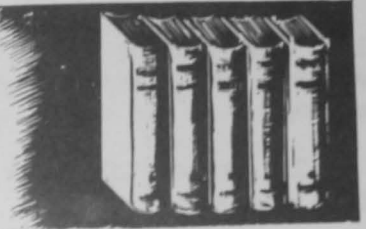




FEDERAL ACTIONS

Department of Commerce
NATIONAL PRODUCTION AUTHORITY



MARINE MRO ORDER AMENDED: Because of the vital role that NPA Order M-70 (Marine, Maintenance, Repair, and Operating Supplies and Minor Capital Additions) plays in the operations of the commercial fishing fleet, the changes in the Order recently made by the National Production Authority, effective January 1, 1952, will be of interest to the fishery and allied industries. Pending a complete revision of the Order, NPA announced that:

- (1) The DO-R-9 rating can now be used for the purchase of minor capital additions up to \$1,000 each. Previously the ceiling was \$750.
- (2) All references to "fourth calendar quarter of 1951" throughout the Order have been changed to "first calendar quarter of 1952."

For those boat operators who wish to make capital additions to their boats in excess of the \$1,000 permissible ceiling, the prior approval of NPA must be obtained.

For details see: Amdt. 1, issued Dec. 28, 1951, to M-70 (Marine, Maintenance, Repair, and Operating Supplies and Minor Capital Additions), and Press Release NPA-1677.

* * * * *

PRIORITY RATINGS FOR MATERIALS FOR INSTALLATION OF INDUSTRIAL EQUIPMENT: Manufacturers and repairmen are permitted to use priority ratings for obtaining materials for installation of industrial equipment by CMP Regulation 5 as amended December 20 by NPA. In addition, other provisions of the regulation were brought up to date.

The amendment to CMP Regulation 5:

- (1) Permits manufacturers to obtain materials needed for installation of equipment in existing buildings on a priority basis in the same way they are permitted to obtain minor capital additions. "Installation" is lengthily defined. A limit of two tons of carbon steel, 200 pounds of copper products, and no aluminum, stainless steel or alloy steel is established for each installation. Installation under the regulation is not construction as defined in Order M-4A.
- (2) Establishes separate minimum quarterly quotas of \$1,000 each for MRO supplies, minor capital additions, and installations. Previously, the minimum for combined MRO and minor capital additions were \$1,000 a quarter.
- (3) Raises from \$750 to \$1,000 the limit which a manufacturer may spend for each minor capital addition when he uses the MRO symbol to obtain materials.

(4). Expands the definition of operating supplies of a business enterprise to include expendable tools, jigs, dies, and fixtures used on production equipment, regardless of the accounting practice of the business.

For details see: CMP Reg. 5 (Maintenance, Repair, and Operating Supplies, Installation, and Minor Capital Additions Under the Controlled Materials Plan) as amended Dec. 20, 1951, and Press Release NPA-1671.

* * * * *

SIGNATURE FOR CERTIFICATION: When a customer signs a purchase or delivery order, the signature may also serve in most cases as the signature for certification of the fact that the order complies with NPA regulations, according to an interpretation of NPA Regulation 2, issued by NPA on December 19, 1951.

For details see: Int. 2 (Signature for Certification on Purchase or Delivery Orders), issued Dec. 19, 1951, to NPA Reg. 2 (Basic Rules of the Priorities System), and Press Release NPA-1661.

* * * * *

INVENTORY CONTROL ORDER AMENDED: Tighter inventory limitations were placed on 19 items in short supply by Amendment 1 to NPA Regulation 1 (Inventory Control) issued December 14. In the same action, controls were relaxed on five materials none of which are of interest to the fisheries.

Cellophane was one of the items added to the list of items restricted to a practical minimum working inventory.

Three types of alloy steel--nickel clad, inconel clad and monel clad--and two types of carbon steel--copper clad and aluminum clad--were placed under 45-day inventory limitations by the amendment.

Nine other types of carbon steel were removed from provisions of NPA Steel Order M-1 and placed in Table 1B of Regulation 1. However, they still are limited to a 45-day inventory as provided in M-1. Items included of interest to the fishery and allied industries are wire rope and strand; welded wire mesh and woven wire netting; and galvanized nails.

In the amendment, NPA also listed in Table II three classifications of products covered by individual inventory limitation orders, among which is included the classification "certain controlled materials in the inventory of a retailer."

For details see: Amdt. 1, issued Dec. 14, 1951, to NPA Reg. 1 (Inventory Control).

* * * * *

CAN DISTRIBUTION BY CAN MANUFACTURERS: Direction 2 to M-25 (cans), issued by NPA on December 12 and effective on the same date, explains the manner in which a manufacturer fills orders representing his customers' can requirements for their carry-over quota or quotas. Requirements for carry-over quotas to be deferred or to be ratably filled are contained in this order. However, this direction does not permit a packer to use after December 31, 1951, any carry-over quotas attributable to any calendar quarter of 1951, or any part of any such quotas.

This Direction 2 insures the most equitable distribution of the limited quantities of metal cans needed to pack various products, and directs can manufacturers to satisfy current demands for cans first and then to fill carry-over requirements on a pro-rata basis.

Under Direction 2 to Order M-25, issued Dec. 12, a manufacturer is forbidden to fill any order representing an unused quota for a previous quarter that will delay or displace orders representing current quarter requirements. This means that can orders placed under NPA directives, DO-rated orders, and basic quarterly quotas must be scheduled ahead of orders representing carry-over requirements.

For details see: Direction 2 (Distribution of Cans by Can Manufacturers to M-25, issued Dec. 12, 1951.

