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TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter D—Regulations Under Soil Bank Act

[Amdt. 5]

PART 485—SOIL BANK

SUBPART—ACREAGE RESERVE PROGRAM

MISCELLANEOUS AMENDMENTS

The regulations governing the 1957 acreage reserve part of the Soil Bank Program (21 F. R. 10449, 22 F. R. 494, 971, 973) are hereby further amended as provided herein.

1. Section 485.211 (a) (3) is amended by deleting that part of the third sentence which precedes the proviso and inserting in lieu thereof the following: "In the case of acreage of any commodity placed in the program under an agreement entered into on Form CSS–800 (crops other than winter wheat), such producers will be permitted to place additional acreage in the program to the extent authorized by the Administrator."

2. Section 485.240 is amended to read as follows:

§ 485.240 *Waiver, termination, and correction of agreements.* (a) The Administrator, in order to prevent undue hardship, may waive the requirements of any provision of the regulations contained herein or in the agreement, or may consent to the termination by the producer of any agreement entered into hereunder, if such waiver or consent to termination is not prohibited by law and if, in his judgment, such action is in the best interests of the program. Any such waiver or consent to termination shall be in writing and shall contain a full statement of the reasons therefor. If the facts or circumstances on which the request for a waiver or consent to termination are based have or are likely to have general applicability, relief may not be given under the provisions of this section but only by an appropriate amendment to these regulations.

(b) 1957 acreage reserve agreements which are not in conformity with the regulations may be corrected only in accordance with instructions issued by the Administrator (copies of such instructions will be available in the office of the county committee).

(Sec. 124, Pub. Law 540, 84th Cong.)

Issued at Washington, D. C., this 8th day of March 1957.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 57–1885; Filed, Mar. 12, 1957; 8:48 a. m.]

TITLE 7—AGRICULTURE

Chapter III—Agricultural Research Service, Department of Agriculture

[P. P. C. 612, Fourth Rev., Supp. 4]

PART 301—DOMESTIC QUARINTINE NOTICES

SUBPART—KHAPRA BEETLE

ADMINISTRATIVE INSTRUCTIONS DESIGNATING PREMISES AS REGULATED AREAS

Pursuant to § 301.76–2 of the regulations supplemental to the Khapra Beetle Quarantine (7 CFR 301.76–2, 20 F. R. 1012) under sections 8 and 9 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 161, 162), and Administrative Memorandum No. 101.1 of February 21, 1957 issued by the Administrator of the Agricultural Research Service, revised administrative instructions issued as 7 CFR 301.76–2a (21 F. R. 9199), effective November 27, 1956, as amended effective December 13, 1956, January 18, 1957, and February 5, 1957 (21 F. R. 9936, 22 F. R. 365, 717), are hereby amended in the following respects:

a. The designation as regulated areas of the following premises, included in the list contained in paragraph (a) of such instructions, is hereby revoked, and the reference to such premises in the list is hereby deleted, it having been determined by the Director of the Plant Pest Control Division that adequate sanitation measures have been practiced for a sufficient length of time to eradicate the khapra beetle in and upon such premises:

ARIZONA

Arlington Cattle Co. (warehouse and mill), Highway 80, Arlington.

Sherrill-LaFollette Fairview Farm, Box 105, Roll.

Wilmer Trussel Farm, General Delivery, Wellton.

(Continued on next page)

CONTENTS

FEDERAL REGISTER

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CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

CALIFORNIA

W. Harpain property (dairy), 3949 North Barton Avenue, Fresno.

Newman Seed Company property, 202 East Main Street, El Centro.

R. M. Slaton property, Route 3, Box 97, Holtville.

b. The following premises are added to the list, contained in paragraph (a) of such instructions, of warehouses, mills, and other premises in which infestations of the khapra beetle have been determined to exist. Such premises are thereby designated as regulated areas within the meaning of said quarantine and regulations:

ARIZONA

Arizona Flour Mills, Ninth and Jackson Streets, Phoenix.

Forepaugh Ranch, Box 46, Aguila.

Ted Hazen Ranch, Turner Road, Star Route, Buckeye.

CALIFORNIA

Alvin Immel Ranch, located Oasis Canal, Gate 24, intersection of East O and Road 35, Holtville.

Harry Irish property, located 12 miles south of Maricopa off Highway 399 (Sec. 22, T. 10 N., R. 24 W., S. B. B. & M.). Mail address Box 495, Maricopa.

Kern County Land Company, Stockdale Ranch, located 2 miles west of Bakersfield and 1 mile south of Stockdale Highway. Mail address P. O. Box 380, Bakersfield.

Western Montana Feeding Company property at County Roads West E and No. 22, El Centro. Mail address P. O. Box 1387, El Centro.

c. The following premises are deleted from the list, contained in paragraph (b) of such instructions, of premises in which infestations of the khapra beetle have been determined to exist, and their designation as regulated areas is hereby revoked, it having been determined by the Director of the Plant Pest Control Division that adequate sanitation measures have been practiced for a sufficient length of time to eradicate the khapra beetle in and upon such premises:

ARIZONA

Acme Bag & Burlap Co., 3200 South Seventh Street, Phoenix.

Delinting & Seed Treating Co., 3100 South Seventh Street, Phoenix.

Valley Feed & Seed, 1918 West Van Buren, Phoenix.

CALIFORNIA

Niland Food Market (store), west side of 200 block, east side of Highway 111, Niland.

Snyder's Termite Control property, 4428 Magnolia Avenue, Riverside.

This amendment shall become effective March 13, 1957.

This amendment revokes the designation as regulated areas of certain premises, it having been determined by the Director of the Plant Pest Control Division that adequate sanitation measures have been practiced for a sufficient length of time to eradicate the khapra beetle in and upon such premises. It also adds premises to the list of premises in which khapra beetle infestations have been determined to exist, and designates such premises as regulated areas under the khapra beetle quarantine and regulations.

The amendment revokes the designation as regulated areas of certain premises in Arizona and California where the approved fumigation treatment has been applied to the portion of the premises in which live khapra beetles were found and where repeated inspections covering a period of one year have failed to show any recurrence of infestation on the premises.

This amendment in part imposes restrictions supplementing khapra beetle quarantine regulations already effective. It also relieves restrictions insofar as it revokes the designation of presently regulated areas. It must be made effective promptly in order to carry out the purposes of the regulations and to permit the interstate movement, without restriction under the quarantine, of regulated products from the premises being removed from designation as regulated areas. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), it is found upon good cause that notice and other public procedure with respect to the foregoing amendment are impracticable and contrary to the public interest, and good cause is found for making the effective date thereof less than 30 days after publication in the FEDERAL REGISTER.

(Sec. 9, 37 Stat. 318; 7 U. S. C. 162. Interprets or applies sec. 8, 37 Stat. 318, as amended; 7 U. S. C. 161)

Done at Washington, D. C., this 7th day of March 1957.

[SEAL] L. F. CURL,
Acting Director,
Plant Pest Control Division.

[F. R. Doc. 57-1871; Filed, Mar. 12, 1957; 8:46 a. m.]

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

[Navel Orange Reg. 108, Amdt. 1]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914; 21 F. R. 4707), regulating the handling of navel oranges grown in Arizona and designated part of California, effective September 22, 1953, under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restrictions on the handling of navel oranges grown in Arizona and designated part of California.

Order, as amended. The provisions in paragraph (b) (1) (i) and (ii) of § 914.408 (Naval Orange Regulation 108, 22 F. R. 1315) are hereby amended to read as follows:

(i) District 1: 341,880 cartons;
(ii) District 2: 720,720 cartons.

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

Dated: March 8, 1957.

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

[F. R. Doc. 57-1869; Filed, Mar. 12, 1957; 8:46 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 1]

PART 565—RELEASE OF AIRPORT PROPERTY FROM RESTRICTIONS OF SURPLUS AIRPORT PROPERTY INSTRUMENTS OF DISPOSAL

DELEGATIONS OF AUTHORITY

(The purpose of this amendment is to delegate authority to Regional Administrators to release electric, water, gas, heating, sewerage, aircraft fuel, and other similar utility systems and the component parts thereof from the terms and conditions of Surplus Property Instruments of Disposal.)

