rule.

The Commission finds:

(1) It is necessary or appropriate to carry out the provisions of the Natural Gas Act that interested persons be afforded an opportunity to present their views orally with respect to the proposed rules as hereinafter ordered.

(2) It is appropriate as hereinafter ordered, that interested persons be afforded an opportunity prior to the oral argument to supplement their written views and comments which have already been presented, or where none has been filed with the Commission to submit written views or comments.

The Commission orders:

(A) Oral argument be held on December 18, 1952, at 10 o'clock a. m., e. s. t., in the Commission's Hearing Room, 1800 Pennsylvania Avenue NW., Washington, D. C., for the purpose of affording interested persons an opportunity to present their views orally with respect to the proposed general rule to govern the filing of rate increase applications as set forth in the notice of rule making of September 30, 1952.

(B) On or before December 11, 1952, interested persons who have not already done so, may submit their comments or views in writing with respect to the proposed rule referred to in paragraph (A) hereof, and interested persons who have already submitted written comments or views, may file such additional written comments or views as they may desire; an original and 9 copies of such comments or views to be submitted.

(C) On or before December 11, 1952, interested persons desiring to participate in the oral argument shall advise the Secretary of the Commission of their desire to do so and shall state the amount of time they wish to have allotted to them for such purpose.

Date of issuance: November 28, 1952.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-12819; Filed, Dec. 3, 1952; 8:46 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Office of the Secretary

ALASKA

NOTICE FOR FILING OBJECTIONS TO ORDER WITHDRAWING PUBLIC LAND FOR USE OF DEPARTMENT OF AIR FORCE FOR MILITARY PURPOSES[1]

For a period of 60 days from the date of publication of the above entitled order, persons having cause to object to the terms thereof may present their objections to the Secretary of the Interior. Such objections should be in writing, should be addressed to the Secretary of the Interior, and should be filed in duplicate in the Department of the Interior, Washington 25, D. C. In case any objection is filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time and place, which will be announced, where opponents to the order may state their views and where the proponents of the order can explain its purpose, intent, and extent. Should any objection be filed, whether or not a hearing is held, notice of the determination by the Secretary as to whether the order should be rescinded, modified or let stand will be given to all interested parties of record and the general public.

MASTIN G. WHITE,
Acting Assistant Secretary of the Interior.

NOVEMBER 28, 1952.

[F. R. Doc. 52-12815; Filed, Dec. 3, 1952; 8:45 a. m.]

[1] See F. R. Doc. 52-12814, Title 43, Chapter I, Appendix, *supra*.

DEPARTMENT OF AGRICULTURE

Office of the Secretary

ADMINISTRATOR OF PRODUCTION AND MARKETING ADMINISTRATION

DELEGATION OF AUTHORITY TO DETERMINE COMMODITIES IN SHORT SUPPLY

I hereby delegate the authority to determine those commodities which are in short supply for purposes of implementing Title III, Chapter XI of the Supplemental Appropriation Act, 1953 (66 Stat. 637) to the Administrator of the Production and Marketing Administration to be exercised in conformity with standards and procedures prescribed by me.

This delegation of authority shall be effective as of November 28, 1952.

Done at Washington, D. C., this 28th day of November 1952.

[SEAL] K. T. HUTCHINSON,
Acting Secretary of Agriculture.

[F. R. Doc. 52-12858; Filed, Dec. 3, 1952; 8:50 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5783]

ALL AMERICAN AIRWAYS, INC.

NOTICE OF HEARING

In the matter of the application of All American Airways, Inc., under section 408 of the Civil Aeronautics Act of 1938, as amended, and such other sections thereof as may be applicable, for approval of a proposed corporate reorganization of said company.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that a hearing in the above-entitled proceeding is assigned to be held on December 9, 1952, at 10:00 a. m., e. s. t., in Room 5040, Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D. C., December 1, 1952.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-12853; Filed, Dec. 3, 1952; 8:49 a. m.]

[Docket No. 4522 et al.]