* * * * *

CAN ORDER (M-25) CHANGED: The standard procedure whereby users of tin cans for packaging purposes may adjust their tin-can bases for the first three quarters of 1952 themselves without the necessity of NPA determining such bases for them was continued by the issuance of Direction 3 to Order M-25. (The attention of sea-food canners is called to this direction.)

Direction 3 was issued to supersede Direction 1, as amended May 1, 1951. Direction 1, which was revoked on January 1, 1952, established a method of averaging quarterly tin-can bases.

Direction 3 is applicable to any packer who was using tin cans to pack less than the customary volume of any particular product during any of the first three quarters of his selected base calendar year. Under M-25, a packer may use either 1949 or 1950 as his base year.

The new Direction in no way increases the total amount of cans which a packer may use, but simply gives him an opportunity to spread production equally over all quarters of 1952.

A packer may not wish to use his actual quarterly bases provided for by M-25. Under Direction 3, he may use as a quarterly packing base for the first quarter that amount of cans determined by dividing the amount of cans used to pack a particular product during his base year by four. NPA explained that M-25 obligates a packer to calculate his quarterly base on the amount of tin cans which he used for a particular product during the corresponding quarter of his selected base year, either 1949 or 1950.

Direction 3 further provides that if a packer has not used this method during the first quarter and wishes to do so for the last three quarters of 1952 he may calculate his quarterly base, starting with the second quarter, by dividing the amount of cans used in the last three quarters of his base period by three.

Similarly, if he has not used this method for the first two quarters and wishes to do so for the last two quarters, he may calculate his quarterly base, starting with the third quarter, by dividing his base period third and fourth quarter can consumption by two.

DIR. 3—DETERMINATIONS OF ADJUSTMENT
FOR 1952

This direction under NPA Order M-25 is found necessary and appropriate to promote the national defense and is issued pursuant to section 101 of the Defense Production Act of 1950, as amended. In the formulation of this direction, consultation with industry representatives has been rendered impracticable due to the need for immediate action.

Sec.

1. Effect of this direction.
2. Type of case where applicable.
3. Direction.
4. Conditions.
5. Modification or revocation of individual adjustments.

AUTHORITY: Sections 1 to 5 issued under sec. 704, 64 Stat. 816, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply

10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789.

SECTION 1. *Effect of this direction.* This Direction 3 to NPA Order M-25 (hereinafter called "this direction") provides a standard with respect to can quotas for the first, second, and third calendar quarters of 1952 in accordance with which, if applicable to his operations, a packer may make a determination of adjustment without making an application for adjustment to NPA. References in this direction to NPA Order M-25 mean NPA Order M-25 as now or hereafter amended, and any term which is defined or used in NPA Order M-25 and used in this direction, including the term "amount of cans," shall have the same definition or meaning in this direction as in NPA Order

afford packers the same benefits and privileges for 1952 as are afforded by paragraphs (a) and (b), respectively, of section 3 of Direction 1 as amended May 1, 1951, to NPA Order M-25, and by the second proviso in section 7 of NPA Order M-25. This direction accordingly revokes Direction 1 to NPA Order M-25, and therefore, notwithstanding the second proviso in section 7 of NPA Order M-25, no determination of adjustment pursuant to said Direction 1 may be made by any packer on or after January 1, 1952.

Sec. 2. *Type of case where applicable.* This direction applies to those cases where a packer was packing in cans less than the customary volume of a particular product during the first, second, or third calendar quarter of his selected base calendar year.

quarter packing base the amount of cans which he used for packing a particular product during the first quarter of his selected base year as provided in section 6 (b) of NPA Order M-25, a packer may use as a first quarter packing base an amount of cans determined by dividing by 4 the amount of cans which he used for packing such product during the calendar year which he selects as his base year. Every packer relying on such determination shall continue to use the same during the succeeding quarters of the calendar year 1952, unless otherwise ordered by NPA. Such computed quarterly packing bases are subject to the applicable quota percentage limitations in each quarter.

(b) *As to second quarter of 1952.* Instead of using as a second quarter packing base the amount of cans which he used for packing a particular product during the second quarter of his selected base year as provided in section 6 (b) of NPA Order M-25, a packer may use as a second quarter packing base an amount of cans determined by dividing by 3 the amount of cans which he used for packing such product during the last 3 quarters of the calendar year which he selects as his base year. Every packer relying on such determination shall continue to use the same during the succeeding quarters of the calendar year 1952, unless otherwise ordered by NPA. Such computed quarterly packing bases are subject to the applicable quota percentage limitations in each quarter.

Illustration. The packer selects 1950 as his base year. During the last three calendar quarters of the year 1950 he used a

total of 18,000 base boxes for packing product X. The result of dividing by 3 is 6,000 base boxes. If product X is permitted a percentage quota of 100 percent under Schedule I of NPA Order M-25 during the second quarter of 1952, the packer using this direction may use a maximum of 100 percent of 6,000 base boxes during said quarter, and if the percentage quota is continued at 100 percent during a succeeding quarter, the packer may use a maximum of 100 percent of 6,000 base boxes during such succeeding quarter. If, however, the percentage quota is changed for a succeeding quarter to 70 percent, then the packer may use during such succeeding quarter a maximum of only 70 percent of 6,000 base boxes, or 4,200 base boxes.

(c) *As to third quarter of 1952.* Instead of using as a third quarter packing base the amount of cans which he used for packing a particular product during the third quarter of his selected base year as provided in section 6 (b) of NPA Order M-25, a packer may use as a third quarter packing base an amount of cans determined by dividing by 2 the amount of cans which he used for packing such product during the last 2 quarters of the calendar year which he selects as his base year. Every packer relying on such determination shall continue to use the same during the fourth quarter of the calendar year 1952, unless otherwise ordered by NPA. Such computed quarterly packing bases are subject to the applicable quota percentage limitations in each quarter.