Pursuant to the authority under section 301 of the Civil Aeronautics Act of 1938, as amended (52 Stat. 973, 54 Stat. 1233, 1235, 1236; 49 U. S. C. 401, 451), the Surplus Property Act of 1944 (58 Stat. 765) as amended by the act of July 30, 1947 (61 Stat. 678) and the act of October 1, 1949 (63 Stat. 700), § 565.5 of the regulations of the Administrator of Civil Aeronautics is amended to read as follows:

§ 565.5 *Delegations of authority.* (a) Authority is hereby delegated to the Regional Administrators to:

(1) Execute such instruments of release or correction or other instruments as may be necessary to effect the removal of record of any restriction against use of structures for industrial purposes contained in any instrument of disposal;

(2) Consent to or approve, conditionally or unconditionally, the leasing or use of any real or personal property for other than the airport use or purpose contemplated by the instrument of disposal to which such property is subject, as provided in § 565.4 (g), when in the opinion of the Regional Administrator such property is not needed for such airport use or purpose and the use or the exercise of the rights granted by the lease will not materially and adversely affect the use, operation, maintenance, development, or improvement of the airport;

(3) Execute such instruments of release or correction or other instruments as may be necessary to release from any or all of the terms, conditions, reservations, and restrictions of instruments of disposal, (i) any structures, facilities or items of personal property which, in the opinion of the Regional Administrator, have outlived their useful life or deteriorated beyond economical repair, notwithstanding the performance of such maintenance work by the airport owner as it could reasonably have been expected to perform in maintaining the property in accordance with the applicable instrument of disposal, (ii) any structures or facilities which, in the opinion of the Regional Administrator, must be removed to permit the accomplishment of needed airport improvement or expansion, (iii) any equipment such as machinery, machine tools, and vehicular equipment which, in the opinion of the Regional Administrator, is no longer needed for the purpose for which

it was conveyed or, because of size, type or other reason, is uneconomical to use for the purpose for which it was conveyed, and (iv) any electric, water, gas, heating, sewerage, aircraft fuel and other similar utility system and the component parts thereof when, in the opinion of the Regional Administrator, such system cannot economically be maintained and operated by the airport owner because of the lack of qualified operating personnel or for other reason and the release is necessary to assure accomplishment of the purpose for which the system was conveyed to such owner;

(4) Consent to or approve, conditionally or unconditionally, the conveyance or grant of rights-of-way (easements) and licenses for streets, roadways, utility lines and other pipe, pole and wire lines and drainage and irrigation facilities on, over and under lands subject to an instrument of disposal: *Provided*, That in each case the Regional Administrator first determines that exercise of the rights granted by the right-of-way or license will not adversely and materially interfere with the use, operation, maintenance, development, or improvement of the airport.

(b) Except as set forth in paragraph (a) of this section, all authority contained in Public Law 311 is reserved to the Administrator and will be exercised only by the Administrator.

(Sec. 4, 63 Stat. 700; 50 U. S. C. App. 1622c)

This amendment shall become effective upon publication in the FEDERAL REGISTER.

[SEAL] JAMES T. PYLE,
Administrator of Civil Aeronautics.

[F. R. Doc. 57–1864; Filed, Mar. 12, 1957; 8:45 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 930]

[Docket No. AO–72–A21]

MILK IN TOLEDO, OHIO, MARKETING AREA

DECISION WITH RESPECT TO PROPOSED AMENDMENT TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Toledo, Ohio, on July 31–August 2, 1956, pursuant to notice thereof which was published in the FEDERAL REGISTER (21 F. R. 5293), upon proposed amendments to the tentative marketing agreement and to the order, regulating the handling of milk in the Toledo, Ohio, marketing area.

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on January 24, 1957, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision. Said decision containing notice of opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on January 29, 1957 (22 F. R. 556).

Within the period reserved therefor, interested parties filed exceptions to certain of the findings, conclusions and actions recommended by the Deputy Administrator. In arriving at the findings, conclusions, and regulatory provisions of this decision, each of such exceptions was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that findings, conclusions and actions decided upon herein are at variance with any of the exceptions, such exceptions are overruled.

To the extent that suggested findings and conclusions proposed by interested persons are inconsistent with the findings and conclusions contained herein, the specific or implied requests to make such findings and reach such conclusions are denied on the basis of the facts found and stated in connection with the conclusions herein set forth.

The material issues relate to:

(1) An expansion in the marketing area;

(2) Changes in the Class I price differential and a revision of the supply-demand price adjustment factor;

(3) The establishment of a separate class for cottage cheese and the application of the basic formula price to Class II milk;

(4) A provision for premiums for bulk farm tank milk deliveries;

(5) A provision for location adjustments on milk received at country plants;

(6) Provisions for separate pricing of Class I milk disposed of outside the marketing area; and

(7) The revision of a number of definitions and clarification of the order language with respect to the reporting and accounting for milk.

Findings and conclusions. The following findings and conclusions on the material issues are based upon the evidence in the record of hearing:

1. The marketing area should be expanded.

Producers proposed that the present marketing area be extended to cover all of the territory of Monroe County, except the townships of Ash and Berlin; the townships of Riga, Deerfield, Blissfield, Palmyra and Ogden in Lenawee County; all in the State of Michigan; the counties of fulton, Wood and Lucas; the town of Elmore and the townships of Allen and Clay in Ottawa County; the town of Gibsonburg, and the townships of Madison and Woodville in Sandusky County; all in the State of Ohio.

Producers stated that the bulk of the Class I sales in the proposed expanded area are made by regulated handlers and that expansion of the marketing area is necessary (1) to protect the present fluid milk market outlets for producer milk; and (2) to assure that all distributors who compete for sales in this area buy milk on an equal basis.

Certain handlers opposed the extension of the marketing area into Lenawee County, Michigan, in their brief. No testimony was presented by these handlers, including the operator of the principal plant which might be directly affected. Other parties opposed the inclusion in the expanded marketing area of the townships of Exeter, London, Milan, and Dundee in Monroe County, Michigan.

The present marketing area includes the territory within the city limits of Toledo, Ohio, and Monroe, Michigan and fifteen adjoining townships. Seven of these townships are in Lucas County, Ohio, two in Wood County, Ohio, and six in Monroe County, Michigan. These townships comprise only a small portion of the total sales area serviced by handlers subject to regulation under the Toledo order. It is not necessary or feasible to extend the regulation to all areas where handlers may sell some milk.

It is concluded that the marketing area should be expanded to include: all of the territory in Lucas County and in Fulton County; the territory north of the northern boundaries of the townships of Montgomery, Portage, Liberty, Milton (including all of the town of Weston) in Wood County; all of the territory within the townships of Woodville and Madison in Sandusky County; all in the State of Ohio; all of the territory within the boundaries of the townships of Riga, Ogden, Palmyra, Blissfield, and Deerfield in Lenawee County; and all of the territory in Monroe County except the territory within the township of Ash, Berlin, Exeter, London, Milan, and Dundee; all in the State of Michigan.

The area recommended to be added to the marketing area is contiguous to the present marketing area. Recent expansion in industry and housing of the Toledo metropolitan area has extended into many of the townships recommended to be included and has been accompanied by a substantial increase in population. Toledo regulated handlers have extended their routes to supply the milk requirements of these areas. In each of the townships more than seventy-five percent of the fluid milk sales are supplied by handlers regulated by the Toledo order. Thus, the handling of milk to supply this area is closely identified with that in the present marketing area.

The health requirements for milk produced for fluid consumption in each of the townships recommended to be ad-

ded to the present marketing area are substantially the same and similar to those in the present marketing area. "Grade A" milk, or the equivalent thereof, is required for milk for fluid consumption by the health departments in all areas.

A substantial portion of the fluid milk sales in Fulton County are made by handlers now regulated under the Toledo order. Some milk is supplied in this area from a plant located at Napoleon, Ohio, and another at New Bremen, Ohio, Neither of these plants is presently subject to regulation. A plant located at Wauseon, the county seat of Fulton County, distributes milk in this area, but is regulated by virtue of sales made within the present marketing area.

The fluid milk requirements for Wood County, Ohio, are supplied primarily by handlers regulated under the Toledo, Cleveland, and Lima orders. Sales by Toledo handlers are more predominant in the territory north of Milton, Liberty, Portage and Montgomery townships while distributors regulated by the Lima order are principal suppliers of the southern portion of the county. The territory south of the northern boundary of these townships should not be included in the marketing area.