FRONTIER AIRLINES, INC., ET AL.; ROUTE 93 RENEWAL CASE

NOTICE OF POSTPONEMENT OF ORAL ARGUMENT

In the matter of the applications of Frontier Airlines, Inc., under Docket No. 4522, for renewal of its authority to serve Route 93 for a period of five years, the extension of its route to Fort Huachuca, Ariz.; and under Docket No. 4611 for a certificate amendment authorizing nonstop service between Douglas, Ariz., and El Paso, Tex.; the application of Bonanza Air Lines, Inc., under Docket No. 4471 to extend its route No. 105 to all points presently certificated on Route 93; the application of Trans World Airlines, Inc., under Docket No. 5210, for a certificate amendment to eliminate the intermediate point Winslow, Ariz., therefrom, the investigation instituted by the Board on petition of American Airlines, Inc., under Docket No. 5394, to determine whether said airline should be authorized to suspend service temporarily at Douglas, Ariz.; and the petition of Frontier Airlines, Inc., under Docket No. 5207, to suspend the authority of Trans World Airlines, Inc., to serve Winslow, Ariz., on its route No. 2, and the authority of Bonanza Air Lines, Inc., to serve the intermediate point, Prescott, Ariz., on its route No. 105.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding, heretofore assigned for December 9, 1952, is cancelled and will be reassigned in January.

Dated at Washington, D. C., December 1, 1952.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-12854; Filed, Dec. 3, 1952; 8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1319]

ALGONQUIN GAS TRANSMISSION CO.

NOTICE OF ORDER AFFIRMING ORDER DISMISSING APPLICATION FOR TEMPORARY CERTIFICATE

NOVEMBER 28, 1952.

Notice is hereby given that on November 26, 1952, the Federal Power Commission issued its order entered November 25, 1952, affirming order (17 F. R. 10125-6) dismissing application for temporary certificate in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-12816; Filed, Dec. 3, 1952; 8:46 a. m.]

[Docket No. G-1879]

UNITED GAS PIPE LINE CO.

NOTICE OF ORDER ISSUING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

NOVEMBER 28, 1952.

Notice is hereby given that on November 26, 1952, the Federal Power Commission issued its order entered November 25, 1952, amending order (17 F. R. 7064) issuing certificate of public convenience and necessity in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-12817; Filed, Dec. 3, 1952; 8:46 a. m.]

[Docket No. G-2086]

INDIANA GAS & WATER COMPANY, INC.

NOTICE OF APPLICATION

NOVEMBER 28, 1952.

Take notice that on November 10, 1952, Indiana Gas & Water Company, Inc. (Applicant), an Indiana corporation with its principal place of business at 1630 North Meridian Street, Indianapolis 2, Indiana, filed an application for a disclaimer of jurisdiction, or, in the alternative, for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act authorizing the operation of certain natural-gas transmission pipeline facilities hereinafter described; and the interconnection of such facilities with other natural-gas transmission pipeline facilities owned and operated by Panhandle Eastern Pipe Line Company (Panhandle).

Applicant proposes to operate:

(1) 19.03 miles of 8-inch pipeline owned by it and extending northerly from the main transmission pipeline of Panhandle in Putnam County, Indiana, to the latter's existing metering and regulating station near Crawfordsville, Indiana. Such facilities parallel the 6-inch lateral pipeline facilities owned and operated by Panhandle.

(2) 12.37 miles of 6-inch pipeline owned by it and extending northerly from the main transmission pipeline of Panhandle in Hendricks County, Indiana, to the latter's existing metering and regulating station near Lebanon, Indiana. Such facilities parallel 4-inch lateral pipeline facilities owned and operated by Panhandle.

(3) Related casing, valves, fittings, flanges, and other equipment.

