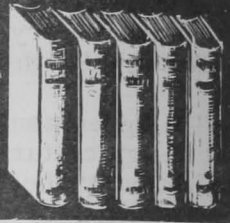




FEDERAL ACTIONS



Department of Agriculture

AGRICULTURAL MARKETING SERVICE

QUALITY STANDARDS FOR FISH-FILLET BLOCKS ESTABLISHED:

Voluntary United States standards of quality and condition for frozen fish-fillet blocks became effective April 1, 1958, the U. S. Department of the Interior announced on February 10, 1958.

The standards were developed by the U. S. Bureau of Commercial Fisheries in collaboration with industry technologists, the National Fisheries Institute under contract with the Bureau, and the U. S. Department of Agriculture.

Fish blocks are the base product for such items as fish sticks and fish portions. The block must consist of whole, wholesome, skinless fillets, or portions of fillets of one species of fish, neither ground nor crushed. The blocks must be frozen, but not glazed, and must be maintained at temperatures necessary for the preservation of the product. Glazing, a technique which encases the block in a covering of ice, is prohibited because of difficulties encountered in processing. Good flavor and odor is an essential requirement for the top product and largely determines the grade received regardless of workmanship.

The U. S. Department of Agriculture will offer, on a fee basis, inspection and certification service based on the standards. Such inspections will aid in quality control and in facilitating the marketing of the products. The standards do not define labeling, since labeling regulations come under the responsibility of the Food and Drug Administration, U. S. Department of Health, Education, and Welfare.

Formal notice stating that the fish block standards would be put in force on April 1, 1958, was published in the Federal Register on February 6, 1958. The preliminary notice was carried in the Federal Register on December 21, 1957. Copies of the standards are available from the U. S. Department of the Interior, Washington 25, D. C.

Standards for frozen, raw, breaded shrimp and for frozen precooked fish sticks have already been issued. Other standards for fish portions; frozen, raw, breaded fish sticks; and for halibut steaks are under development. The purpose of the standards is to assure the consumer the opportunity to purchase the best possible product.

The standards as published in the Federal Register follows:

TITLE 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART—UNITED STATES STANDARDS FOR GRADES OF FROZEN FISH BLOCKS¹

On December 21, 1957, a notice of proposed rule making was published in the FEDERAL REGISTER (22 F. R. 10461) regarding a proposed issuance of the United States Standards for Grades of Frozen Fish Blocks.

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the following United States Standards for Grades of Frozen Fish Blocks are hereby promulgated pursuant to the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., as amended; 7 U. S. C. 1621 et seq.).

PRODUCT DESCRIPTION AND GRADES

Sec.	
52.3681	Product description.
52.3682	Grades of frozen fish blocks.

¹ Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

WEIGHTS AND DIMENSIONS

52.3683 Recommended weights and dimensions.

FACTORS OF QUALITY

52.3684 Ascertaining the grade.
 52.3685 Evaluation of the unscored factor of flavor and odor.
 52.3686 Ascertaining the rating for the factors which are scored.
 52.3687 Appearance.
 52.3688 Uniformity of size and shape.
 52.3689 Defects.
 52.3690 Character.

DEFINITIONS

52.3691. Definitions.

LOT CERTIFICATION TOLERANCES

52.3692 Tolerances for certification of officially drawn samples.

SCORE SHEET

52.3693 Score sheet for frozen fish blocks.

AUTHORITY: §§ 52.3681 to 52.3693 issued under sec. 205, 60 Stat. 1090, as amended; 7 U. S. C. 1624.

PRODUCT DESCRIPTION AND GRADES

§ 52.3681 *Product description.* Frozen fish blocks are rectangular-shaped masses of cohering frozen fish flesh of a single species consisting of adequately drained whole, wholesome, skinless fillets or pieces of whole, wholesome, skinless fillets cut into small portions but not ground or comminuted. They are frozen, but not glazed, and maintained at temperatures necessary for the preservation of the product.

§ 52.3682 *Grades of frozen fish blocks.*

(a) "U. S. Grade A" is the quality of frozen fish blocks that possess a good flavor and odor; and for those factors which are rated in accordance with the scoring system outlined in these standards have a total score of 85 to 100 points.

(b) "U. S. Grade B" is the quality of frozen fish blocks that possess at least a reasonably good flavor and odor; and for those factors which are rated in accordance with the scoring system outlined in these standards have a total score of 70 to 84 points: *Provided*, That no factor receives maximum point score deduction.

(c) "Substandard" is the quality of frozen fish blocks that fail to meet the requirements of U. S. Grade B.

WEIGHTS AND DIMENSIONS

§ 52.3683 *Recommended weights and dimensions.* (a) The recommendations as to weights and dimensions of frozen fish blocks are not incorporated in the grades of the finished product since weights and dimensions, as such, are not factors of quality for the purpose of the grades. The degree of uniformity of size and shape among units of the finished product is rated since it is a definite factor affecting the quality of the end product prepared from the blocks.

(b) It is recommended that the thickness or depth (smallest dimension) of the frozen fish block be not greater than 10 centimeters (4.0 inches) and that the average weight be not less than 2.3 kilograms (5.0 pounds) and not greater than 22.7 kilograms (50.0 pounds).