More than 85 percent of the fluid milk requirements for the proposed Madison and Woodville townships of Sandusky County, Ohio, are supplied from Toledo plants and a plant located near Woodville which is also subject to the Toledo order. Sales by an unregulated plant, located in Tiffin, Ohio, in Madison and Woodville townships represent approximately eight percent of the total fluid milk sales of this last plant. The milk supply at this plant is procured from local producers at from 15 to 20 cents per hundredweight less than the Toledo marketwide average blend price. No objection was expressed to the extension of the marketing area to include these townships.

The townships of Allen and Clay (including the town of Elmore) in Ottawa County should not be added to the marketing area because there is no health ordinance applying to milk sold for fluid consumption in these townships.

The present marketing area includes that portion of Monroe County, Michigan, within the boundaries of Whiteford, Bedford, Erie, LaSalle, Monroe and Frenchtown townships. The proposal also would include Rasinville, Ida, Summerfield, Milan, London, Exeter and Dundee townships. The major portion of the milk supply for the first three townships is supplied by Toledo handlers while the last four townships are supplied primarily by Detroit regulated handlers. There is no need to extend the Toledo marketing area to include these last four townships.

Recent developments in the procurement and sale of milk centered in Lenawee County, Michigan, is of much concern to producers and threatens to disrupt the orderly marketing of producer milk. A distributing plant located in Palmyra township, Lenawee County, is operated by a handler who operates a pool plant in Toledo. The Palmyra plant is approximately 30 miles from Toledo. Milk is distributed from this plant outside of the present marketing area throughout a considerable portion, if not all of the proposed extended area in Michigan. This milk is sold primarily in competition with milk fully regulated under the Toledo and Detroit orders. Some milk also is disposed of outside of this area.

The Palmyra plant has been operated for a number of years, but it was remodeled and its facilities were expanded in 1954. A portion of the raw milk requirements at this plant is received from a herd maintained by the operator of the plant. Starting in 1956, milk also has been received directly from dairy farmers who deliver their milk in bulk farm pick-up tanks as diverted milk from Toledo. Milk, at times, also is received from a plant located at Defiance, Ohio. Packaged milk and other dairy products are moved from the Toledo plant to the Palmyra plant for disposition.

Because under the present provisions of the order milk transferred or diverted from a Toledo pool plant to an unregulated plant may be assigned to Class II utilization to the extent of such utilization at the nonpool plant, producers contended that it is possible they are not getting the full utilization value of their milk. No Class II operations of any consequence, however, are conducted in the Palmyra plant. The evidence fails to show that significant quantities of producer milk have been classified as Class II milk through diversion or transfer of milk to this plant from the Toledo market. However, because of the proximity of this plant to the Toledo plant and the ease of transfer of milk and milk products between these plants, it is possible that producer milk devoted to Class II uses, such as cottage cheese, butter, ice cream and the like, associated with the over-all milk business of this handler, may be manufactured in the Toledo plant and supplied to the Palmyra plant while at the same time, all of the fluid milk received at the Palmyra plant is disposed of as Class I milk. Thus, the business can be conducted in such a manner that the handler's own production and the other fluid milk which is packaged at the Palmyra plant has an exclusive Class I outlet throughout the year, while producers of milk for the Toledo market bear the cost of maintaining the necessary daily and seasonal reserve supplies of milk associated with the over-all operation of the two plants.

The procurement, handling, and sales of milk in the Palmyra plant and the Toledo pool plant of this handler are conducted primarily in competition with the corresponding operations of handlers under the order. The effective regulation of the handling of milk for the over-all Toledo distribution area, therefore, compels the extension of the marketing area to include the proposed townships in Lenawee County.

Provisions should be made for distributors of milk in the recommended contiguous area to pay the same price for milk used in a given class as that paid by handlers in the presently regulated area. This may be accomplished by extending the marketing area as heretofore stated. This extension of the marketing area is necessary to safeguard and make more effective the classified pricing plan of the order and to insure and promote orderly marketing conditions.

2. The Class I price differential should be increased and the supply-demand provisions should be revised.

Producers proposed that the Class I price differential be modified to reflect a closer and appropriate relationship with the Class I differentials in competing markets, both on an annual level basis and in the seasonal pattern of changes in Class I prices. They also proposed that the supply-demand adjustment provisions of the order be changed to reflect more adequately the present seasonal relationship of producer milk receipts to fluid milk sales.

Handlers under the Toledo order compete in the procurement and sales of milk principally with handlers regulated by the Cleveland, Lima, and Detroit orders. The basic formula price in the Toledo order is similar to that contained in the orders for these neighboring markets. There is considerable difference, however, in the Class I price differentials. On an annual basis, the differentials at the marketing area are $1.43 for Detroit, $1.63 for Cleveland and $1.14 for Toledo. The Class I price under the Lima order is established, through a location adjustment, at 34 cents below the Cleveland Class I price. Part of this difference in Class I differentials reflect the need for drawing milk supplies from greater distances to supply the requirements of the larger consuming centers of Detroit and Cleveland. For example, the Cleveland Class I differential adjusted to plants located at the fringe of the Toledo marketing area is $1.41.

Some of the additional differences in the Class I price differentials, between the Toledo and other markets, have been offset by additions to the Class I price provided by the supply-demand adjuster for the Toledo market and minus adjustments in the Class I prices in the other markets. During the 12-month period, immediately preceding the hearing, July 1955–June 1956, an average of 15 cents per hundredweight was added to the Class I price for Toledo. This compares with a reduction in Cleveland of seven cents and approximately four cents in Detroit during this same period. Based on the supply-demand adjustments under the Toledo order, during the first silx months of 1956 and estimates for the remainder of the year, an average of between 20 and 25 cents per hundredweight is expected to be added by supply-demand adjustments for the year 1956.

From 1953 to 1955, the average monthly producer receipts of milk for the Toledo market increased 15 percent as compared with an increase of 16 percent in Class I sales. From 1954 to 1955, receipts increased 7 percent while sales increased almost 10 percent. During the first six months of 1956, receipts of producer milk increased 5 percent over those for the first half of 1955 as compared with an 11 percent increase in fluid milk sales.

One reason for the decline in producer receipts of milk in relation to sales during the past year or so is the stricter en-

forcement by the Toledo Health Department of temperature requirements on milk received from the farm. This has entailed purchase by farmers of additional cooling equipment, and in some cases, remodeling of milk houses to meet these more difficult requirements. For this reason, some producers have shifted from supplying the Toledo market to supplying the other markets.

The annual level of producer milk receipts in relation to sales is relatively low in the Toledo market. In 1955, producer receipts was 1.13 times Class I utilization as compared with 1.36 for Cleveland and 1.37 for Detroit. In addition, during the past two years, the Toledo market has become increasingly short of producer receipts in relation to Class I sales in the fall months. In the September–November period of 1955, producer milk receipts were 2.5 percent short of supplying Class I milk requirements as compared with a shortage of 0.2 percent for the same period a year earlier.

Through the action of the supply-demand adjuster in these markets, Class I prices have tended toward a more reasonable relationship than otherwise would have prevailed. Marketwide averages of blend prices to producers supplying the Toledo market have been relatively favorable in relation to the blend prices in competing markets. Nevertheless, the receipts of producer milk in the Toledo marketing area have not kept pace with increased sales of fluid milk products. Under the present pricing arrangement, however, any increase in producer milk receipts in relation to Class I sales would have the effect of immediately reducing the Toledo Class I price and widening the differnece in Class I prices among the competing markets. The seasonal characteristics of the adjustments under the present supply-demand adjuster have aggravated the problem of differences in Class I prices complained about, particularly by Detroit handlers. Even more important, however, uniform prices to producers would be lowered under the present supply-demand adjuster before an adequate supply of milk is attracted to the market.

The Toledo, Detroit, Cleveland, and Lima markets are affected by common or very similar economic conditions affecting the procurement and sales of fluid milk. Because of the close competitive relationships there should be a reasonable and "normal" alignment of Class I prices over a period of time. It is basic, therefore, that price alignment among these markets be achieved by establishing more similar Class I differentials over basic formula prices. This is not to say that changes in supply-demand relationships in an individual market do not require adjustments in the "normal" or longer term alignment of prices to reflect these changed local conditions. It is only through such adjustments in class prices in the individual markets that the available supplies of milk will be attracted to the different markets in accordance with their needs.