Applicant states that the proceedings now pending at Docket Nos. G-1813 and G-1937 involve other independent applications pertaining to the construction and operation of the facilities heretofore described. Docket No. G-1813 is the proceeding upon the application of Applicant to construct the facilities heretofore described. Docket No. G-1937 is the proceeding upon the application of Panhandle to operate the major portion of such facilities. Applicant states it has constructed such facilities, and seeks authority now to operate such facilities under a certificate to be made effective only for the period from the date of its issuance in this proceeding until final disposition of the proceedings at Docket Nos. G-1813 and G-1937, by the issuance of the certificates therein applied for, at which time the certificate herein requested shall terminate.

Applicant states further that such facilities are interconnected with Panhandle's measuring and regulating stations near Crawfordsville and Lebanon and with the existing lateral pipelines owned and operated by Panhandle, but which facilities are valved off at the point of interconnection with the lateral lines. To make the interconnections for which authority is sought herein, Applicant states, will require only the opening of such valves.

Applicant asserts that the immediate operation of such facilities, in the con-

junction with those owned and operated by Panhandle, is essential in order to assure the maintenance of adequate service to its customers. By means of such operation Applicant states it will be able to deliver up to 20,500 Mcf at Crawfordsville and up to 5,600 Mcf at Lebanon pursuant to the terms of the service agreement entered into with Panhandle on July 10, 1951.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 17th day of December 1952. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 52-12818; Filed, Dec. 3, 1952; 8:46 a. m.]

OFFICE OF DEFENSE MOBILIZATION

[RC 84]

ALBION, MICHIGAN, AREA

DETERMINATION AND CERTIFICATION OF CRITICAL DEFENSE HOUSING AREA

DECEMBER 2, 1952.

Upon specific data which has been prescribed by and presented to the Secretary of Defense and the Director of Defense Mobilization and on the basis of other information available in the discharge of their official duties, the undersigned find that the conditions required by section 204 (l) of the Housing and Rent Act of 1947, as amended, exist in the area designated as:

Albion, Michigan, Area. (The area consists of the city of Albion and the townships of Albion, Eckford, Marengo, and Sheridan; all in Calhoun County, Michigan.)

Therefore, pursuant to section 204 (l) of the Housing and Rent Act of 1947, as amended, and Executive Order 10276 of July 31, 1951, the undersigned jointly determine and certify that the aforementioned area is a critical defense housing area.

ROBERT A. LOVETT, *Secretary of Defense.*
HENRY H. FOWLER, *Director of Defense Mobilization.*

[F. R. Doc. 52-12864; Filed, Dec. 3, 1952; 9:46 a. m.]

DEPARTMENT OF COMMERCE

National Production Authority

[Suspension Order 37; Docket No. 44]

DELMAN CORP. AND LEONARD C. NEUFELD

MODIFICATION OF SUSPENSION ORDER

In an NPA administrative adversary proceeding before him in the above-entitled matter, Hearing Commissioner Frederick J. Moreau, of Lawrence, Kans., on October 3, 1952, entered an order of disposition which provided that:

In order to correct the unauthorized use of aluminum in the manufacture of windshield washers occasioned by the violations found herein, it is accordingly ordered: 1. That all allocations, allotments, and priorities of materials, including by self-allotment and self-certification, for use in the manufacture of windshield washers be withdrawn and withheld from the Delman Corporation, its successors and assigns, and Leonard C. Neufeld, his successors and assigns, for a period commencing October 1, 1952, and ending March 31, 1953: *Provided, however,* That the Delman Corporation and Leonard C. Neufeld, their successors and assigns, are nevertheless permitted to extend allotments and priorities received by them from Ford Motor Company for the production of windshield washers, which are Class "A" products for the use of the said Ford Motor Company pursuant to contracts now in force or which may later be entered into by the Delman Corporation, and Leonard C. Neufeld, their successors and assigns, and the Ford Motor Company: *And provided further,* That the respondents are hereby permitted to use such supplies of aluminum as they have on hand as of October 1, 1952, for the purpose of manufacturing windshield washers which are Class "B" products during the period beginning October 1, 1952, and ending March 31, 1953.