FACTORS OF QUALITY

§ 52.3684 *Ascertain the grade—(a) General.* In addition to considering other requirements outlined in the

TABLE I—SCORE DEDUCTIONS FOR COLOR SUBFACTOR

Condition of the surface of the block		Deduction Points
"Light" portion of fish flesh ¹	No discoloration	0
"Dark" portion of fish flesh ²	No discoloration	
"Light" portion of fish flesh	No discoloration	
"Dark" portion of fish flesh	Slight yellowing	2
"Light" portion of fish flesh	Slight yellowing	
"Dark" portion of fish flesh	Moderate yellowing; no rusting	4
"Light" portion of fish flesh	Moderate yellowing; slight rusting	
"Dark" portion of fish flesh	Excessive yellowing; slight rusting	7
"Light" portion of fish flesh	Excessive yellowing; moderate rusting	
"Dark" portion of fish flesh	Excessive yellowing; moderate rusting	16
"Light" portion of fish flesh	Excessive yellowing and rusting	
"Dark" portion of fish flesh	Excessive yellowing and rusting	25
"Light" portion of fish flesh	Excessive yellowing and rusting	

¹ "Light" portion refers to fish fillet flesh comprising the main portion of the fillet.
² "Dark" portion refers to the dark-colored portion of the fillet appearing under the skin, the main part of which occurs along the lateral line.

³ Fish blocks which receive 25 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

NOTE: Color of the block should be normal to that of the species of fish used. Deviations from the normal color result from oxidation or other changes that have taken place in the fish prior to freezing and after freezing and storage. Ordinarily, the type of discoloration observed is due to oxidation and results in yellowing and "rusting" of the fish surfaces.

TABLE II—SCORE DEDUCTIONS FOR "DEHYDRATION" SUBFACTOR

Condition of surface of block		Deduction points
Surface area affected	Degree of dehydration	
<i>Percent</i>		
Up to 50	Slight	0
Greater than 50 and up to 100	Slight	1
Greater than 0 and up to 25	Moderate	2
Greater than 25 and up to 50	Moderate	4
Greater than 0 and up to 25	Marked	
Greater than 50	Moderate	7
Greater than 25 and up to 50	Marked	
Greater than 0 and up to 25	Excessive	16
Greater than 50	Marked	
Greater than 25 and up to 50	Excessive	25
Greater than 50	Excessive	

¹ Fish blocks which receive 25 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

NOTE: Dehydration is classified in four degrees:

- (a) *Slight.* Shallow and not color masking;
- (b) *Moderate.* Deep but just deep enough to mask color of fish flesh;
- (c) *Marked.* Deep and easily scraped off with finger nail, and masks color of flesh; and
- (d) *Excessive.* Deep dehydration not easily scraped off.

standards, the following factors are evaluated in ascertaining the grade of the product:

(1) *Factors not rated by score points.* Flavor and odor.

(2) *Factors rated by score points.* The relative importance of each factor which is rated is expressed numerically on the scale of 100. The four factors and the maximum number of points that may be given each are as follows:

Factors:	Points
Appearance	25
Uniformity of size and shape	20
Defects	40
Character	15
Total score	100

(b) *Condition of product for evaluation.* The grade of frozen fish blocks is ascertained by observing the product in the frozen state and after representative portions have been heated in a suitable manner.

§ 52.3685 *Evaluation of the unscored factor of flavor and odor—(a) Good flavor and odor.* "Good flavor and odor" (essential requirement for a Grade A product) means that the product has the good flavor and odor characteristic of the species of fish; and that the product is free from staleness, and from off-flavors and off-odors of any kind.

(b) *Reasonably good flavor and odor.* "Reasonably good flavor and odor" (minimum requirement of a Grade B product) means that the fish flesh may be somewhat lacking in the good flavor and odor characteristic of the species of

fish; is reasonably free from rancidity; and is free from objectionable off-flavors and objectionable off-odors of any kind.

§ 52.3686 *Ascertain the score for those factors which are rated.* The essential variations within each factor which is rated are so described that the value may be ascertained for each factor and expressed numerically. Point deductions are allotted for each degree or amount of variation within each factor. The value for each factor is the maximum points allotted for the factor less the sum of the deviation deduction-points within the factor.

§ 52.3687 *Appearance—(a) General.* The factor of appearance refers to the color of the fish flesh, and to the degree of surface dehydration of the product.

(b) For the purpose of rating the factor of appearance the schedule of deviation deduction-points in Tables I and II apply.

§ 52.3688 *Uniformity of size and shape—(a) General.* The factor of uniformity of size and shape refers to the degree of conformity to declared dimensions and to rectangular shape.

(1) *"Angles" of a block.* There are 12 angles considered to form a block. Right angles are formed by the intersection of the four sides with the top and bottom (the two largest surfaces); and four angles are formed by the intersection of the four sides with one another. In a perfect block the surfaces form into a right angle (90 degrees).