SEC. 4. Conditions. Any determination of adjustment made pursuant to this direction is subject to the following conditions:

(a) There shall be applied against the amount of cans, as determined under section 3 of this direction, the quota percentage at any time applicable for the particular product as set out in Schedule I of NPA Order M-25.

(b) Every person relying on any such determination shall prepare a detailed written record of the facts relating to the application of the determination to his operations and preserve the same.

(c) A copy of such record shall be promptly transmitted to NPA upon its request.

(d) Such record shall be made available at the person's usual place of business for inspection and audit by duly authorized representatives of NPA.

SEC. 5. Modification or revocation of individual adjustments. NPA reserves the right to modify or revoke any individual adjustment made pursuant to this direction by mailing notice of such modification or revocation to any person whose adjustment is being modified or revoked. NPA may amend or revoke this direction and by so doing modify, with respect to subsequent calendar quarters of 1952, all adjustments made hereunder.

This direction shall take effect January 1, 1952.

Issued December 29, 1951.

NATIONAL PRODUCTION
AUTHORITY,

By JOHN B. OLVERSON,
Recording Secretary.

Also see: Direction 1 (Determination of Adjustment, Revocation), issued Jan. 1, 1952, to M-25 (Cans) and Press Releases NPA 1691, dated Jan. 3, 1952, and NPA 1676, dated Dec. 29, 1951.

NOTE: FULL TEXTS OF MATERIALS ORDERS MAY BE OBTAINED FROM NATIONAL PRODUCTION AUTHORITY, WASHINGTON 25, D. C., OR FROM ANY DEPARTMENT OF COMMERCE REGIONAL OR FIELD OFFICE.



Economic Stabilization Agency

OFFICE OF PRICE STABILIZATION

CERTAIN FISH SPECIALTIES EXEMPTED FROM PRICE CONTROL: Certain specialty food items (including fish and seafood specialties) were exempted from any ceiling price restrictions imposed by OPS.

Amendment 8 to General Overriding Regulation 7, effective December 26, 1951, states that no ceiling price regulations shall apply to sales by manufacturers, processors, wholesalers, importers and retailers of a number of domestically-produced or imported specialty food items, among which are included:

These fish and sea food items: pates; pastes; purees; clam juices; fish roe; caviar; fish and sea-food hors d'oeuvres.

The following canned soups:...fish or sea food (except clam chowder).

Sales only by importers, wholesalers, and retailers of a number of other domestically-produced or imported products in consumer-size containers are also exempted from price control. Among those listed are sauces containing fish or sea food.

Also exempted are all sales of certain imported specialty food items imported in consumer-size containers, among which are included non-sterile processed fish (except herring and salmon).

For details see: Amendment 8 (Specialty Food Items), issued Dec. 20, 1951, to GOR 7 (Exemption of Certain Food and Restaurant Commodities).

* * * * *

SALT FLAT LAKE HERRING CEILING PRICES ESTABLISHED: Dollars-and-cents ceiling prices for salt flat lake herring processed from Lake Superior herring and packed in Minnesota, Wisconsin, and Michigan were established by OPS on December 21 at the manufacturer and processor level.

Ceiling Price Regulation 109, effective December 26, establishes a ceiling of \$16.40 for a 100-pound keg of this type of salt herring, compared with an estimated average price of \$13.80 under the General Ceiling Price Regulation.

OPS said that this price increase will be reflected primarily as higher costs to logging camp commissaries. Only a small portion of the annual pack of approximately 4,000,000 pounds is distributed through regular retail outlets.

Ceilings on the small part of the pack that enters the retail trade will be established by the percentage mark-up provisions in the wholesale and retail grocery ceiling price regulations (CPR's 14, 15, and 16).

OPS said the higher ceiling is being allowed because the cost of processing salt lake herring has risen substantially since the start of the Korean conflict. The main reason for this sharp rise has been the more extensive use of this type of herring as an animal feed which has increased the cost of raw fish to the processors.

For details see: Press Release No. O-600, issued December 21, 1951. issued December 21, 1951.

CPR 109—SALT FLAT LAKE HERRING

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 109 is hereby issued.

STATEMENT OF CONSIDERATIONS

This regulation establishes dollars-and-cents ceiling prices at the final processor's level for sales of salt flat lake herring.

At the present time the prices for salt flat lake herring are governed by the General Ceiling Price Regulation. This commodity is processed from Lake Superior herring and is packed in Minnesota, Wisconsin, and Michigan. The run of fish usually extends from late October through December, and by the beginning of January the packing opera-

tion is completed. The total yearly catch of Lake Superior herring is about 20 million pounds, approximately one-third of which is salt processed. In this operation fresh herring is first headed and gutted. It is then "slimed" (the first salting operation), salted, packed, brined, stored and repacked. The "sliming" may be done either by the fishermen or by the packer. In weight, the finished product is about two-thirds the weight of fresh uncleaned herring. The processed end product is sold to distributors in 100 lb. kegs, 50 lb. kegs, 25 lb. kegs, 10 lb. kegs, 8 lb. kegs, 6 lb. kegs, and 3 lb. glass jars packed in cases of four.

The cost of processing salt flat lake herring has risen substantially since the beginning of the Korean conflict, the largest part of this increase occurring in the price of raw fish. The main reason for this sharp rise in the price of raw herring is its more extensive use as animal feed due to the rise in the price of

horse meat, for which it can be substituted. Because of the extent of the cost increases, processors could not be compelled to absorb the increased costs without suffering severe financial hardship. Accordingly, it is necessary to revise the processors' ceiling prices.