As of October 16, 1952, under the above caption, The Delman Corporation, of 506 Third Street, Des Moines, Iowa, filed with the Chief Hearing Commissioner a petition, under the provisions of paragraph (c) of section 5 of NPA Rules of Practice, 17 F. R. 8156, reading in part as follows:

Comes now The Delman Company, and moves that the Suspension Order had and entered herein on October 3, 1952, be supplemented so as to permit The Delman Company to manufacture Class "A" windshield washers for the Chrysler Corporation pursuant to allotments and priorities extended by the Chrysler Corporation during the period of suspension October 1, 1952, to March 31, 1953, and for reasons in support of said Motion respectfully states:

1. That The Delman Corporation, named as Respondent in the above-entitled Administrative Proceedings, is now dissolved, and all its assets, liabilities, rights and obligations through mesne assignments have been conveyed to and assumed by The Delman Company, a limited partnership, with its principal place of business in Des Moines, Iowa.

2. That The Delman Company, a limited partnership, is now operating the business formerly owned and operated by The Delman Corporation, and is now manufacturing windshield washers pursuant to and under the restrictions of the Suspension Order entered herein on October 3, 1952.

3. That Leonard C. Neufeld was President of The Delman Corporation and is now a General Partner in The Delman Company.

The foregoing cause was referred to Hearing Commissioner Martin Tollefson, of Des Moines, Iowa, and was heard by him in the United States Court House at Des Moines, Iowa. Its purpose was to enable the Chief Hearing Commissioner, on the record as developed, to determine whether he should or should not, in the instant case, exercise the authority vested in him to revoke or modify the aforesaid suspension order of October 3, 1952. It commenced October 28, and ended October 30, 1952.

Commenting thereon, said hearing commissioner has stated in substance as follows:

During all of these periods of hearing, the respondents were represented by Mr. Peter W. Janss, and the National Production Authority by its regional attorney, Mr. John M. Cleary, Jr. The hearing commenced by the presentation of evidence by the respondents who had the burden of proof to establish by reliable, probative, and substantial evidence the allegations recited in * * * their motion for relief.

The gist of the respondents' desire as contained in their motion was that the suspension order of October 3, 1952, be modified to permit the re-extension of allotments received from the Chrysler Corporation for the manufacture of Class A products for factory assembly line installations; or in the words of the motion to permit "The Delman Company to manufacture Class A products for the use of the Chrysler Corporation pursuant to contracts now in force, or which may later be entered into, between the Delman Company and the Chrysler Corporation, the use of criticial materials in which shall be pursuant to allotments and priorities extended by the said Chrysler Corporation * * *." In short, the respondents request that the order of October 3, 1952, be supplemented by adding the words "and the Chrysler Corporation" after the words "Ford Motor Company" wherever they appear in such order.

On the recommendation of the hearing commissioner herein, and with the concurrence of counsel for the National Production Authority, it is ordered that original Suspension Order No. 37, Docket No. 44, issued October 3, 1952, be modified by adding the words "and the Chrysler Corporation" after the words "Ford Motor Company" wherever they appear in the aforesaid suspension order, conditioned however on the respondents' filing monthly reports for the period of the original suspension order, showing the nature of their compliance with that order as modified, such reports to be filed with the Local District Manager, National Production Authority, United Savings & Loan Building, Des Moines, Iowa.

It is further ordered that the above-identified original suspension order, and as modified in these proceedings, shall be applicable to The Delman Company as the successor and assignee of The Delman Corporation and Leonard C. Neufeld.

Issued at Washington, D. C., this 25th day of November 1952.

NATIONAL PRODUCTION AUTHORITY,
By MORRIS R. BEVINGTON,
Deputy Chief Hearing Commissioner.

[F. R. Doc. 52-12911; Filed, Dec. 3, 1952; 11:39 a. m.]

[Suspension Order 48; Docket No. 59]

ACME PACKING CO. AND FIRST CALL DOG FOOD CO.