TABLE III—SCORE DEDUCTIONS FOR DIMENSIONS SUBFACTOR

Deviations (+ or -) from the declared dimensions			Deduction points
Length and width	Thickness		
Millimeters	Millimeters	Millimeters	
Up to 3.....	Up to 2.....	Up to 2.....	0
Greater than 3 and up to 5.....	Greater than 2 and up to 3.....	Greater than 2 and up to 3.....	1
Greater than 5 and up to 8.....	Greater than 3 and up to 4.....	Greater than 3 and up to 4.....	2
Greater than 8 and up to 12.....	Greater than 4 and up to 5.....	Greater than 4 and up to 5.....	3
Greater than 5 and up to 8.....	Greater than 5 and up to 8.....	Greater than 5 and up to 8.....	4
Greater than 8 and up to 12.....	Greater than 8 and up to 12.....	Greater than 8 and up to 12.....	5
Greater than 12 and up to 16.....	Greater than 12 and up to 16.....	Greater than 12 and up to 16.....	6
Greater than 8 and up to 12.....	Greater than 16 and up to 20.....	Greater than 16 and up to 20.....	7
Greater than 12 and up to 16.....	Greater than 20 and up to 24.....	Greater than 20 and up to 24.....	8
Greater than 16 and up to 20.....	Greater than 24 and up to 28.....	Greater than 24 and up to 28.....	9
Greater than 20 and up to 24.....	Greater than 28 and up to 32.....	Greater than 28 and up to 32.....	10
Greater than 24 and up to 28.....	Greater than 32 and up to 36.....	Greater than 32 and up to 36.....	11
Greater than 28 and up to 32.....	Greater than 36 and up to 40.....	Greater than 36 and up to 40.....	12
Greater than 32 and up to 36.....	Greater than 40 and up to 44.....	Greater than 40 and up to 44.....	13
Greater than 36 and up to 40.....	Greater than 44 and up to 48.....	Greater than 44 and up to 48.....	14
Greater than 40 and up to 44.....	Greater than 48 and up to 52.....	Greater than 48 and up to 52.....	15
Greater than 44 and up to 48.....	Greater than 52 and up to 56.....	Greater than 52 and up to 56.....	16
Greater than 48 and up to 52.....	Greater than 56 and up to 60.....	Greater than 56 and up to 60.....	17
Greater than 52 and up to 56.....	Greater than 60 and up to 64.....	Greater than 60 and up to 64.....	18
Greater than 56 and up to 60.....	Greater than 64 and up to 68.....	Greater than 64 and up to 68.....	19
Greater than 60 and up to 64.....	Greater than 68 and up to 72.....	Greater than 68 and up to 72.....	20

¹ These values refer to deviations of any one of the four readings taken for the thickness of the individual block from the declared thickness of the block.
² Fish blocks which receive 25 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.
 NOTE: Measurements are made in millimeters. Two readings are taken for the length; three for the width, and four for the thickness. Each group is averaged.

TABLE IV—SCORE DEDUCTIONS FOR "ANGLES" SUBFACTOR

Number of "unacceptable" angles	Deduction points
1	0
2	1
3	2
4	3
5	4
6	6
7	8
8	10

NOTE: There are 12 angles considered to form a block. Right angles (edge) are formed by the intersection of the four sides within the top and bottom; four angles (corner) are formed by the intersection of the four sides with one another.
 An "acceptable" edge angle is one in which the two surfaces forming the angle are within 1.0 cm. (3/4 inch) of the apex of a carpenter's square placed along the surfaces (use 3 readings for each edge angle measurement, 2 or 3 must meet the requirement). An "unacceptable" edge angle is one showing greater deviation than the 1.0 cm. (3/4 inch).
 An "acceptable" corner angle is one in which at least one edge surface is within 1.3 cm. (1/2 inch) of the apex of a carpenter's square placed on the edge surfaces (use 1 reading for each corner angle). An "unacceptable" corner angle is one showing greater deviation than the 1.3 cm. (1/2 inch).

(b) For the purpose of rating the factor of uniformity of size and shape, the schedule of deviation deduction-points in Tables III and IV apply.

§ 52.3689 Defects—(a) General. The factor of defects refers to the degree of freedom from damage, blemishes, improper fill, and bones.

(1) "Damaged." Damaged means crushed or mutilated block, and imbedding of the packaging material into the block, to the extent that the usability of that portion of the block has been adversely affected; and cut or separation of the masses of fish flesh in the block.

(2) "Blemish." Blemish means a piece of skin, scales, blood spot, a bruise, a black belly lining, a fin, or harmless extraneous material. One "piece of skin" consists of one piece 3.3 square centimeters (1/2 square inch) in area; except that skin patches larger than 9.9 square centimeters shall be considered as two pieces of skin. "Blood spot" is one of such size and degree as to be considered objectionable. "Black belly lining" is any piece longer than 1.3 centimeters (1/2-inch). "Fin" is one fin or one identifiable part of a fin. "Scales" are aggregates of one or more scales of such degree as to be considered objectionable.

(3) "Improper fill." Improper fill means the frozen block does not form a completely solid mass as evidenced by presence of air spaces, ice, depressions, and ragged edges (pieces of fish protrude or recede at the edges of the block).

(4) "Bones." Bones means any bones that can be separated from the product, can be identified, and are objectionable. One instance of bone means one bone or one group of bones occupying or contacting a circular area of 6.45 square centimeters (one square inch).

(b) For the purpose of rating the factor of defects, the schedule of deviation-deduction-points in Tables V, VI, VII, and VIII apply.

TABLE V—SCORE DEDUCTIONS FOR "DAMAGE" SUBFACTOR

Amount of damage to block	Deduction points
0 to 0.30 percent.....	0
For each 0.30 percent above 0.30 percent and up to 8.10 percent.....	1
8.11 percent and over.....	10

¹ Fish blocks which receive 40 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

NOTE: Damage is measured by volume of the block affected. The area of damage is measured in cubic centimeters using a millimeter rule to determine the exact length, width, and thickness of the block affected.