The packing season is now well under way and the marketing season is about to begin. Immediate ceiling price adjustment is necessary if the processors are to be permitted an opportunity to sell the herring at a fair and equitable price. The only data readily available concerning the salt flat lake herring industry relate to costs and prices in 1950 and 1951. Pending further study of the industry, the Director of Price Stabilization has determined that it will be equitable, as an interim measure, to establish ceiling prices for salt flat lake herring on the basis of 1950 prices and costs for this commodity, adjusted to reflect increased direct material and

direct labor costs. On this basis, a price of \$16.40 is established for a 100 lb. keg, f. o. b. packer's plant. In addition, the regulation establishes dollars-and-cents ceiling prices for container sizes and types and styles distinguished for pricing purposes in the industry. Differentials of container sizes and types and styles which follow industry distinctions have been recognized. The prices specified are gross prices and customary allowances and discounts must be deducted from them. These increased prices will be reflected at the wholesale and retail level by the percentage markups provided for in Ceiling Price Regulations 14, 15 and 16.

It should be emphasized that this regulation is necessarily an interim measure. The ceiling prices established by this regulation may be revised upward or downward, to reflect the results of a study of the industry data and any changes in unit costs from present levels.

FINDINGS OF THE DIRECTOR

In formulating this regulation the Director of Price Stabilization has consulted with industry representatives to the extent practicable and has given full consideration to their recommendations. In his judgment, the provisions of this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended. The ceiling prices established by this regulation are higher than the prices prevailing just before the date of issuance of this regulation.

As far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the Defense Production Act of 1950, as amended; to prices prevailing during the period from May 24, 1950 to June 24, 1950, inclusive; and to the relevant factors of general applicability.

REGULATORY PROVISIONS

Sec.

1. What this regulation does.
2. Where this regulation applies.
3. Ceiling prices for standard packs of salt flat lake herring.
4. Ceiling prices for other packs of salt flat lake herring.
5. How you may sell on a delivered basis.
6. Conditions and terms of sale.
7. Petitions for amendments.
8. Records.
9. Prohibitions.
10. Evasions.
11. Definitions.

AUTHORITY: Sections 1 to 11 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.

SECTION 1. What this regulation does. This regulation sets dollars-and-cents ceiling prices for sales of salt flat lake herring (see section 11, *Definitions*) by the processor. These ceiling prices supersede those established by the General Ceiling Price Regulation (G CPR).

SEC. 2. Where this regulation applies. The provisions of this regulation apply

in the 48 states of the United States and the District of Columbia.

SEC. 3. Ceiling prices for standard packs of salt flat lake herring. Your ceiling prices for the specified packs of salt flat lake herring are those listed below. The prices are for the indicated container sizes and types and styles, f. o. b. vehicle at that vehicle's loading point nearest your packing plant.

Container size and type	Style	Ceiling price
100 pound keg.....	Whole.....	\$16.40
50 pound keg.....	Whole.....	9.30
25 pound keg.....	Whole.....	4.65
10 pound keg.....	Whole.....	2.40
8 pound keg.....	Whole.....	2.05
6 pound keg.....	Whole.....	1.65
3 pound glass.....	Whole.....	13.60
3 pound glass.....	Fillets.....	14.60

¹ Per case of 4 containers.

SEC. 4. Ceiling prices for other packs of salt flat lake herring. For container sizes, or types and styles of salt flat lake herring not listed in section 3, you shall apply to the Director of Price Stabilization for the approval of a ceiling price in line with the prices established by this regulation. Your written request should be sent by registered mail to the Fish Branch, Office of Price Stabilization, Washington 25, D. C., and must show (a) the size and type of container for both the product listed in section 3 to which your unlisted product is most similar and for that latter product, and (b) your proposed ceiling price, and (c) your respective selling prices of the two products as of June 24, 1950, or the latest date previous to June 24, 1950, on which both products were sold or offered for sale by you. Your proposed ceiling price must be in line with the prices established by this regulation, after making appropriate allowance for differences between the herring for which you propose a ceiling price and the most similar product listed in section 3. Fifteen days after the OPS has received your application, as shown by your return postal receipt, you may sell the commodity at the ceiling price you proposed unless OPS has notified you not to do so or has requested further information. If, within the fifteen-day period OPS has asked you for more information, you may not sell the commodity at the proposed ceiling price until fifteen days after OPS has received the requested information. You must mail the information requested by registered mail, return receipt requested. The Director of Price Stabilization may at any time disapprove or revise downward ceiling prices proposed to be used or being used under this section so as to bring them into line with the level of ceiling prices otherwise established under this regulation.

SEC. 5. How you may sell on a delivered basis. If you wish to sell on a delivered basis, you may do so, but your delivered price for salt flat lake herring may not be more than your f. o. b. ceiling prices established by this regulation plus the charge at the lowest available rate for the transportation of an identi-

cal quantity packed in the same size and type container, from your packing plant to the buyer's designated receiving point. In no case may you add to your ceiling price an amount greater than the exact charge in dollars-and-cents actually paid for the transportation of the salt flat lake herring being shipped at the lowest available freight rate for the same type and size of container from your packing plant to the buyer's designated receiving point.

SEC. 6. Conditions and terms of sale. The ceiling prices set forth in this regulation are gross prices and you must continue to apply all customary delivery terms, discounts, allowances, guarantees, and other usual and customary terms and conditions of sale which you had in effect between December 19, 1950 and January 25, 1951, inclusive, except that in no instance shall the gross selling price of any item covered by this regulation exceed the ceiling price for such items.

SEC. 7. Petitions for amendments. If you wish to have this regulation amended you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, Revised (16 F. R. 4974).