SUSPENSION ORDER

A hearing having been held in the above-entitled matter on the 6th day of November 1952, before William B. Owens, Esquire, a hearing commissioner of the National Production Authority, on a statement of charges made by the General Counsel, National Production Authority, in accordance with the National Production Authority General Administrative Order 16-06 (16 F. R. 8628), dated July 21, 1951, and Implementa-

tion 1 to National Production Authority General Administrative Order 16-06 (16 F. R. 8799), dated August 30, 1951, and Delegation of Authority under NPA-GAO 16-06 (17 F. R. 2098); and

The respondents, Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, having been duly apprised of the specific violations charged and having appeared in these proceedings by their attorney, William G. Mackay, an attorney at law, 111 Sutter Street, San Francisco, Calif.; and

The National Production Authority being represented by E. J. Spielman, regional attorney; and

The respondents and their attorney having entered into a stipulation dated October 29, 1952, stipulating that the statement of facts contained in said stipulation may be entered in evidence in lieu of the presentation of other evidence in support of and in opposition to the statement of charges; and

Due deliberation having been had, it is hereby determined:

Findings of fact. 1. During the period commencing July 1, 1951, and ending December 31, 1951, Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, committed acts prohibited by National Production Authority Order M-25 as amended July 1, 1951, as follows:

(a) The unauthorized use of 395 base boxes of tin plate amounting to 186,045 cans for the packing of pet food, in excess of its permitted use of cans during the third calendar quarter 1951, commencing July 1, 1951, and ending September 30, 1951, in violation of section 6 (b) of said National Production Authority Order M-25 as amended July 1, 1951.

(b) The unauthorized use of 2,007 base boxes of tin plate amounting to 945,297 cans for the packing of pet food, in excess of its permitted use of cans during the fourth calendar quarter 1951, commencing October 1, 1951, and ending December 31, 1951, in violation of section 6 (b) of said National Production Authority Order M-25 as amended August 23, 1951.

2. During the third calendar quarter 1951 and the fourth calendar quarter 1951, respondents by purchasing, accepting delivery of, and using approximately 1,091,842 cans contrary to the provisions of section 6 (b) of National Production Authority Order M-25, as alleged in the preceding charges 1 (a) and 1 (b), in violation of section 10 of National Production Authority Order M-25 as amended July 1, 1951, falsely certified to their suppliers that all purchases from such suppliers of items regulated by said order and the acceptance and use of said items by the respondents will be in compliance with said order and any amendments thereto.

3. During the month of November 1951, the respondents, Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm name and style of First Call Dog Food Company, committed acts prohibited by section 5 of National Production Authority Order M-25 as amended August 23, 1951, in that during said period said respondents accepted delivery of approximately 357,960 cans totalling 760 base boxes, at a time when their inventory thereof exceeded, or by acceptance of such delivery was made to exceed, a practicable minimum working inventory of cans (as defined in section 10.4 of National Production Authority Reg. 1) required by them for packing pet foods, a product listed in Schedule I of said order, in accordance with the quota and material limitations set forth in Schedule I entitled "Can Specifications."

4. During the fourth calendar quarter 1951, commencing October 1, 1951, and ending December 31, 1951, the respondents, Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm name and style of Acme Packing Company, committed acts prohibited by section 5 of National Production Authority Order M-25 as amended August 23, 1951, in that during said period said respondents accepted delivery of approximately 737,586 cans or 1,566 base boxes at a time when their inventory thereof exceeded, or by acceptance of such delivery was made to exceed, a practicable minimum working inventory of cans (as defined in section 10.4 of National Production Authority Reg. 1) required by them for packing pet foods, a product listed in Schedule I of said order, in accordance with the quota and material limitations set forth in Schedule I entitled "Can Specifications."