Calculate damage in "percent" using the following formula:
 Total damage in "percent" (volume/weight) = (Total damage) / (Weight of block) * 100

TABLE VI—SCORE DEDUCTIONS FOR "BLEMISH" SUBFACTOR

Number of blemishes per 2.3 kg. (5 lbs.) of block	Deduction points
0 to 1.0.....	0
1.1 to 2.0.....	1
2.1 to 3.0.....	2
3.1 to 4.0.....	3
4.1 to 5.0.....	4
5.1 to 6.0.....	5
6.1 to 7.0.....	6
7.1 to 8.0.....	7
8.1 to 9.0.....	8
9.1 to 10.0.....	9
10.1 to 11.0.....	10
11.1 to 12.0.....	11
12.1 to 13.0.....	12
13.1 to 14.0.....	13
14.1 to 15.0.....	14
15.1 to 16.0.....	15
16.1 to 17.0.....	16
17.1 to 18.0.....	17
18.1 to 19.0.....	18
19.1 to 20.0.....	19
20.1 to 21.0.....	20
21.1 to 22.0.....	21
22.1 to 23.0.....	22
23.1 to 24.0.....	23
24.1 to 25.0.....	24
25.1 to 26.0.....	25
26.1 to 27.0.....	26
27.1 to 28.0.....	27
28.1 to 29.0.....	28
29.1 to 30.0.....	29
30.1 to 31.0.....	30
31.1 to 32.0.....	31
32.1 to 33.0.....	32
33.1 to 34.0.....	33
34.1 to 35.0.....	34
35.1 to 36.0.....	35
36.1 to 37.0.....	36
37.1 to 38.0.....	37
38.1 to 39.0.....	38
39.1 to 40.0.....	39
40.1 to 41.0.....	40

¹ Fish blocks which receive 40 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

TABLE VII—SCORE DEDUCTIONS FOR "IMPROPER FILL" SUBFACTOR

Amount of "improper fill" in block	Deduction points
0 to 0.30 percent.....	0
For each 0.30 percent above 0.30 percent and up to 8.10 percent.....	1
8.11 percent and over.....	10

¹ Air spaces, ice spaces, depressions, and ragged edges.
² Fish blocks which receive 40 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

NOTE: Improper fill is measured by the volume of the block affected. Air spaces and ice spaces are measured by filling these spaces with water or other material and measuring the volume. Spaces less than 1 mm. in width or less than 2 mm. deep are not considered. Depressions and ragged edges are measured by exact volume of the block affected using a mm. rule to determine the length, width, and thickness of the block affected. Calculate the total "improper fill" in "percent" from the above formula:
 Total "improper fill" in "percent" (volume/weight) = (Total volume of "improper fill") / (Weight of block) * 100

TABLE VIII—SCORE DEDUCTIONS FOR BONES SUBFACTOR

Instances of bone per 2.3 kg. (5 lb.) of fish	Deduction points
0.....	0
0.1 to 1.0.....	1
1.1 to 2.0.....	2
2.1 to 3.0.....	3
3.1 to 4.0.....	4
4.1 to 5.0.....	5
5.1 to 6.0.....	6
6.1 and more.....	10

¹ Fish blocks which receive 40 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

§ 52.3690 Character—(a) General. The factor of character refers to the tenderness and to the moistness of the properly heated fish flesh, and to the tendency of the pieces of fish or filets in the block to remain as a unit when the block or portions of the block are heated.

(b) For the purpose of rating the factor of character, the schedule of deviation deduction-points in Tables IX and X apply.

TABLE IX—SCORE DEDUCTIONS FOR TEXTURE SUBFACTOR

Texture condition of the cooked fish	Deduction points
Firm; slightly resilient but not tough or rubbery; moist but not mushy.....	0
Moderately firm; only slightly tough or rubbery; does not form a fibrous mass in the mouth; moist, but not mushy.....	1
Moderately tough or rubbery; has some elastic tendency to form a fibrous mass in the mouth; or is dry; or is mushy.....	2
Tough or rubbery; has marked tendency to form fibrous mass in the mouth; or is very dry; or is very mushy.....	3
Objectively tough, rubbery, dry or mushy.....	15

¹ Fish blocks which receive 15 deduction points for this subfactor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

TABLE X—SCORE DEDUCTIONS FOR COHESION SUBFACTOR

Cohesion condition of the cooked fish	Deduction points
The pieces comprising the cooked sample cohere very tightly. They can be separated only by significant tearing of the flesh.....	0
The pieces comprising the cooked sample cohere fairly tightly and they can be separated only by moderate tearing of the flesh.....	1
The pieces comprising the cooked sample cohere slightly. They can be separated easily with slight or no tearing of the flesh.....	2
The pieces comprising the cooked sample show no tendency to cohere. They can be separated very easily.....	3

DEFINITIONS

§ 52.3691 *Definitions*—(a) "Heating in a suitable manner." Heating in a suitable manner means heating the product as follows:

(1) Cut three or more portions about four by three by one-half inches from a frozen block. Wrap individually or in single layer in aluminum foil. Place packaged portions on a wire rack suspended over boiling water in a covered container. Steam the packaged portions until the product is thoroughly heated, or

(2) Cut and package the portions as described in subparagraph (1) of this paragraph. Place the packaged portions on a flat cookie sheet or shallow flat-bottom pan of sufficient size so that the packages can be spread evenly on the sheet or pan. Place pan and frozen contents in a properly ventilated oven heated to 400 degrees Fahrenheit and remove when the product is thoroughly heated.

LOT CERTIFICATION TOLERANCES

§ 52.3692 *Tolerances for certification of officially drawn samples.* The sample rate and grades of specific lots shall be certified on the basis of the "Regulations Governing Inspection and Certification of Processed Fruits and Vegetables and Related Products" SRA-AMS 155, revised May 1957, effective July 1, 1957.

SCORE SHEET

§ 52.3693 *Score sheet for frozen fish blocks.*

Label.....
 Size and kind of container.....
 Container mark or identification.....
 Size of lot.....
 Number of blocks per master carton.....
 Size of sample.....
 Species of fish declared.....
 Actual net weight..... (kg.)..... (lb.)

Factor	Standards score points	Sample Score
Appearance.....	25
Uniformity.....	20
Defects.....	40
Character.....	15
Total.....	100

Flavor and odor.....
 Final grade.....