SEC. 8. Records. Every processor of salt flat lake herring who sells or exchanges salt flat lake herring in the regular course of trade or business or otherwise deals therein shall make and keep for inspection by the Director of Price Stabilization for a period of 2 years accurate records of each sale made after the effective date of this regulation. The records must show the date of the sale or exchange, name and address of the purchaser, and the price charged or paid, itemized by quantity, type and size of container, and style. The records must indicate whether each purchase or sale is made on an f. o. b. or on a delivered basis, and in the latter case the shipping and transportation charges, unless delivery is by common carrier. Records must show all discounts, allowances and other terms and conditions of sale.

SEC. 9. Prohibitions. You shall not do any act prohibited or omit to do any act required by this regulation, nor shall you offer, solicit, attempt, or agree to do or omit to do any such acts. Specifically (but not in limitation of the above), you shall not, regardless of any contract or other obligation, sell, and no person in the regular course of trade or business shall buy from you at a price higher than the ceiling prices established by this regulation, and you shall keep, make and preserve true and accurate records required by this regulation. If you violate any provisions of this regulation, you are subject to criminal penalties, enforcement action, and action for damages.

SEC. 10. Evasions. (a) Any means or device which results in obtaining indirectly a higher price than is permitted by this regulation or in concealing or falsely representing information as to which this regulation requires records to be kept is a violation of this regulation.

This prohibition includes, but is not limited to, means or devices making use of commissions, services, cross sales, transportation arrangements, premiums, discounts, special privileges, upgrading, tie-in agreements and trade understandings, as well as the omission from records of true data and the inclusion in records of false data.

SEC. 11. *Definitions.* For the purpose of this regulation the following terms

will have the indicated meaning:

(a) "Processor" means a person who may "slime", and who salts, packs, brines, stores and repacks fresh Lake Superior herring.

(b) "Salt flat lake herring" is the end product of fresh Lake Superior herring which has been split, eviscerated and packed after undergoing a processing of two separate salting and brining stages according to the customary processing technique in the trade.

Effective date. This regulation is effective December 26, 1951.

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.

MICHAEL V. DISALLE,
Director of Price Stabilization.

DECEMBER 21, 1951.

* * * * *

CPR 22 PROHIBITIONS CHANGED: The 15-day waiting period provided in CPR 22 with respect to commodities reported on an OPS Public Form No. 8 was eliminated by Amendment 35 to this regulation issued by OPS on December 5. However, the waiting requirements of sections 32 and 33 of the order are not altered.

For details see: Amdt. 35 (Change in Prohibitions), issued Dec. 5, 1951, to CPR 22 (Manufacturers' General Ceiling Price Regulation).

* * * * *

PRICING OF NEW COMMODITIES UNDER CPR 22: The general manufacturers' ceiling price regulation (CPR 22) was amended by OPS on January 4 to simplify pricing of commodities whose ceilings cannot be determined in the usual manner provided in the regulation. These, generally, are new commodities not sold in the base period. The change (Amendment 39 to CPR 22) has to do with Section 34 of CPR 22, the section for manufacturers who cannot price under other sections of CPR 22.

Section 34 says that when a manufacturer cannot determine a ceiling price for a commodity by other provisions of CPR 22, then he may apply in writing to OPS for establishment of a ceiling price. He may not use his proposed ceiling price, however, until OPS has notified him, in writing, of the correct price.

Section 34 also says that if a manufacturer has established a ceiling price under sections 3 and 7 of the General Ceiling Price Regulation (GCPR), he may continue to use that price after filing under Section 34 until his CPR 22 price is established.

(Section 3 of GCPR is the main pricing section which establishes as the ceiling price the highest price at which a commodity was delivered during the base period, December 19, 1950, to January 25, 1951. Section 7 of GCPR is the section for sellers who cannot price under other pricing provisions of the regulation.)

The amendment makes two changes:

1. A manufacturer who has established a ceiling price under any regulation (not merely under the GCPR) may continue to use that price after filing for a CPR 22 ceiling price under Section 34, pending establishment of the CPR 22 price.

2. The second change has to do with Section 7 of GCPR--the section used by sellers who cannot price under the other provisions of GCPR. Before this change a seller whose ceiling price was established under Section 7 by OPS letter order had to apply, nevertheless, for a new ceiling price under Section 34 of CPR 22. By this change, this is no longer required. Information furnished under Section 7 of GCPR is substantially the same as that required under Section 34 of CPR 22.

Therefore, there is no point in requiring a seller who has obtained a price under Section 7 to refile under Section 34.

For details see: Amdt. 39 (Use of Previous Ceiling Price After Effective Date of CPR 22 in Certain Cases), issued Jan. 4, 1952, to CPR 22 (Manufacturers' General Ceiling Price Regulation), and Press Release OPS-0-623.

* * * * *

MANUFACTURERS WHO FAILED TO FILE PUBLIC FORM 8 HAVE NOT ESTABLISHED LEGAL CEILING PRICES: A large number of manufacturers failed to file proposed ceiling prices by December 19, as required by OPS general manufacturers' and machinery manufacturers ceiling price regulations (CPR 22 and CPR 30), states a January 2 news release from OPS.

These regulations became mandatorily effective on December 19, and manufacturers of commodities covered by them were required to file OPS Public Form 8 by December 19 to establish proposed ceilings by applying labor and materials cost adjustments to pre-Korean prices. Manufacturers who failed to file Form 8 as required have not established legal ceiling prices for their commodities.

The Director of the OPS Office of Enforcement stated that immediate compliance by these manufacturers will be sought. Plans are being considered for a compliance survey and in the event of non compliance, for the immediate filing of injunctive actions in United States District Courts without preclearance in Washington.