For the above stated reasons, the Class I differential should be increased 25 cents per hundredweight on an annual basis and corresponding adjustments should be made in the supply-demand adjustment provisions of the order. The present seasonal difference in the Class I differential should be maintained until such time as some other method to encourage a production pattern more nearly in accord with sales of fluid milk products is adopted. It is therefore concluded that the following Class I price differential pattern should be adopted:

April, May, and June	$1.00
February, March, and July	1.25
August through January	1.65

The above differentials will result in an average annual Class I price differential of slightly less than $1.39 per hundredweight. As previously stated, the seasonal differences resulting from the supply-demand adjuster should be eliminated. The proposed changes, therefore, will result in somewhat less seasonal movements in the Class I price and smaller differences in Class I prices among the competing markets.

Analysis of the receipts and sales relationships in the Toledo market and the operation of the supply-demand adjuster for the past several years shows the need for revising the supply-demand adjustment factor in the order to modernize the seasonal pattern in the standard utilization percentages. During the past three years, the pattern of producer milk receipts to sales has changed so that receipts in relation to sales are lowest in September as compared with November in former years. The supply-demand adjuster should be revised, therefore, so as to reflect more current seasonality patterns.

Because the Class I differential is being increased as previously discussed, the supply-demand adjuster should not operate until the supply of milk has increased to a more "normal" or desired level in relation to Class I sales.

The present method of determining utilization percentage, based on the receipts of producer milk and sales in the first and second months immediately preceding the month for which prices are announced, should be continued. The supply-demand adjustment factor should become effective when the supply-demand ratio equals or exceeds the standard utilization percentage, as set forth in the following schedule, for each of three successive months (i. e., the supply-demand adjustment will be operative for the third month and for each month thereafter):

Month for which the price is being computed:	*Standard utilization percentage*
January	115
February	123
March	129
April	130
May	130
June	137
July	138
August	127
September	116
October	108
November	105
December	108

The standard utilization percentages heretofore set forth are expressed in terms of the ratio of producer receipts to gross Class I utilization for all pool plants (excluding transfers between pool plants). The current order applies the ratio of Class I utilization to producer milk receipts. Industry representatives more frequently refer to supply-demand relationships on the basis of the former ratios. It is more natural and meaningful to express supply conditions in terms of the relationship of producer milk receipts to Class I sales.

The standard utilization percentages, incorporated herein, provide for an up-to-date seasonal pattern. The schedule was developed through the analysis of relationships during the past two years with allowances for trend in the relationship and with consideration of a need for a 5 percent reserve supply of milk during the two months when receipts are lowest in relation to sales, September and October. Based upon past history, a 5 percent reserve for the months of September and October, is necessary and adequate under present conditions in this market.

It is necessary to make appropriate changes in the present brackets providing monetary adjustments in the Class I price as a result of expressing the utilization percentages as ratios of receipts to sales. The recommended method of expressing the supply-demand ratio results in greater percentage point deviations under a given supply-demand condition than under the present method of computation. Therefore, to accommodate this change without altering the responsiveness of the spuply-demand adjuster, the "no adjustment" deviation bracket should be widened from (+1 or −1) to (+2 or −2) and other minor alterations. Thus, the amount of the supply-demand adjustment should be determined by the following schedule:

If deviation percentage is:	*Supply-demand adjustment in cents is:*
+16 or over	−50
+13 or +14	−40
+10 or +11	−30
+7 or +8	−20
+4 or +5	−10
+2 or −2	0
−4 or −5	+10
−7 or −8	+20
−10 or −11	+30
−13 or −14	+40
−16 or under	+50

Producers' proposal to incorporate separate "contra-seasonal factors" in Class I pricing mechanism should be denied. By continuation of seasonal Class I price differentials, as recommended, contra-seasonal changes in Class I prices are less likely than under more uniform differentials from month-to-month, as proposed by producers. Changes in Class I prices, resulting from the supply-demand adjuster should be permitted to operate regardless of the season of the year. Once supplies and sales are in proper balance, prices should be adjusted as soon as a change in the trend in the relationship of producer milk receipts to fluid milk sales becomes evident. It is essential that price changes be reflected as quickly as possible to bring about appropriate sales and production responses in accordance with changes in the market situation. The adoption of a contra-seasonal provision would partly nullify

the effectiveness of the supply-demand adjustment factor.

3. The Class II price should be the basic formula price during the months of July through February.

It was proposed by producers that the order basic formula price be used as the Class II price during each month of the year. At the present time, the Class II price is the average of the basic or field prices announced for 3.5 percent butterfat content milk for the month by three manufacturing plants located in or near the Toledo production area. The order basic formula price is the highest of the average of prices reported by 13 representative midwestern condenseries for 3.5 percent milk and the prices resulting from two formulas applying central market quotations for manufactured products including butter, nonfat dry milk, and cheese.

In recent years, it has been the practice of the manufacturing plants, presently used in computing the Class II price, to pay premiums to farmers above the announced field prices. Such premiums or bonuses are paid to such farmers for using certain equipment and supplies in the production of their milk and for delivering certain minimum volumes of milk per day. Producers supplying the Toledo market unquestionably would meet the requirements for all of such premiums. The premiums paid by these plants amounted to between 30 and 40 cents per hundredweight at the time of the hearing. Such plants are alternative sources of skim milk and butterfat for Class II products made by handlers in their pool plants. The present basis of establishing Class II prices, therefore, fails to reflect the competitive value of producer milk for manufacturing uses or prices in relation to the cost of manufactured products from alternative sources of supply.

Because of a lack of information on the portion of the milk on which the premiums are paid and the delay which would be experienced, it would not be feasible to attempt to use a weighted average price received by all farmers at the local manufacturing plants. The basic formula price provided in the order is more representative of the competitive value of manufacturing milk than the field or basic prices announced by these local plants.

During the months of July 1954 through February 1955, the average field prices announced by the three manufacturing plants was $2.99 per hundredweight as compared with an average of $3.09 for the order basic formula prices. From July 1955 through February 1956, the corresponding figures are $2.99 and $3.08, respectively. During March through June of each year, the difference between the basic formula and local plant prices was greater. Nevertheless, it is during this same period of the year that it is necessary for seasonal reserve supplies of milk from the Toledo market to be moved to the listed or other nearby manufacturing outlets. It is difficult, if not unusual, for handlers or the cooperative association to be able to secure premiums above the field prices announced by these manufacturing plants when it is necessary to dispose of Toledo seasonal reserve supplies of milk. It is possible that the application of the basic formula price as the Class II price, during the season of the year that seasonal reserve supplies must be disposed of to such plants, could very well disrupt the orderly marketing of such milk. It is concluded, therefore, that the adoption of the basic formula price for the pricing of Class II milk should be limited to the months of July through February.

Producers also proposed that skim milk and butterfat used to produce cottage cheese, presently classified as Class II milk, be priced at 30 cents per hundredweight above the basic formula price. Cottage cheese is produced from producer milk in a number of pool plants. Cottage cheese distributed by other pool plants is procured from outside sources. Cottage cheese also is disposed of directly to retail and wholesale outlets by nonpool plants which produce cottage cheese from milk which is not required to be produced under "Grade A" milk or equivalent health standards. Some of the cottage cheese disposed of in the Toledo marketing area is produced from milk which is priced under the Detroit Federal order. The health departments of the various cities and communities in the marketing area do not require cottage cheese to be made from inspected milk. This is also true of milk used for the production of cottage cheese for disposition in the Detroit market. Even though the production of a good quality cottage cheese requires a high quality raw milk, under the prevailing competitive conditions in the Toledo marketing area, producer milk used to produce cottage cheese should be priced at the Class II price the same as milk for other manufacturing uses.

4. The proposal to establish in the order premiums for bulk farm tank milk deliveries should be denied.

Producers proposed that premiums of 15 cents per hundredweight be established in the order for milk from producers using bulk farm tanks. They argued that some producers are being asked to make considerable investments in farm bulk tanks and improved milk house facilities to maintain their market outlets for milk.