Dated February 3, 1958, to become effective on April 1, 1958.

[SEAL] Roy W. LENNARTSON,
 Deputy Administrator,
 Marketing Services.

NOTE: ALSO SEE COMMERCIAL FISHERIES REVIEW, FEBRUARY 1958, P. 82; OCTOBER 1957, P. 7.



Federal Trade Commission

CANNED SEAFOOD COMPANY CHARGED WITH ILLEGAL BROKERAGE PAYMENTS:

The Federal Trade Commission on February 10, 1958, charged a Seattle, Wash., firm handling canned seafood, and its president, with making illegal brokerage payments to some customers.

A Commission complaint (No. 7035, Canned Seafood) charges that the parties give favored customers reduced prices which reflect brokerage, or rebates in lieu of brokerage, in violation of Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act. The President of the firm, the complaint says, owns all or substantially all of the company's capital stock. He also owns a substantial interest in, and is president of, two seafood packing companies: one owns and operates canneries in Kodiak, Cordova, and Juneau, Alaska; the other owns a clam-packing plant at Aberdeen, Wash.

According to the complaint, the respondents sell their own canned salmon and other seafood on a cost plus 5 percent basis with no commission paid by their subsidiary packers. In addition, they act as primary brokers for various packer principals, receiving 5 percent of the net selling price for their services in these transactions.

Alleging that sales usually are made through field brokers who receive a 2½-percent brokerage fee, the complaint notes, however, that the parties make many direct sales to at least one large buyer having branches in North and South Carolina and Florida. In these transactions, the complaint charges, this favored customer illegally is granted a rebate of 2½ percent under the guise of a promotional allowance.

The complaint alleges the parties use these additional means in making unlawful allowances to certain favored buyers: (1) selling their principals' seafood products at net prices lower than those accounted for to the packer-principals; and (2) selling their own products at net prices lower than those charged nonfavored customers. These latter reduced prices, the complaint alleges, reflect brokerage or a discount in lieu thereof.

The parties were granted 30 days in which to file answer to the complaint. A hearing was scheduled April 14 in Seattle, Wash., before a Federal Trade Commission hearing examiner.

**SALMON BROKER DENIES
CHARGES OF ILLEGAL
BROKERAGE PAYMENTS:**

A Seattle, Wash., primary broker of canned salmon on January 31 denied Trade Commission charges of making illegal brokerage payments to some customers. Answering (No. 6979, Canned Seafood) the Commission's complaint of December 12, 1957, the firm denies it has granted certain buyers discounts or allowances in lieu of brokerage in violation of Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act. The firm denies that on direct sales not involving field brokers (those employed to handle transactions in areas other than Seattle) it gave large grocery chains illegal grants by (1) allowing rebates which were not charged back to its packer principals but were taken from its commission, and (2) granted discounts which ostensibly were charged back to the packers, but were actually borne by itself through taking a 2.5-percent brokerage fee instead of the customary 5 percent.

Its normal commission in these direct sales is 2.5 percent and not 5 percent as alleged, the firm asserts, and the 5 percent fee is charged only in transactions where a field broker is employed, with each receiving a 2.5-percent split.

The firm and its officers ask that the complaint be dismissed.

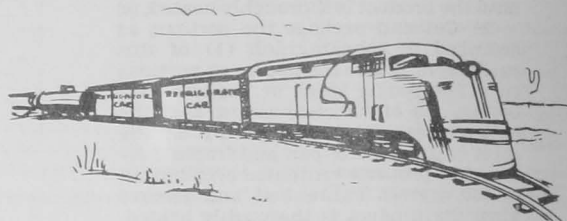


Interstate Commerce Commission

**RAIL-FREIGHT RATE
INCREASES GRANTED:**

Effective February 15, 1958, the Interstate Commerce Commission (Ex Parte 212) granted increases in rail-freight rates and certain other charges. A general 2-percent increase was prescribed for all commodities not specifically provided for in the petition filed in Ex Parte 212. Specific increases were approved for fishery products as follows: (1) Fish and shellfish; fresh or frozen, regardless of length of haul--5 cents per 100 pounds. (2) Food prod-

ucts in cans or packages; not frozen, including canned fishery products--1 cent per 100 pounds (no increases in Southern District). (3) Feed animal or poultry--3 percent (no increase in Southern District). (4) Fish and marine animal oil--5 cents per 100 pounds. (5) Fertilizer ingredients 1 cent per 100 pounds (no increase in Southern District).



A maximum limit was placed on the proposed increase on shells (oyster, clam, or mussel). An increase of 3 percent, but not to exceed a maximum of 12 cents per net ton, was authorized for these products.

In addition, the Commission allowed: (1) a 10-percent increase in diversion and reconsignment charges; (2) a 5-percent increase in stopping-in-transit and switching charges; (3) a 10-percent increase in present loading and unloading charges; (4) suspended for investigation the proposed new charge of \$1.20 per ton for handling waterborne traffic, and the proposed reduction in free-time allowance for export traffic; (5) suspended the proposed new charges on loading and unloading of all freight at New York and Philadelphia.



Treasury Department

BUREAU OF CUSTOMS

**GROUND FISH FILLET IMPORT
TARIFF-RATE QUOTA FOR 1958:**

The reduced-tariff-rate import quota on fresh and frozen groundfish (cod, haddock, hake, pollock, cusk, and ocean perch) fillets and steaks for calendar year 1958 is 35,892,221 pounds, the Bureau of Customs announced in the February 14 Federal Register. Divided into quarterly quotas this means that 8,972,055 pounds of groundfish fillets and steaks during each quarter of 1958 may be

imported at the $1\frac{7}{8}$ cents-per-pound rate of duty, and any imports over the quarterly quota will be dutiable at the rate of $2\frac{1}{2}$ cents a pound.