Officials pointed out also that manufacturers of a fairly wide range of commodities have been given the option of continuing to price under the General Ceiling Price Regulation (GCPR) pending early issuance by OPS of specific tailored pricing regulations covering these commodities. Commodities subject to such optional pricing are listed under Supplementary Regulation 12 to CPR 22 and Supplementary Regulation 3 to CPR 30.

For details see: Press Release OPS-GPR-1129, issued Jan. 2, 1952.

* * * * *

ALTERNATIVE METHOD OF CALCULATING OVERHEAD ADJUSTMENT FACTOR UNDER CPR 22: An alternative method of calculating the overhead adjustment factor for manufacturers using SR 2 of CPR 22 was announced by OPS on December 5. Amendment 1 to Supplementary Regulation 2 (Revision 1) to CPR 22 provides a method in which the manufacturer calculates the overhead adjustment factor for his entire business without calculating individual dollar-and-cents adjustments for each commodity.

For details see: Amdt. 1 (Alternative Method of Calculating the Overhead Adjustment Factor, issued Dec. 5, 1951) to Supplementary Regulation 2 (Revision 1) to CPR 22.

* * * * *

SMALL MANUFACTURERS' CAPEHART ADJUSTMENT: A simplified method which certain small manufacturers and sellers of industrial services may use in making so-called "Capehart adjustments" in their ceilings was announced by OPS on November 29 with the issuance of GOR 20.

With only a few exceptions, manufacturers and sellers of services whose net sales did not exceed \$250,000 for the last fiscal year ended not later than July 31,

1951, are eligible to adjust their ceilings under GOR 20. Also eligible to use the regulation are manufacturers within the volume limitation who buy and resell some products made by other manufacturers. However, if such sales exceed 25 percent of the manufacturer's total business, he may not use GOR 20 to adjust his ceilings.

For details see: GOR 20 (Ceiling Price Adjustments for Small Business Concerns under Section 402(d)(4) of the Defense Production Act of 1950, As Amended), issued Nov. 28, 1951.

* * * * *

CEILING PRICE ADJUSTMENTS UNDER CAPEHART AMENDMENT: A general overriding regulation (GOR 21) was issued by OPS on December 5 establishing the basic procedure which most business concerns will use to apply for an adjustment of their ceiling prices under the so-called Capehart Amendment (section 402(d)(4) of the Defense Production Act of 1950, as amended). It is the most general of a series of regulations issued for that purpose.

This regulation tells how to obtain adjusted ceiling prices for commodities manufactured or services rendered based on the highest prices received between January 1, 1950, and June 24, 1950, adjusted to reflect increases or decreases in costs between the dates these prices were received and July 26, 1951.

For details see: GOR 21 (Ceiling Price Adjustments Under Section 402(d)(4) of the Defense Production Act of 1950, as amended), issued Dec. 5, 1951.

Fact Sheet on General Overriding Regulation 21.

* * * * *

WHOLESALE FOOD PRICE MARKUP SURVEY: A proposed interim survey of price markups in the wholesale food distribution business was discussed December 5 at a meeting between officials of the Office of Price Stabilization and members of the Wholesale Food Distributors Industry Advisory Committee.

The survey has been proposed so as to get an idea of how markups used in the wholesale grocery ceiling price regulation (CPR 14) compare with historical markups used in the trade. Industry members have contended that some of the CPR 14 markups are out of line with those normally taken in the past.

OPS said that information obtained in the interim survey may be used as the basis for possible temporary adjustment of markups, pending completion of a more thorough survey which is to be made jointly by the Bureau of Labor Statistics and OPS.

This exhaustive survey had been scheduled to get under way in 1950, but it was delayed due to reservations on selection of some of the items proposed.

For details see: News release OPS-GPR-1080, dated Dec. 5, 1951.

* * * * *

TEST PROGRAM FOR COMMUNITY FOOD PRICING: The Office of Price Stabilization announced December 31 that it is about to try out "community food pricing" in three test cities. "Community food pricing" is a program of posted ceiling prices in grocery stores, a program that was highly successful in World War II, states an OPS news release.

The trial plan is based in part on a recommendation of the OPS Consumer Advisory Committee, and also in recognition of the fact that identifiable ceilings are best from the standpoint of both buyer and seller. Many consumers have complained that they have no way of knowing what the ceilings are in the stores where they shop for groceries.

The tests will take place shortly in Fresno, California; Fargo, North Dakota; and Jacksonville, Florida. In each of the three test areas, the program will take in all food stores in the city itself and in the immediately adjacent counties.

Community pricing is not designed to change prices. OPS is simply requiring the posting of dollars-and-cents ceilings figured on the basis of existing regulations which provide varying percentage mark-ups for groceries.

The grocery posting program is called "community pricing" because it establishes a ceiling price which is community wide for each listed commodity. The ceiling is the same in all stores of the same class throughout the community pricing area. Though it may sell for less, no store may sell for more than the flat, community-wide price.

In the OPS instructions to its field offices, community pricing is described as "essentially a technique for translating ceiling prices figured under the wholesale and retail food markup regulations into dollars-and-cents prices which are established on an area basis. The community prices are made available to the purchasers, as well as the sellers, by posting published price lists in retail stores."

Posting of dollars-and-cents ceiling prices is the main feature of the program. The other principal change is that grocers in Groups 1 and 2 (that is, the smaller independent stores) no longer figure their own maximum prices for items on the chart. That is done for them by the local OPS District Office.

For details see: Press Release OPS-GPR-1128, issued Dec. 31, 1951.