The conversion to bulk tank operations in the Toledo area is in its early stage of development. About five percent of the producers supplying the market have farm bulk tanks. Most handlers are paying premiums to producers for bulk tank deliveries on a voluntary basis. Such premiums are about equivalent to the reduction in hauling costs from the farm to the milk plant which is experienced by most producers when they change from "can" to "bulk" shippers.

Bulk tank handling of milk has potentials for increased efficiency, both on the farm and in transportation and handling beyond the farm. The adoption of more efficient methods of producing, transporting, handling or processing milk affords no economic basis for increasing milk prices. The establishment of order price premiums for bulk farm tank milk could be discriminatory in effect to producers who deliver their milk in cans. Order provisions should not be such as to constitute artifical economic incentives, either for expansion or restriction of bulk tank pickup operations. Any premiums to producers for conversion to bulk tank handling can best be resolved on an economic basis in accordance with local conditions by negotiation between producers and handlers. It is therefore concluded, that producers' proposal should be denied.

5. Provision should be made for location adjustments on milk received at pool plants located more than 60 miles from the City Hall in Toledo.

Proposals were made to include location adjustments on producer milk at country pool plants. One proposal would allow location adjustments to handlers on such milk disposed of as Class I milk. Another proposal would permit location adjustments to handlers on all of the producer milk received at country pool plants regardless of its classification.

The handler formally submitting the proposal for location adjustments, operates a distributing plant in Toledo where a substantial portion of the fluid milk requirements for this plant is received directly from producers. This handler also operates plants at Angola, Indiana and at Bluffton, Ohio, where producer milk is handled. These plants are located approximately 80 and 65 miles, respectively, from Toledo. No processing facilities are operated at the Angola plant and nearly all of the milk received at this plant is moved as bulk milk to the Toledo bottling plant. At times, transfers of bulk milk are made to the Bluffton plant. The Bluffton plant has facilities for receiving "Grade A" milk and for the production of condensed milk and spray dried skim milk. Some or all of the milk transferred from the Angola plant to the Bluffton plant, at certain times, is separated into skim milk and cream and moved to the Toledo plant. In the past, milk received at the Bluffton plant directly from Toledo producers has been diverted producer milk from the Toledo distributing plant. The producers supplying all of these plants with milk for the Toledo market hold "Grade A" permits issued by the Toledo Health Department. The Bluffton plant also assembles "Grade A" milk from local producers which is moved regularly to a plant in Mansfield, Ohio, for fluid disposition in Mansfield and Findlay, Ohio. Milk assembled at the Bluffton plant for Mansfield and Findlay is required by the Health Departments to be kept physically separate from the Toledo milk. Separate storage facilities are provided for the Mansfield milk, although the same receiving equipment is used for all of the milk received at this plant. The milk received at the Bluffton plant for the Mansfield and Findlay markets is subject to the pricing and payment provisions of the Federal order for the Lima, Ohio, marketing area.

Because milk is transferred regularly from the Angola plant to the Toledo distributing plant, the Angola plant is subject to full regulation under the Toledo order. The Bluffton plant has not been

subject to regulation under the Toledo order. However, it is quite possible that this plant could be subject to regulation in the future by virtue of transfers of milk, fluid skim milk and fluid cream to the Toledo bottling plant on more than the minimum number of days provided for exemption from regulation under the proposed order. This not only poses the problem of pricing milk at such plants but also the problem of providing appropriate provisions in this order and in other orders for ascertaining which order the handling of milk at such plants will be subject to regulation. This latter problem is discussed further under issue 7 of this decision.

The other proponent of location adjustments operates a distributing plant located in Tiffin, Ohio, from which milk is disposed of in the proposed extended marketing area in Sandusky County, Ohio. This plant is located between 50 and 55 miles from Toledo and about 25 miles from the center of the proposed extended marketing area in Sandusky County. There are other distributing plants which will be subject to regulation which are located within or near the proposed extended marketing area but more than 30 miles from Toledo.

Without a provision for location adjustments in the order, handlers are required to pay for milk received from producers at pool plants located at considerable distances from the marketing area, the same price as that paid for milk received at plants located in or near this consuming area. On the milk received from producers at distant pool plants, the handler assumes the cost of moving the milk from the plant to marketing area distributing plants or in packaged form to retail and wholesale outlets in the marketing area. In contrast, the entire cost of moving milk from farms directly to plants in the marketing area is borne by producers. Therefore, milk at farms or at plants has a progressively lower value to the market as such farms or plants are located farther and farther away from the market. The difference in value is related directly to the cost of transporting the milk from the respective locations to the market. It is economically sound and necessary to recognize such differences in value under the order by providing location adjustments in the pricing of milk at distant pool plants.

It is not necessary or sound, however, to apply location adjustments to milk at plants located within or near this marketing area, if the milk can be handled more economically by hauling it directly from the farm to plants in the marketing area. To do so would permit and even encourage uneconomic handling of the milk supply for the market, primarily at the expense of producers, and at the same time, result in differences in prices at distributing plants similarly situated with respect to the marketing area outlets for their milk.

As previously indicated, the only plant which regularly assembles milk for movement in bulk form to marketing area plants is located approximately 85 miles from Toledo. A substantial portion of the balance of the milk supply for the marketing area originates on farms within a 60-mile radius of Toledo and is moved directly from the farm to plants located in or near the marketing area.

In determining the appropriate application of location adjustments in this market, consideration also should be given to the resulting Class I prices applicable at plants at various locations in the production area as compared with the corresponding prices which would result at such locations under the orders for other markets which compete for the same milk supplies. In areas to the east and south of Toledo, milk is procured in competition with plants regulated under the Cleveland and Lima orders. In the area around Angola, Indiana, competition is experienced with the regulated Fort Wayne, Indiana, and Detroit, Michigan, markets and to the north of the marketing area with the Detroit market.

In view of all of these considerations, it is concluded that location adjustments should not be applied in the pricing of milk at plants which are located less than 60 miles from the City Hall of Toledo. Under present conditions, this would result in identical Class I prices at all distributing plants supplying retail and wholesale outlets in the marketing area.

The schedule of location adjustments proposed by the proponent was patterned after location adjustments contained in the Cleveland order at the time of the hearing. The location adjustments in the Cleveland order were amended since the hearing. These adjustments to handlers on Class I and Class II milk now are made at the rate of 13 cents for plants located 40–60 miles from Cleveland, 20 cents for plants located 61–74 miles distant and an additional two cents for each additional 14 miles that the plant is located from Cleveland. Under the Detroit order, an adjustment of 14 cents is applied to Class I milk in the 34 to 50-mile zone with an additional one cent for each additional 20 miles or fraction thereof that such plant is located from Detroit. No adjustment, however, is applied at distributing plants which are located less than 34 miles from the boundary of the Detroit marketing area. Under both orders, the uniform price to producers is adjusted at the same rate as the location adjustments to handlers on Class I milk. Because all producers supplying the pool plants of a handler share equally in the Class I utilization of such handler, prices paid producers supplying plants to which location differentials apply, should be reduced to reflect the lower value of such milk f. o. b. the plant to which it is delivered.

The proponent handler testified that the cost of hauling tank bulk milk from his Bluffton plant to Toledo, approximates $36 per trip or 15 cents per hundredweight and from Angola to Toledo approximates $45 per trip or 18 cents per hundredweight.

In view of all of these facts, it is concluded that the rate of adjustment under the Toledo order should be 15 cents per hundredweight for milk received at plants located more than 60 but less than 75 miles from the City Hall in Toledo and an additional 2 cents per hundredweight should be allowed for each additional 15 miles or fraction thereof that the pool plant is located from the City Hall. It is expected that the recomended location adjustment to handlers will generally approximate the cost of moving milk from a pool plant to the center of consumption in the marketing area. The Toledo City Hall is an appropriate point from which to measure the distance to the pool plant for the purpose of computing the applicable location differential.

Under present conditions and operating methods, it is likely that location adjustments would apply only to milk received at the pool supply plant located at Angola, Indiana. At other plants located in this general area and which are potential supply plants for the Toledo marketing area, the resulting Class I prices at such locations will be about the same as the levels prevailing for such locations under the orders regulating the handling of milk in the neighboring markets.