Table 1 - Reduced-Tariff-Rate Import Quota for Fresh and Frozen Groundfish Fillets and Steaks, 1951-58

1958	1957	1956	1955	1954	1953	1952	1951
(Million Pounds)							
35.9	37.4	35.2	35.4	34.0	33.9	31.5	29.3

The reduced-rate import quota for 1958 is 4.0 percent less than the 1957 quota of 37,375,636 pounds, the first significant decline since 1951. From 1951 to 1958 the quantity of fresh and frozen groundfish fillets permitted to enter the United States at the reduced rate of duty of $1\frac{7}{8}$ cents a pound has increased 22.5 percent.

Table 2 - United States Aggregate Apparent Annual Consumption of Fresh and Frozen Groundfish Fillets and Steaks

3-Year Period	Quantity
	Million Lbs.
1955-57	239.2
1954-56	249.2
1953-55	234.6
1952-54	236.2
1951-53	226.3

Average aggregate apparent annual consumption in the United States of fresh and frozen groundfish fillets and steaks (including the fillet blocks and slabs used in the manufacture of fish sticks) for the three years (1955-1957) preceding 1958 was 239,231,473 pounds, calculated in accordance with the proviso to item 717 (b) of Part I, Schedule XX, of the General Agreement on Tariffs and Trade (T. D. 51802). This was substantially less than the consumption of 249,170,904 pounds for 1954-56, but still higher than the 234,643,830 pounds consumed in the three-year period of 1953-55.

The notice as published in the February 14, 1958, Federal Register follows:

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T. D. 54528]

FISH

TARIFF RATE QUOTA FOR CALENDAR YEAR
1958

FEBRUARY 10, 1958.

In accordance with the proviso to item 717 (b) of Part I, Schedule XX, of the General Agreement on Tariffs and Trade (T. D. 51802), it has been ascertained that the average aggregate apparent annual consumption in the United States

of fish, fresh or frozen (whether or not packed in ice), filleted, skinned, boned, sliced, or divided into portions, not specially provided for: Cod, haddock, hake, pollock, cusk, and rosefish, in the three years preceding 1958, calculated in the manner provided for in the cited agreement, was 239,281,473 pounds. The quantity of such fish that may be imported for consumption during the calendar year 1958 at the reduced rate of duty established pursuant to that agreement is, therefore, 35,892,221 pounds.

[SEAL]

RALPH KELLY,
Commissioner of Customs.

NOTE: SEE COMMERCIAL FISHERIES REVIEW, MARCH 1957, PP. 57-58.

* * * * *

NEW CUSTOMS VALUATION APPLIES TO MOST FISHERY IMPORTS:

The Treasury Department on January 28, 1958, announced that February 27, 1958 would be the effective date for entry into force of the valuation provisions of the Customs Simplification Act of 1956. All provisions of the Act are now in effect.

The announcement was accompanied by the publication in the January 28, 1958, Federal Register of the final list of the articles which, when imported into the United States on or after February 27, 1958, will continue to be valued for Customs purposes under the presently applicable provisions of the Tariff Act of 1930 rather than under the new valuation provisions of the Simplification Act. Most fishery products and byproducts are not on the list and will be valued under the new valuation provisions. (Very few fishery items are on the list.)

It is expected that use of the new valuation provisions will result in the simplification of Customs work and the speeding up of final determination of the duties due on imported merchandise. The new valuation provisions will apply to most of the merchandise imported into the United States which is dutiable on the basis of value.

Section 6(a) of the Simplification Act, an amendment added on the Senate floor, provided that the Act's new valuation provisions were not to be applicable to articles whose average dutiable value the Secretary of the Treasury found would decrease by 5 percent or more under the new valuation procedures.

The section provided for the publication of a preliminary list of such articles, based on Customs experience in the fiscal year 1954. The preliminary list was published August 23, 1957.

The final list published January 28 encompasses the items on the preliminary list together with additions made as a result of Treasury investigations of the presentations of interested parties during the 60-day period.

The Act provides that 30 days following the date of publication of the final list, all articles not on the final list will be valued under the new provisions. Articles on the final list will continue to be appraised under the old law.

The new valuation procedures are set forth in section 2 of the Simplification Act. As already stated, they will apply to most United States imports dutiable on the basis of value (ad valorem and compound duty merchandise). Export value (the usual wholesale value in the foreign market for trade with the United States) will be the preferred basis of valuation under the new procedures, instead of the older formula of the higher of export value or foreign value (the usual wholesale value in the foreign market for home consumption).

A number of changes in definition which will permit an export value to be determined more readily are also contained in section 2.

In total 139 commodity numbers are included on the final list in full and 230 commodity numbers have some but not all items included on the final list.

The estimated fiscal 1954 dollar value of importations of all items included on the final list amounts to approximately \$234,000,000 (dollar value of items not imported in fiscal year 1954 is included as the dollar value for the subsequent fiscal year closest to fiscal year 1954 for which there were importations). This constitutes 16.6 percent of the total fiscal 1954 dollar volume of importations dutiable on the basis of value and approximately 2.3 percent of the total dollar volume of all fiscal 1954 importations.

The fishery items included on the list of items that will be valued for customs purposes under the applicable provisions of the Tariff Act of 1930 are as follows: sodium alginate; extracts, seaweed, manufactured; floats, cork, for fish nets; floats, trawl, aluminum; leaders, fishing, knotless, tapered, made of synthetic monofilament; line, fishing, nylon; spoons, fishing; swivels, fishing.