* * * * *

CLARIFICATION OF USE OF PRICE LISTS TO ESTABLISH CEILING PRICES: An amendment clarifying a provision of GCPR under which manufacturers and wholesalers may establish ceiling prices by reference to bona fide price lists was issued by OPS on December 19. This amendment (Amendment 25) permits ceiling prices to be established on the basis of price lists containing both increases and decreases, if the price lists were announced in writing during or before the period December 19, 1950, to January 25, 1951. It also provides that, during this period, commodities delivered at the announced prices, must have constituted at least 30 percent of the 1950 sales of all commodities on the price list.

For details see: Amdt. 25 (General Increases and Decreases by Manufacturers and Wholesalers), issued Dec. 19, 1951, to GCPR and Press Release No. O-599.

* * * * *

FUTURES CONTRACTS DEFAULTS: The Office of Price Stabilization has declined to modify an agency opinion that settlement prices for defaults on futures contracts in excess of the spot ceiling price for the commodity involved are not permissible under the Defense Production Act, according to a December 18 news release.

In denying the request by the Chicago Board of Trade for modification, OPS Chief Counsel quoted from General Interpretation 1, issued last June 20, that Section

707 of the Defense Production Act precludes the establishment of a settlement price for default on futures contracts in excess of the spot ceiling price for the commodity involved. To require a person defaulting to pay damages based on a market value in excess of the ceiling price would be to assume as a basis for settlement an illegal market price, he declared.

He added that there might be some cases where the Board may require those defaulting on delivery under futures contracts to pay an amount equal to the special or consequential damages actually incurred and directly attributable to the default. In such cases there would have to be an actual showing of such damages.

For details see: Press Release OPS-GFR-1108, issued Dec. 18, 1951.

* * * * *

FISHING TACKLE TAILORED CEILING PRICE REGULATION PROPOSED: Members of the Fishing Tackle Manufacturers Industry Advisory Committee (IAC), at their first meeting on December 19, 1951, with Office of Price Stabilization officials, explored the possibility that a tailored ceiling price regulation may be issued covering the 25,000 or more items the industry produces. A sub-committee of three was appointed to study the situation.

Consensus of the IAC group was that the fishing tackle industry should be decontrolled. The industry has been pricing under the General Ceiling Price Control regulation (GCPR) or CPR 22 (the general manufacturers' regulation).

OPS officials said that, while the decontrol plea of the fishing tackle manufacturers would be given consideration, they could hold out little hope that the industry would be decontrolled.

Committee members said they had all filed under Ceiling Price Regulation 22 and that, with the exception of reels, which are pushing ceilings, most of the other items they produce are selling below ceilings. Because of competition and a soft market, most committee members declared, they do not currently take advantage of increases permitted under CPR 22.

The industry makes flies and lures, leaders and leader material, snaps and swivels, hooks, rods, lines, reels, complete fly casting outfits, landing nets, and accessories.

Committee members discussed application of Section 43 to CPR 7, the industry's retail regulation, under which some of the manufacturers have filed. Section 43, now undergoing revision by OPS, covers uniform pricing, pre-ticketing of merchandise and covers situations where manufacturers historically have suggested prices that retailers and wholesalers shall charge for their branded articles.

Pre-ticketing, they contended, is impractical for their industry because of the minute size of thousands of their products, such as hooks, flies, and lures. In addition, they said, pre-ticketing imposes a great burden of expense.

OPS officials explained that the agency feels strongly about pre-ticketing requirements, because they are the "heart and soul" of Section 43.

OPS officials expressed concern at possible loss of lower-priced items and asked whether incentive adjustments would prevent this. Committee members expressed the opinion that competition would result in effective price control. The consumer, they said, is the best price controller.

OPS officials stated that the agency is not receptive to general price de-control, and that only a few items, minor in their impact on the national economy, have been exempted. Early 1952, they said, will have a great inflation potential, with materials short in supply. For this reason, controls other than indirect controls, are necessary.

For details see: Press Release OPS-GPR-1117, dated December 19, 1951.

NOTE: FULL TEXTS OF PRICE ORDERS MAY BE OBTAINED FROM THE OFFICE OF PRICE STABILIZATION, WASHINGTON 25, D. C., OR FROM THE REGIONAL OPS OFFICE IN YOUR AREA.

SALARY STABILIZATION BOARD

CHRISTMAS OR YEAR-END BONUSES FOR SALARY EMPLOYEES: Distribution in 1951 of "Christmas or year-end bonuses," not exceeding \$40 in value, by employers who made no similar distribution in prior years was authorized by the Salary Stabilization Board on December 14 with the issuance of General Salary Order No. 7. This distribution is permitted to any employees subject to the jurisdiction of the SSB, and is not to be considered salary or bonus for the purpose of any salary stabilization regulation.

However, employers who have been unable to pay bonuses under the existing salary regulations, due to the lack of an established plan or previous practice, were also authorized by the Salary Stabilization Board on December 17 to grant bonuses for 1951 under certain limitations without prior approval.

For details see: GSO 7 (Christmas or Year-End Bonuses Not Exceeding Forty Dollars in Value in the Absence of a Prior Practice), issued Dec. 14, 1951, and Press Release SSB-39, also SSB-40, issued Dec. 17, 1951.

WAGE STABILIZATION BOARD

NO FILED REPORTS REQUIRED FOR COST-OF-LIVING INCREASES: Keeping of appropriate records in lieu of the filing of written reports for cost-of-living wage increases is the purpose of Amendment 1 to GWR 8, issued by the Wage Stabilization Board on December 6, 1951.

For details see: Amdt. 1 (Maintenance of Records), issued Dec. 6, 1951, to GWR 8 (Cost-of-Living Increases).