No adjustment should be made in the Class II (manufacturing milk) price to handlers because of the location of the plant to which the milk is delivered. There is little difference in the value of milk for manufacturing uses associated with the location of the plant receiving the milk. This is true because of the low cost per hundredweight of milk involved in transporting manufactured products and because of the widespread or national market for such products. The prices paid for ungraded milk received at various sections of the milkshed do not indicate any differences in value associated with location. After a handler receives milk for use in Class II products, he should be expected to handle and dispose of the milk in the manner most advantageous to himself. The prices paid by handlers for such milk should not be dependent upon the method or manner employed by the handler in disposing of the milk. To do otherwise, would remove part of the incentive for keeping marketing cost at a minimum.

To assure that milk will not be moved unnecessarily at the expense of producers, the order should provide a method for determining whether milk transferred between plants may or may not receive a location differential credit. This should be accomplished by assigning the Class I utilization at the transferee plant first to the milk received directly from producers and from plants at which no location differential applies. In view of the fact that distributing plants must carry some reserve supplies of milk to meet day to day variations in receipts of producer milk and sales of fluid milk products, it is reasonable to make some provision in the assignment procedure to accommodate this need for reserve milk. This should be accomplished by assigning to the Class I sales at the transferee plant 95 percent of the direct producer receipts and any balance of Class I sales to transferring plants, in sequence, according to their location beginning with the plant having the smallest location adjustment.

6. Proposals for separate pricing of Class I milk disposed of outside the marketing area should be denied.

The hearing notice included a proposal by two Toledo handlers to price Class I milk disposed of outside the marketing area at prices lower than minimum prices prescribed for in-area Class I sales. No testimony on this proposal was given by the proponent handlers at the hearing and the proposal therefore is denied.

Producers proposed that Class I sales by a Toledo handler within the marketing area governed by another Federal order should be priced at the higher of the prices paid for Class I milk in the two areas involved. Several Detroit handlers, on the other hand, proposed that Class I sales made in any other Federal order area should be priced under the order in which the Class I sales are made. As an alternative, they proposed that Toledo and Detroit Class I pricing should be brought into closer alignment.

Both producers and handlers testified to the effect that the solution to the problems prompting these proposals could be solved satisfactorily by bringing about proper Toledo Class I price alignment with the competing markets. Inasmuch as the conclusions reached with respect to pricing of Class I milk under Issue No. 2 will ameliorate the problem complained of, it is concluded that no further affirmative action is necessary with respect to these proposals at this time.

7. The entire order should be redrafted to change several definitions, add a number of new definitions, add more specificity in the provisions with respect to the reporting and accounting for milk, and to incorporate a number of conforming and clarifying changes throughout the order.

A number of changes should be made in the order to designate more clearly what milk and what plants would be subject to the regulation and the application of the order provisions to them. This can best be done by providing a number of new definitions to set forth the categories of persons, plants, milk and milk products. New definitions should be added for "distributing plant", "supply plant", "pool plant", "nonpool plant", "fluid milk product", "Chicago butter price" and the definitions of "producer", "producer milk", "handler", "producer-handler" and "other source milk" should be modified accordingly.

The term "distributing plant" should include all plants where milk is processed and packaged and from which fluid milk products are disposed of in the marketing area to wholesale and retail stops, including milk disposed of to such outlets through vendors. The term "supply plant" should mean a plant from which milk, skim milk or cream is transferred to a distributing plant.

The term "pool plant" should include all distributing plants and all supply plants which are to be fully subject to regulation under the order and whose receipts of milk from producers will be subject to the pricing and payment provisions of the order. A "pool plant" should be defined to include a distributing plant from which more than 10,000 pounds of fluid milk products are disposed of in the marketing area during the month. The term "pool plant" should also include supply plants from which shipments of milk, skim milk or cream are made to a distributing plant(s) on 15 days or more during any of the months of September through December or during any other month on 7 days or more, as provided by the present order. The present provision should be continued also to exclude from the pool plant definition a supply plant from which no transfers of such products are classified as Class I milk. With the proposed expansion in the marketing area, as heretofore discussed, it is possible that there may be a few plants which would be subject to full regulation under the present definitions of the order even though the sales of milk from such plants in the proposed marketing area are a very minor portion of the total sales in the area. It is not necessary to extend full regulation to the handlers of such milk. This may be accomplished by excluding from full regulation, distributing plants which dispose of 10,000 pounds or less of fluid milk products in the marketing area during the month. In view of the individual handler type pool provided by the order, the 10,000-pound minimum is reasonable in this market.

Provision should be made also for the exclusion under the pool plant definition of supply plants or distributing plants which would be subject to the classification and pricing provisions of another order issued pursuant to the act, if a lesser volume of fluid milk products classified as Class I milk is furnished from such a plant for disposition in the Toledo marketing area than in the marketing area regulated pursuant to such other order. Plants which dispose of fluid milk products in more than one marketing area need not be subject to duplicate regulation to accomplish the declared purpose of the act. It is reasonable and economically sound to regulate a plant under the order regulating the handling of milk for the marketing area where the largest proportion of the plant's Class I milk is disposed of. This should be determined on the basis of disposition during the current month and each of the immediately preceding three months. The addition of the current month to the three preceding months, which were previously recommended, will provide a standard for order status consistent with the corresponding provisions of orders for nearby regulated markets. The longer period also will reduce the possibility of a plant becoming temporarily subject first to one order and then to another as a result of minor monthly variations or seasonal shifts in sales between regulated markets. Under the provision decided upon, a plant which is subject to another Federal order must supply more milk to the Toledo market than to the other order market for four consecutive months before it will become subject to regulation under the Toledo order.

"Handler" should be defined to include any person who operates a distributing plant or a supply plant. By defining the operators of such plants as handlers, such persons will be required to report to the market administrator with respect to such plants at such time and in such manner as the market administrator finds necessary to establish their status as partially or fully regulated plants and to assemble the necessary market information essential to the proper administration of the order. The foregoing plant definitions will include as fully regulated persons and plants the same persons and the same plants as are now regulated by the order.

The present order in some instances refers to plants operated by a nonhandler. A more explicit term for such references is the term "nonpool plant". Definitions also have been included in the order for "fluid milk product" and "Chicago butter price". The addition of these proposed new definitions is not intended to change the intent of the present order but their application will facilitate the drafting of other order provisions.

Definitions of "producer", "producer milk" and "producer-handler" should be modified to incorporate the necessary references to the other new definitions. Producer-handlers and the milk produced by them should be excluded from the producer and producer milk definitions. Under the present order, milk received from a producer-handler is treated the same as other source milk and this may be accomplished by merely excluding a producer-handler from the producer definition.

Milk is sometimes diverted directly from the farm to nonpool plants. The privilege for handlers to divert milk during the months of seasonally high production facilitates the economical disposal of seasonal reserve supplies. In order to distinguish between the milk of producers who may be temporarily diverted and those who are no longer associated with this market, some limitation on the length of time that milk may be diverted and still be considered as producer milk under the order is desirable. It was previously recommended that unlimited diversion be permitted during the months of March through June and limited to not more than one-third of the days of delivery during any of the months of July through February.

It was pointed out in the exceptions that because of the customary method of handling the milk of certain Toledo producers the recommended limitation on diversion would disrupt the normal method of handling this milk without any advantage and possibly to the disadvantage of producers and the market. This milk frequently is moved directly from the farm to a nonpool plant, converted to skim milk and cream and moved to a Toledo distributing plant. The nonpool plant also serves as a supply plant under another order.

Under the individual handler pool in this market, a diversion limitation serves principally as a basis for determining whether the dairy farmer is to be considered as a producer under this order or in the case in point under another order. It is concluded, therefore, that in order for the milk of a producer to be considered as producer milk in the current month of the period July through

February under the Toledo order, it must be received at a pool plant on at least four days during such month. As provided by the present order, unlimited diversion should be permitted during the months of March through June. In view of the recommendation to include location adjustments in the order, provision should be made to consider milk which is diverted to have been received at a pool plant at the same location as the plant from which it was diverted for the account of a cooperative or a proprietary handler.

The definition of "other source milk" should be modified to clarify its meaning and to specify in the definition that it includes all milk utilized in the operations at a pool plant except producer milk, fluid milk products received from other pool plants and inventory of fluid milk products on hand at the beginning of the month. Other source milk represents all skim milk and butterfat used in a pool plant which is not subject to the pricing provisions of the order during the month. It will include all fluid milk products from plants other than pool plants and all manufactured dairy products from any source which are repackaged, reprocessed or converted into another product in the pool plant during the month. It will include those manufactured products from a pool plant's own production which are reprocessed or converted into another product during the same or a later month.