Eighty-Fifth Congress (Second Session)

Public bills and resolutions which may directly or indirectly affect the fisheries and allied industries are reported upon. Introduction, referral to committees, pertinent legislative actions, hearings, and other chamber actions by the House and Senate, as well as signature into law or other final disposition are covered.



ALASKA SPAWNED SALMON PROTECTION: H. Res. 451 (Tollefson) introduced in the House on January 15, 1958, a resolution requesting the Secretary of the Interior and all departments of Government to protect Alaska-spawned salmon. Reported favorably, with amendment, by the Subcommittee on Fisheries and Wildlife Conservation to the full Committee on Merchant Marine and Fisheries on February 17, 1958.

S. Res. 263 (Magnuson, Jackson, and Morse) an original (similar in purpose to S. Res. 247, Magnuson and Jackson introduced on January 23, 1958) resolution requesting the Secretary of State and other appropriate officials of the United States to initiate negotiations immediately with the Government of Japan for the purpose of further effectuating the 1952 treaty with Japan, and to insure, in time for the 1958 season, such action as may be necessary to prevent the destruction of salmon stocks of North American origin. Reported favorably by the Senate Committee on Foreign Relations on February 19, 1958 (S. Rept. No. 1291).

S. Rept. No. 1291, Protection of Alaskan Red Salmon Fisheries (February 19, 1958, 85th Congress 2nd Session, to accompany S. Res. 263), 2 pp., printed. The report recommends: "It seems beyond question that unless immediate measures are taken to preserve the Alaskan salmon resources from continued decimation by Japanese fishing fleets, the red-salmon cycle will be disrupted to a point from which full recovery may not be possible."

Moreover, the impact of Japanese exploitation of these resources has created severe economic dislocation for our own fishermen, closing certain fisheries to them entirely. This, of course, has produced adverse consequences for the salmon-fishing industry, resulting in the disappearance of the Alaskan salmon commodity from many consumer markets in the United States.

"To be effective for the 1958 season, immediate action by our Government is essential. For this reason, the Committee on Foreign Relations urges the Senate to give its approval to the pending resolution without delay."

FISHERIES ASSISTANCE ACT OF 1958: H. R. 10652 (Westland) introduced in the House on February 10, 1958, a bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Merchant Marine and Fisheries. Also H. R. 10976 (Lane) introduced on February 25 and H. R. 11004 (O'Neill) introduced on February 26. These bills are similar to S. 3229 (Saltonstall and others) and H. R. 10529 (Bates). See *Commercial Fisheries Review*, March 1958, p. 64 for information on these bills.

FISH AND WILDLIFE CONSERVATION TO BE EVALUATED IN FLOOD CONTROL PROJECTS:

H. R. 5497 (Cooley) introduced in the first session of the 85th Congress, a bill to make the evaluation of recreational benefits and fish and wildlife conservation, resulting from flood control, navigation, or reclamation projects an integral part of project planning, and for other purposes. Passed the House with amendment on February 17, 1958. The bill as passed provides for amendment to section 4(2) (A) of the Watershed Protection and Flood Prevention Act (Public Law 1018, 84th Congress) by inserting immediately after "and disposal of water," the following: "or for recreational and fish and wildlife development." The amendment limits payments of financial assistance by the Secretary of Agriculture to local organizations for the improvement of fish and wildlife developments prior to July 1, 1958.

FISHERY EXTENSION SERVICE: H. R. 10623 (McIntire) introduced in the House on February 10, 1958, a bill to authorize the Secretary of the Interior to establish a fishery extension service in the Fish and Wildlife Service of the Department of the Interior for the purpose of carrying out cooperative fishery extension work with the States, Territories, and possessions; to the Committee on Merchant Marine and Fisheries. Similar to S. 2973 (Payne) introduced on January 13, 1958, and H. R. 10275 (Hale) introduced on January 27, 1958. (See *Commercial Fisheries Review*, March 1958, p. 65, for additional information on these bills).

INTERIOR DEPARTMENT APPROPRIATIONS:

H. R. 10746 (Kirwan) introduced in the House on February 14, 1958, a bill making appropriations for the Department of the Interior and related agencies (including the Fish and Wildlife Service) for the fiscal year ending June 30, 1959, and for other purposes; to the Committee on Appropriations. Reported to the House on February 17, 1958 (H. Rept. No. 1346).

House Report No. 1346, Department of the Interior and Related Agencies Appropriation Bill, 1959 (February 14, 1958, 85th Congress, 2nd Session, to accompany H. R. 10746) 23 pp., printed. The report by the Committee on Appropriations as it concerns the Fish and Wildlife Service reads as follows:

Office of the Commissioner of Fish and Wildlife Service: The Committee has allowed the budget estimate of \$307,800 for executive direction and coordination of the Fish and Wildlife Service at headquarters in Washington, D. C. The amount represents a reduction of \$605,400 from the 1958 appropriation for this item due to the transfer in the budget estimates to the Bureau of Sport Fisheries and Wildlife and the Bureau of Commercial Fisheries of \$547,910 and \$57,490 respectively to correspond with the reorganization effected under the "Fisheries Act of 1956."

In addition to the direct appropriations provided in the bill for general administrative expenses, the Committee has approved the use of a maximum of \$995,500, the budget request, from the permanent appropriations to pay the administrative expenses of the Fish and Wildlife Service incident to carrying out programs financed from this source. This is the same level approved by the Congress for the current year.