5. On February 6, 1951, and March 5, 1951, the respondents, Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm name and style of First Call Dog Food Company, committed an act in violation of section 102.11 of National Production Authority Order M-25 dated January 27, 1951, as amended, in that they furnished false information in the course of operation under said order by making an application to the National Production Authority in writing, for an adjustment under section II of National Production Authority Order M-25 for the establishment of a quarterly packing base for packing animal and pet food under the firm name and style of First Call Dog Food Company; said respondents furnished false information and made materially false statements with respect to their organization, plant, and facilities, which false and misleading statements were made with intent to be acted upon by the National Production Authority; that as a result of such false and misleading information and statements furnished by the said respondents, the National Production Authority on April 26, 1951, granted the First Call Dog Food Company authority to use a quarterly packing base of 882 base boxes of tin plate for packing animal pet food; that upon discovery of such false and misleading information and statements furnished by said respondents, the National Production Authority on October 12, 1951, cancelled and revoked the quarterly packing base of 882 base boxes of tin plate granted to the First Call Dog Food Company as aforesaid; that in truth and in fact the First Call Dog Food Company owned no plant or packing facilities, had no organization and employed no personnel; that the name "First Call Dog Food" was in fact merely a brand name used on labels by the respondents for pet food packed by Acme Packing Company.

Special findings. The above findings of fact are in accord with the stipulation entered herein, which was affirmed by respondents at the hearing as correctly stating the facts. At the hearing, respondent Thompson Merrick, by way of explanation and mitigation, stated that respondents had acted upon interpretations of NPA Order M-25, and upon a method of determining authorized use quotas, different from those applied by the National Production Authority, as follows:

(1) That respondents understood that under the special allocation of 882 base boxes to First Call Dog Food Company in April 1951, they were permitted to use the entire 882 base boxes in each 1951 quarter, in addition to the percentage of 1949 actual use allowed to Acme; that they were so informed by a representative of the National Production Authority who visited their plant in July 1951.

The National Production Authority, in effect, treated the allocation of 882 base boxes to "First Call" as a 1949 actual use figure, and applied the 1951 percentages to that base.

A calculation based on respondents' construction and upon the 1949 actual use by Acme and the actual 1951 use by both Acme and First Call (shown by the investigator's figures, which are conceded to have been accurately taken from respondents' records), indicates a total excess receipt and use of cans of around 1,900 base boxes, as compared with a total of 2,402 base boxes alleged in the statement of charges. Thus, under respondents' method of calculation, there is still a substantial unexplained excess receipt and use of cans, particularly in the fourth quarter after the special allocation had been revoked.

(2) That respondents construed section 102.6 of NPA Order M-25, January 27, 1951 (which, with slight variation in wording, became section 9 in later amended forms of the order), as permitting them to use cans which they had in their inventory on January 27, 1951 (approximately 146,000 cans), in addition to Acme's quota and the 882 base boxes allocated to First Call. Section 102.6 deals with the metal content, weight, etc., of plate permitted to be used in cans, and the intent of the section was evidently simply to permit the use of cans already made up under different specifications, rather than to "freeze" them in the warehouses. Nothing in the section indicates that such cans were not to be included in determining allowable use quotas. In fact the last sentence of section 102.6 (a) states: "The restrictions of section 102.5 are not excepted by this paragraph (a)." Section 102.5 relates to "Restrictions on amount that

may be packed." Respondents' interpretation was not reasonably justified.

(3) That respondents understood that under section 102.5 of NPA Order M-25 (January 27, 1951), they could accept full carload shipments of cans, although less than a carload would give them the "practicable minimum working inventory" permitted by the order; that they thereby "picked up" additional cans each quarter which they assumed they were entitled to use in addition to Acme's quota, the special allocation of 882 base boxes to First Call, and the cans in their inventory on January 27, 1951.

Assuming that the "carload" provision may permit some temporary extension of the inventory limitations, there cannot reasonably be read into this provision a permission to use the "extra" cans a carload might deliver in addition to the authorized quotas. Such interpretation would tend to defeat the intent and purpose of the order. Apparently no inquiry was made by respondents, either of their own counsel or of the National Production Authority, as to the correctness of the interpretations suggested in paragraphs (2) and (3) above.

The fifth charge in the statement of charges (the most serious in the Commissioner's view), is of misrepresentation and the withholding of pertinent information by respondents, in applying in the name of First Call Dog Food Company for an allocation of cans to that company, which, in fact, was not a packer. Little by way of explanation was offered by respondents as to this charge.