Some handlers in the market produce condensed milk, nonfat dry milk and other manufactured milk products. Some of these products are reused in the pool plant where produced or are disposed of to other pool plants. Operators of other pool plants may purchase solids from outside sources. Condensed solids or nonfat dry milk may be used for reconstituting certain fluid milk products or to fortify skim milk drinks. Such solids are required by the health regulations to be made from Grade A milk and should be classified as Class I milk when disposed of in a fluid milk product the same as all other skim milk in Class I milk. There appears to be no reason why one portion of the solids nonfat contained in Class I products should be classified differently from another portion in this market. The pounds of skim milk disposed of in any reconstituted or fortified fluid milk product, therefore, should be accounted for as an amount equal to the nonfat milk solids contained in such product plus the water content normally associated with such solids in the form of whole milk.

To promote uniformity in the cost of milk among handlers and to effectuate the established principle of allocating current receipts of producer milk to Class I utilization to the fullest extent, the skim milk in other source milk in the form of a manufactured product, likewise, must be accounted for on the basis of the nonfat solids plus the water normally associated with such solids in the form of whole milk. This accounting procedure will have no effect on the net classification of other source milk used in Class II milk products.

The change in definition of other source milk and its application to all manufactured products on a milk equivalent basis, whether such products come from milk from producers or from other sources, necessitates providing that shrinkage be determined on the basis of other source milk received in the form of fluid milk products. The two percent limitation on the amount of shrinkage classified as Class II milk should apply only to other source milk received in the form of fluid milk products the same as that applicable to producer milk. Because skim milk and butterfat is accounted for in Class II milk products on a used-to-produce basis, any shrinkage is included in the amount of skim milk and butterfat reported in the manufactured products used for such manufacturing purposes. Furthermore, to allow unlimited shrinkage on other source milk, both in the form of fluid milk and manufactured products, and limit shrinkage on producer milk, would provide a basis for inequality in the cost of milk among handlers who use other source milk and those who do not. Thus, it is reasonable to preclude this possibility of inequality by the use of other source milk. Furthermore, without such provision, producer milk could be assigned inequitably to a lower classification under circumstances where substantial amounts of milk are unaccounted for and the handler has received other source milk.

By incorporating the proposed definition of other source milk together with conforming changes, the order will be more specific with respect to the method of accounting for such milk. Identical accounting procedures will be followed by all handlers whether or not manufactured products (Class II) which are used in the handler's pool plant are converted from producer milk or purchased from outside sources. The skim milk and butterfat used to produce manufactured products are now and should continue to be considered as disposed of when so utilized and therefore not enter into the monthly classification and allocation procedure again, unless such products are repackaged or reused. Records of sales and stocks of such products, however, must be maintained by the handler to facilitate the auditing program of the market administrator and substantiate current usage of such products. Any other source milk, including that derived from manufactured products will continue to be allocated first to the available Class II utilization. The application of the new definition of other source milk in conjunction with other provisions of the order will provide for the allocation of producer milk to Class I in each month to the fullest extent that producer milk is available from current receipts or beginning inventory of fluid milk products.

Because handlers may have inventories of milk and milk products on hand at the beginning and end of each month, such inventories must enter into the accounting procedure for current receipts and utilization of producer milk. Although the order is silent in this respect inventory variations are classified in Class II milk under current practice. Month-end inventories of fluid milk products whether in bulk or packaged form should continue to be classified as Class II milk. Manufactured milk products (Class II) will not be included in inventory accounting because the skim milk and butterfat used for such products are accounted for in the month when such products are manufactured.

Because handlers frequently use other source milk in their operations, the inventory accounting procedure should provide for producer milk from inventory to have prior claim on Class I utilization over receipts of other source milk in the same manner as current receipts of producer milk. Because inventories of fluid milk items are to be accounted for at the end of the month in Class II milk, as a temporary classification, it is necessary, therefore, to provide a method for handling producer milk in inventory which is allocated to Class I milk in the current month but which the handler accounted for in Class II milk at the end of the preceding month. The higher use value of any fluid milk product from beginning inventory of producer milk which is disposed of as Class I milk should be reflected in returns to producers. Such milk should be priced the same as a current receipt of producer milk. These goals may be accomplished, through the accounting procedure, by considering the opening inventory as a receipt in that month and subtracting such receipt, under the allocation procedure, in series, starting with Class II milk, following the subtraction of other source milk and receipts from other pool plants. To the extent that the opening inventory is allocated to Class I milk and there was an equivalent amount of skim milk and butterfat in producer milk classified in Class II milk in the previous month (after allocating allowable producer milk shrinkage and other source milk), a reclassification charge should be made at the difference between the Class II price in the previous month and the Class I price in the current month. Handled in this manner, milk from inventory will be priced to handlers identically with milk derived from current receipts of producer milk during the month. This method of accounting for inventory will result in equality in the cost per hundredweight of milk among handlers and returns to producers irrespective of whether or not such milk is from opening inventory or is a current receipt.

By incorporating the proposed changes, receipts of milk will fall within four categories as follows:

(1) Producer milk;
(2) Milk from pool plants;
(3) Inventory of fluid milk products; and
(4) Other source milk.

The order should be changed to incorporate references to these categories of milk. The use of these terms will add a desired degree of specificity to the reporting and accounting procedure of the order.

General findings. (a) The marketing agreement and the order, as amended, and as hereby proposed to be further

amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the marketing agreement and the order, as amended and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest;

(c) The order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which hearings have been held; and

(d) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, except a producer-handler, as his pro rata share of such expense, two cents per hundredweight, or such amount not exceeding two cents per hundredweight, as the Secretary may prescribe with respect to butterfat and skim milk contained in (a) receipts of producer milk, (b) other source milk at a pool plant which is allocated to Class I milk, and (c) Class I milk disposed of in the marketing area by a distributing plant, not a pool plant, except a plant at which the milk is subject to the classification and pricing provisions of another order issued pursuant to the act.

Order of the Secretary directing the conduct of a referendum; determination of a representative period; and designation of referendum agent. Pursuant to section 8c (19) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 608c (19)), it is hereby directed that a referendum be conducted among producers (as defined in the order, as amended, regulating the handling of milk in the Toledo, Ohio, marketing area) who, during the month of January 1957, which month is hereby determined to be the representative period for such referendum, were engaged in the production of milk for sale in the marketing area specified in the aforesaid order, to determine whether such producers favor the issuance of the order, as amended, which is filed herewith.

Fred W. Issler is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 19, 1950 (15 F. R. 5177), such referendum to be completed on or before the 15th day from the date this decision is filed with the Hearing Clerk, United States Department of Agriculture.

Marketing agreement and order, as amended. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Toledo, Ohio, Marketing Area," and "Order Amending the Order, as Amended, Regulating the Handling of Milk in the Toledo, Ohio, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of the said marketing agreement are identical with those contained in the order, as amended, and proposed to be hereby further amended.

This decision filed at Washington, D. C., this 7th day of March 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

Order[1] Amending the Order, as Amended, Regulating the Handling of Milk in the Toledo, Ohio, Marketing Area

AUTHORITY: §§ 930.0 to 930.96 issued under sec. 5, 49 Stat. 753 as amended; 7 U. S. C. 608c.

§ 930.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, regulating the handling of milk in the Toledo, Ohio, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supplies of and demand for such milk, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors,

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

insure a sufficient quantity of pure and wholesome milk and be in the public interest;

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held; and

(4) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, except a producer-handler, as his pro rata share of such expense, two cents per hundredweight, or such amount not exceeding two cents per hundredweight, as the Secretary may prescribe with respect to butterfat and skim milk contained in (a) receipts of producer milk, (b) other source milk at a pool plant which is allocated to Class I milk, and (c) Class I milk disposed of in the marketing area by a distributing plant, not a pool plant, except a plant at which the milk is subject to the classification and pricing provisions of another order issued pursuant to the act.

Order relative to handling.—It is therefore ordered, that on and after the effective date hereof the handling of milk in the Toledo, Ohio, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended as follows:

DEFINITIONS

§ 930.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C., 601 et seq.).