BUREAU OF SPORT FISHERIES AND WILDLIFE: MANAGEMENT AND INVESTIGATION OF RESOURCES: The Committee recommends the budget estimate of \$11,508,000. Although a decrease of \$492,000 from the direct appropriation for 1958, the amount provided actually represents an increase of \$48,000 on an obligation basis due to a budgetary reserve of \$540,000 in effect during the current year. The recommended appropriation includes an increase of \$270,000 for operation and maintenance of fish hatcheries and \$125,000 for disease and nutrition studies on salmon being financed in fiscal year 1958 by transfer from the Corps of Engineers. Decreases in the direct appropriation available for administration of wildlife resources and wildlife studies have been offset in the budget estimate by an increase in the funds available from permanent appropriations.

It is requested that a study be initiated, within available funds, of the need and desirability of constructing a new aquarium building in Washington, D. C.

CONSTRUCTION: The budget estimate of \$1,458,000 has been allowed for construction of fish hatchery, game management, and wildlife refuge facilities, a decrease of \$4,219,000 from the 1958 appropriation. However, due to the \$3,024,314 held in budget reserve during the current year which will be available in fiscal year 1959, there will be a decrease of only \$964,686 in the level of the construction program.

GENERAL ADMINISTRATIVE EXPENSES: The Committee has allowed the budget estimate of \$714,100. This is an increase of \$547,910 over the 1958 appropriation due to the transfer in the estimates of this amount from the Office of the Commissioner of Fish and Wildlife as explained above.

BUREAU OF COMMERCIAL FISHERIES: MANAGEMENT AND INVESTIGATIONS OF RESOURCES: The budget estimate of \$5,866,000 has been allowed, an increase of \$85,000 over the 1958 appropriation. Due to funds held in reserve during the current fiscal year, a net increase of \$125,000 will actually be available in fiscal year 1959. The estimates provide within the total for an increase of \$200,250 for research and marketing and technology investigations, chiefly to meet increased costs. A decrease of \$75,250 in the direct appropriation for administration of Alaska fisheries is offset by an increase in the funds available from permanent appropriations.

CONSTRUCTION: The budget estimate of \$500,000 is recommended, a decrease of \$200,000 from the 1958 appropriation. Major projects to be financed in 1959 include a Shellfish Research Laboratory in the Chesapeake Bay area, \$180,000; equipment for the technological laboratory at Gloucester, Mass., \$193,700; and a replacement of a warehouse at King Salmon base, \$75,000.

LIMITATION ON ADMINISTRATIVE EXPENSES, FISHERIES LOAN FUND: The Committee has allowed an administrative expense limitation of \$313,000, the same as the current year, and a decrease of \$50,000 from the budget request. The current limitation of \$313,000 should be adequate for fiscal year 1959 as administrative expenses under the Fisheries Loan Fund are now estimated at only \$250,000 for the current year.

GENERAL ADMINISTRATIVE EXPENSES: The budget estimate of \$175,000 has been allowed. This is an increase of \$75,490 over the 1958 appropriation due to the transfer in the estimates of this amount from the Office of the Commissioner of Fish and Wildlife as explained above.

LOAN FUND FOR FISHERIES: S. 3295 (Magnuson and Payne) introduced in the Senate on February 17, 1958, a bill to amend the Fish and Wildlife Act of 1956 in order to increase the authorization for the fisheries loan fund established under such act; to the Committee on Interstate and Foreign Commerce. This bill would amend subsection (c) of section 4 of the Fish and Wildlife Act of 1956 (70 Stat. 1121) by striking out \$10,000,000 and inserting in lieu thereof \$20,000,000. Related bills were introduced in the House and Senate during the first Session of the 85th Congress. S. 2720 (Magnuson and Payne) passed the Senate on August 20, 1957.

SMALL BUSINESS TAX RELIEF: H. R. 10617 (Judd) introduced in House on February 10, 1958, a bill to amend the Internal Revenue Code of 1954 so as to establish an initial program of tax adjustment for small and independent business and for persons engaged in small and independent business; to the Committee on Ways and Means. Similar to 12 or more bills introduced during the first session of the 85th Congress.

SMALL BUSINESS: Senate Report No. 1282, Eighth Annual Report of the Selected Committee on Small Business (February 10, 1958, 85th Congress 2nd Session) by Select Committee of Small Business, created pursuant to S. Res. 58, 81st Congress, 77 pp., printed. Describes the factors affecting the welfare of small business during 1957. Concludes that no significant changes in the business climate prevailed during 1957 which might be considered as improving the competitive position of small firms. Several recommendations are made, one of which, recommends that the 2nd session of the 85th congress develop a thoughtfully conceived legislative program to counterbalance the unwholesome inequalities between big- and small-business units which seemly have become a fixed characteristic of the postwar economic climate.

TRADE AGREEMENTS ACT EXTENSION: H. R. 10675 (Dawson) introduced in the House on February 13, 1958, a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means. Similar to H. R. 10368 (Mills). Hearings began on February 17 on this bill. Also H. R. 10818 (Davis of Georgia) introduced on February 19, 1958, H. R. 10886 (Bailey), H. R. 10909 (Henderson), and H. R. 10919 (Saylor) introduced on February 24, 1958, similar to H. R. 10675 (see Commercial Fisheries Review, March 1958, p. 65) for other related bills. Hearings were opened on February 17 on bills proposing the extension of the Trade Agreements Act.

TRADE AGREEMENTS PROGRAM: Foreign Trade Policy (Hearings before the Subcommittee on Foreign Policy of the Committee on Ways and Means, House of Representatives, First Session, 85th Congress, pursuant to H. Res. 104, Dec. 2-13, 1957), 865 pp., printed. Reports the panel discussions and statements by individual witnesses, exhibits, and statements submitted by mail.