First Call Dog Food Company is a partnership with the same members as the Acme Packing Company, also a partnership. First Call is not, never has been, and, so far as appears, was never intended to be a packing company. Realistically, it may be said to be one of Acme's brand names. On the view most favorable to respondents, however, if separate identities are to be recognized, First Call was in the same position as the seven or eight "private label accounts for whom Acme packed pet food." As respondents state: "People of that type haven't any allocation for cans," nor, it would seem, are they entitled to any. They are not packers. It could not reasonably be contended that each of these "private label accounts" could properly have applied for an allocation of cans to them, without revealing that they were not packers, and intended to turn the cans over to Acme for packing, yet First Call's position, on the most favorable view, was no different.

The circumstances surrounding the First Call application, make it difficult to view it without suspicion. Most of Acme's packing was for its seven or eight "private label accounts." Only about 16 percent of its pack was under its own labels, of which it had several. The partners admittedly wanted to increase the pack of their own brands. First Call Dog Food Company was formed, or "reactivated," late in 1950 with that in mind, but before any packing under that label could be done, NPA Order M-25 "froze" Acme's can quota at a percentage of Acme's 1949 base year quarterly pack, which of course included nothing for First Call. There was, in all probability, no likelihood that Acme's quota would be increased when the only reason was their desire to increase their output of pet food under what was essentially one of their own labels. The limitations imposed by the 1951 percentages mean that Acme's packing for their "private label accounts" had to be correspondingly reduced. Presumably, if any increase in Acme's quota were obtained, a corresponding increase should be extended to their "private label accounts" if commitments to them were fairly met, leaving little for increasing Acme's pack under its own and the First Call label.

It is difficult to accept the contention, implicit in respondents' statements on this phase of the case, that they did not realize the misleading implication in the application, filed in the name of First Call Dog Food Company, for an adjustment allowing them an allocation of cans for packing pet food. They should have realized it.

The letter of February 6, 1951, signed, "First Call Dog Food Company," requesting an adjustment to allow them some cans, states: "We have had no packing history in 1949 or 1950. We are appealing to your good office for relief. We started our program too late in the year to do much canning of our product." There was nothing to indicate First Call's connection with Acme Packing Company, or that First Call was not itself a packer. To persons unacquainted with the true situation the latter would indicate that the applicant was, or had intended to become, a packer, who had been caught by the suddenly instituted regulation, based on a prior packing record which the applicant could not show. That this was the assumption on which the adjustment was granted is indicated by the letter of April 26, 1951, granting the special allocation of 882 base boxes to First Call, which states: "An adjustment * * * is hereby granted to permit you to use as a quarterly base, 882 base boxes * * * for packing animal and pet food." Had it been disclosed that, in reality, the application was for an increase in Acme's allocation, the adjustment would in all probability not have been granted. When this was later discovered the special allocation was revoked. No adequate or reasonable explanation has been presented for the facts alleged in the fifth charge and conceded by the stipulation, although the stipulation does not concede wilfulness. At least, there was gross carelessness on respondents' part.

Obviously a suspension order will work hardship on respondents, on their 10 or 12 semiskilled employees, and on those represented by the "private label accounts" who may be unable to have their products packed elsewhere. Clearly, however, there were substantial violations of the order through which respondents obtained and used a considerably greater number of cans than they were entitled to, thereby tending to disrupt the control program in a period of emergency and of shortages in essential materials. These violations cannot be disregarded simply because of hardship to the violators without virtually nullifying the effectiveness of the order.

The commissioner is not in a position to ascertain and weigh the full extent of hardship to those for whom Acme packs under the "private label accounts," who undoubtedly merit careful consideration.

Conclusions. A suspension order should issue as hereinafter specified, subject, however, to modification by the National Production Authority, to relieve any satisfactorily established severe hardship to the persons for whose "private label accounts" Acme has been packing, other than First Call Dog Food Company. To permit the completion of such unfilled orders as respondents may have on hand and in process of packing, and avoid spoilage of pet foods, the provisions of this order shall become effective as of December 1, 1952, and continue in force as hereinafter provided.