* * * * *

OTHER REGULATIONS, ETC. ISSUED IN DECEMBER 1951: GWR 6, Feb. 27, 1951, Incl. Amdt. 1, Dec. 6, 1951 (Presents policies to correct inequities as have arisen because of disparities between increases in wages and salaries and the increase in the cost of living since January 15, 1950.)

Resolutions Regarding Policy Determinations and Other Substantive Matters.

Interpretation Bulletin 13, dated Dec. 1, 1951.



Interstate Commerce Commission

EASTERN CENTRAL MOTOR CARRIERS GRANTED RATE INCREASE: Motor-carrier rate increases of 9 percent for carriers operating between the New England and Middle Atlantic States and the Middle West were allowed by the Interstate Commerce Commis-

sion, according to a recent announcement from that agency. The increases as proposed by the Eastern Central Motor Carriers Association were permitted to become effective December 24. (Probably some fishery products transported by these carriers are affected.)

A protest against and a request for suspension of these motor-carrier rate increases were filed by the Office of Price Stabilization on December 13 with the Interstate Commerce Commission. However, after due consideration the ICC failed to grant the request for suspension.

In its protest OPS said that the 915 carriers involved had not demonstrated a need for a 9-percent increase and asked public hearings before any increase was granted.

The increase would have a significant impact on the national economy, OPS pointed out, since the 442 Class I carriers under study received 51.21 percent of the total operating revenues for Class I motor carriers in the United States during the second quarter of 1951.

Increased freight rates granted the motor carriers would be reflected in the cost to consumers of the commodities they carry and hence in the general cost of living, OPS maintained.



Tariff Commission

INVESTIGATION OF IMPORTS OF CANNED BONITO AND TUNA NOT IN OIL AND BONITO IN OIL: An investigation to determine the effects upon the domestic tuna industry of imports of canned bonito in oil and canned tuna and bonito not in oil was instituted by the U. S. Tariff Commission on December 28, 1951.

A public hearing, at which all parties interested will be given an opportunity to be present, to produce evidence, and to be heard, was ordered by the Commission for January 29, 1952, in Washington, D. C.

According to the public notice issued by the Commission, the investigation was instituted under the authority of Section 7 of the Trade Agreements Extension Act of 1951, approved June 16, 1951, and Section 332 of the Tariff Act of 1930. The purpose is "to determine whether the products described below are, as a result, in whole or in part, of the duty or other customs treatment reflecting any of the concessions granted on such products in the trade agreement with Iceland signed August 2, 1943, in the General Agreement on Tariffs and Trade, and in the exclusive trade agreement with Cuba signed October 30, 1947, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

TARIFF ACT
OF 1930

PAR. 718(A)

DESCRIPTION OF PRODUCT

BONITO, PREPARED OR PRE-SERVED IN ANY MANNER, WHEN PACKED (IN AIR-TIGHT CONTAINERS) IN OIL OR IN OIL AND OTHER SUBSTANCES.

TARIFF ACT
OF 1930

DESCRIPTION OF PRODUCT

PAR. 718(B)

TUNA AND BONITO, PREPARED OR PRESERVED IN ANY MANNER, WHEN PACKED IN AIR-TIGHT CONTAINERS WEIGHING WITH THEIR CONTENTS NOT MORE THAN 15 POUNDS EACH (EXCEPT SUCH FISH PACKED IN OIL OR IN OIL AND OTHER SUBSTANCES).

"Applications for this investigation were made on November 28, 1951, by the California Fish Cannery Association and on various later dates by certain other parties. The applications originally included a number of products in addition to those specified above, but these ... were subsequently withdrawn ... The applications filed with the Commission are available for public inspection at the Office of the Secretary, U. S. Tariff Commission, Washington, D. C., and in the New York Office of the Tariff Commission, located in Room 437 of the Customs House."



AQUATIC RESOURCES OF THE RYUKYU AREA

The Ryukyu Islands are part of a larger island chain extending from the East Indies through the Philippine Islands into Japanese waters. Along this chain the warm Kuroshio brings many tropical species northward, thus producing a varied and diverse marine fauna in the Ryukyu area. Numerous reef fishes abound in the waters immediately surrounding the islands, and many unusual and primitive types of gear are used locally by the native fishermen to exploit this fauna. In addition, pelagic species such as the skipjack, Spanish mackerel, and dolphin come near enough to the islands for the natives to catch them by small-scale coastal operations. Tunas, spearfishes, and sharks are as a rule found in the deeper waters farther from land, where some species are found all year and some seasonally, as they move through the island area on their annual migration northward into Japanese waters.

The tunas and the spearfishes are the most important of the species taken in numbers adequate to support large-scale commercial operations. These forms either follow the northward flow of the Kuroshio or remain in the Ryukyu area throughout the year. Although little is known about their migrations and habitat preferences, several facts reported by fishermen and fisheries investigators help explain the importance of the Ryukyu offshore and, to a lesser extent, coastal operations for these species. These reports indicate that high water temperature, the presence of the Kuroshio and other minor currents, and the contour of the ocean bed with its many shallow banks and deep runways are among the physical factors of the Ryukyu area which adapt it to the presence of the migratory fishes. Commercial operations for the tunas and the spearfishes are carried on most often where the current changes direction because it impinges on extensive shallow water areas, or where a sharp drop in water temperature occurs within a small area, or where reefs, rocks, and small islands are within the path of the current, as the migratory fishes are usually found in abundance under these conditions. Moreover, operations in the Ryukyu area are not hampered by rough and stormy weather for long periods, except during a few winter months.

In addition to local Ryukyu operations, skipjack pole-and-line and tuna long-line vessels based at ports in southern Japan direct their operations into the area, especially during the seasons when the migratory tunas and spearfishes are not available in Japanese waters.