In order to correct the unauthorized ordering, procurement, delivery, and use of cans occasioned by the violations found herein, and in order to prevent future violations of National Production Authority regulations, orders, and directives by said respondents, it is accordingly ordered:

1. That all priority assistance be withdrawn and withheld from Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, for the period commencing December 1, 1952, and ending June 30, 1953.

2. That all allocations and allotments of controlled materials and materials under control of the National Production Authority, including but not limited to materials under control of the National Production Authority Order M-25, be withdrawn and withheld from Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, for the period commencing December 1, 1952, and ending June 30, 1953.

3. That Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, be prohibited from acquiring, using, or disposing of controlled materials or materials under control of National Production Authority, including but not limited to materials under control of the National Production Authority Order M-25, for the period commencing December 1, 1952, and ending June 30, 1953.

4. That all privileges of self-authorization, self-certification, and automatic allotment granted by the National Production Authority with respect to controlled materials and materials under control of National Production Authority, including but not limited to materials under control of the National Production Authority Order M-25, be withdrawn and withheld from Thompson Merrick and Herbert C. Petersen, individually, and as co-partners doing business under the firm names and style of Acme Packing Company and First Call Dog Food Company, for the period commencing December 1, 1952, and ending June 30, 1953.

Issued this 19th day of November 1952, at Palo Alto, Calif.

NATIONAL PRODUCTION AUTHORITY,
By WILLIAM B. OWENS,
Hearing Commissioner.

[F. R. Doc. 52-12912; Filed, Dec. 3, 1952; 11:39 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 27583]

MIXED CARLOADS MERCHANDISE FROM NEW YORK, N. Y., TO MACON, GA.

APPLICATION FOR RELIEF

DECEMBER 1, 1952.

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, Agent, for carriers parties to schedule listed below.

Commodities involved: Merchandise, in mixed carloads.

From: New York, N. Y., and points grouped therewith.

To: Macon, Ga.

Grounds for relief: Rail and motor competition and circuitous routes.

Schedules filed containing proposed rates: C. W. Boin's tariff I. C. C. No. A-967.

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, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-12833; Filed, Dec. 3, 1952; 8:47 a. m.]

[4th Sec. Application 27584]

COMMODITY RATES BETWEEN TEAYS, OHIO, AND POINTS IN UNITED STATES AND CANADA

APPLICATION FOR RELIEF

DECEMBER 1, 1952.

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, Agent, for carriers parties to Consolidated Freight Classification, Agent W. S. Flint's I. C. C. O. C. No. 64.

Involving: Commodity rates.

Between: Teays, Ohio, and points in the United States or Canada.

Grounds for relief: Rail competition, circuity, grouping, and to apply rates constructed on the basis of the short line distance formula.

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, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-12834; Filed, Dec. 3, 1952; 8:47 a. m.]

[4th Sec. Application 27585]

VARIOUS COMMODITIES BETWEEN SOUTHERN AND ILLINOIS TERRITORIES

APPLICATION FOR RELIEF

DECEMBER 1, 1952.

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. G. Raasch, Agent, for carriers parties to tariffs listed in exhibit A of the application, pursuant to fourth-section order No. 17220.

Commodities involved: Various commodities, carloads.

Between: Southern and Illinois territories.

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, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-12835; Filed, Dec. 3, 1952; 8:47 a. m.]

[4th Sec. Application 27586]

FERTILIZER FROM RIDGEWOOD, FLA., TO OFFICIAL AND ILLINOIS TERRITORY

APPLICATION FOR RELIEF

DECEMBER 1, 1952.

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: Fertilizer and fertilizer materials, carloads.

From: Ridgewood, Fla.

To: Points in official and Illinois territories.

Grounds for relief: Rail competition, circuity, and grouping.

Schedules filed containing proposed rates: C. W. Boin, Agent, I. C. C. No. A-816, Supp. 81.

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, Division 2.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 52-12836; Filed, Dec. 3, 1952; 8:47 a. m.]