§ 930.2 *Secretary.* "Secretary" means the Secretary of Agriculture or such other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary.

§ 930.3 *Department.* "Department" means the United States Department of Agriculture.

§ 930.4 *Person.* "Person" means an individual, partnership, corporation, association, or any other business unit.

§ 930.5 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association: (a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; (b) to have full authority in the sale of milk of its members and to be engaged in making collective sales or marketing milk or its products for its members; and (c) to have all of its activities under the control of its members.

§ 930.6 *Toledo, Ohio, marketing area.* "Toledo, Ohio, marketing area", called the "marketing area" means all of the territory within the boundaries of Fulton and Lucas Counties; all of the territory within the boundaries of Wood County north of the northern boundaries of the townships of Milton, Liberty, Portage, and Montgomery, including all of the town of Weston; all of the territory within the townships of Woodville and Madison in Sandusky County, all in the State of Ohio; and in the State of Michigan, all of the territory within the boundaries of Monroe County, except that territory within the boundaries of the townships of Ash, Berlin, Exeter, London, Milan, and Dundee; and all of the territory within the boundaries of the townships of Riga, Ogden, Palmyra, Blissfield, and Deerfield in Lenawee County.

§ 930.7 *Distributing plant.* "Distributing plant" means a plant where milk is processed or packaged and from which milk is disposed of as Class I milk in the marketing area, either on the premises or to a wholesale or retail stop(s), including sales through vendors.

§ 930.8 *Supply plant.* "Supply plant" means a milk plant from which milk, skim milk or cream is transferred to a distributing plant(s).

§ 930.9 *Pool plant.* "Pool plant" means (a) a distributing plant from which more than 10,000 pounds of milk is disposed of in the marketing area during the month and (b) a supply plant during September through December in which shipments of milk, skim milk or cream are made to a plant described pursuant to paragraph (a) of this section on 15 days or more during the month or during any other month on 7 days or more: *Provided,* That a supply plant, which was not a pool plant during the immediately preceding September through December period, shall not be included in this definition during any month in which no such transfers are allocated from Class I milk pursuant to § 930.46.

§ 930.10 *Nonpool plant.* "Nonpool plant" means any milk manufacturing, processing or bottling plant other than a pool plant.

§ 930.11 *Producer.* "Producer" means any person, except a producer-handler, who produces milk and who holds a dairy farm inspection permit issued by the appropriate health authority of the community for which the milk is produced if such community requires such permit for milk for disposition as Class I milk therein, which milk is (a) received at a pool plant or (b) diverted from a pool plant to another pool plant or to a nonpool plant pursuant to the conditions set forth in § 930.12.

§ 930.12 *Producer milk.* "Producer milk" means only that skim milk and butterfat contained in the milk received at (a) a pool plant directly from producers or (b) diverted for the account of the operator of a pool plant or a cooperative association from a pool plant to another pool plant or to a nonpool plant: *Provided,* That the milk of a dairy farmer which is diverted at times during any of the months of July through February must be physically received at a pool plant for at least four days during the current month in order to be considered as producer milk during such month. Producer milk diverted shall be deemed to have been received at a pool plant at the same location as the pool plant from which it was diverted.

§ 930.13 *Handler.* "Handler" means (a) any person who operates a distributing plant or a supply plant and (b) any cooperative association with respect to producer milk diverted by it in accordance with the conditions set forth in § 930.12.

§ 930.14 *Producer-handler.* "Producer-handler" means any person who operates a dairy farm and a distributing plant but who receives no milk from other dairy farmers.

§ 930.15 *Fluid milk product.* "Fluid milk product" means milk, skim milk, buttermilk, milk drinks (plain or flavored), concentrated milk, eggnog, cream, or any mixture in fluid form of skim milk and cream (except storage cream, aerated cream products, ice cream mix, and evaporated or condensed milk).

§ 930.16 *Other source milk.* "Other source milk" means all skim milk and butterfat contained in or represented by:

(a) Receipts during the month in the form of fluid milk products, except (1) producer milk, (2) fluid milk products received from other pool plants, and (3) inventory at the beginning of the month; and

(b) Products other than fluid milk products from any source (including those produced at the plant) which are reprocessed, repackaged or converted to another product in the plant during the month.

§ 930.17 *Chicago butter price.* "Chicago butter price" means the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any range as one price) per pound of 92-score bulk creamery butter, at Chicago, as reported for the month by the Department.

MARKET ADMINISTRATOR

§ 930.20 *Designation.* The agency for the administration of this part shall be a market administrator selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal by the Secretary.

§ 930.21 *Powers.* The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 930.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties execute and deliver to the Secretary a bond effective as of the date on which he enters upon such duties and conditioned

upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay, out of the funds provided by § 930.74;

(1) The cost of his bond and of the bonds of his employees,

(2) His own compensation, and

(3) All other expenses, except those incurred under § 930.75, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to § 930.30, or (2) payments pursuant to §§ 930.70, 930.74, 930.75, and 930.77;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Audit records of all handlers to verify the reports and payments required pursuant to the provisions of this part; and

(i) Publicly announce, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the prices determined for each delivery period as follows:

(1) On or before the 5th day after the end of such delivery period, the minimum class prices and the butterfat differential for each class computed pursuant to § 930.50, and § 930.52, and

(2) On or before the 12th day after the end of such delivery period the uniform price computed pursuant to § 930.61 and the butterfat differential computed pursuant to § 930.72.

REPORTS, RECORDS AND FACILITIES

§ 930.30 *Monthly reports of receipts and utilization.* On or before the 5th day after the end of each month, each handler, except a producer-handler, shall report to the market administrator, for each of his pool plants in the detail and on the forms prescribed by the market administrator the following:

(a) The quantities of skim milk and butterfat contained in receipts of producer milk;

(b) The quantities of skim milk and butterfat contained in or represented by fluid milk products received from other pool plants;

(c) The quantities of skim milk and butterfat contained in or represented by other source milk;

(d) The quantities of skim milk and butterfat contained in or represented by inventories of fluid milk products on hand at the beginning of the month;

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section; and

(f) Such other information with respect to such receipts and utilization as the market administrator may prescribe.

§ 930.31 *Other reports.* (a) Each handler, who operates a pool plant, shall report to the market administrator in the detail and on the forms prescribed by the market administrator, on or before the 20th day after the end of each month, his producer payroll for the month which shall show (1) the pounds of producer milk received from each producer and the percentages of butterfat contained therein, (2) the amounts and dates of payments to each producer or cooperative association, and (3) the nature and amount of each deduction or charge involved in the payments referred to in subparagraph (2) of this paragraph.

(b) Each producer-handler and each handler who operates a supply or distributing plant, not a pool plant, shall report to the market administrator in the detail and on forms prescribed by the market administrator, at such time and in such manner as the market administrator may request.

§ 930.32 *Records and facilities.* Each handler shall maintain, and make available to the market administrator during the usual hours of business, such accounts and records of all of his operations and such facilities as, in the opinion of the market administrator, are necessary to verify reports, or to ascertain the correct information with respect to (a) the receipts and utilization of all skim milk and butterfat received including all milk products received and disposed of in the same form; (b) the weights and tests for butterfat and for other contents of all milk and milk products handled; and (c) payments to producers and cooperative associations.

§ 930.33 *Retention of records.* All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided,* That, if within such three-year period, the market administrator notifies a handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records until further written notification from the market administrator. The market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 930.40 *Skim milk and butterfat to be classified.* The skim milk and butterfat which are required to be reported pursuant to § 930.30 shall be classified each month by the market administrator pursuant to the provisions of § 930.41 through § 930.46.

§ 930.41 *Classes of utilization.* Subject to the conditions set forth in § 930.43 the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat (1) disposed of in the form of a fluid milk product (except for livestock feed), and (2) not accounted for as Class II milk.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat accounted for as (1) used to produce a product other than a fluid milk product, (2) inventory of fluid milk products on hand at the end of the month, (3) disposed of for livestock feed, and (4) actual plant shrinkage of skim milk and butterfat allocated to producer milk and other source milk in fluid milk products pursuant to § 930.42 but not in excess of 2 percent of such receipts of skim milk and butterfat, respectively.

§ 930.42 *Shrinkage.* The market administrator shall allocate shrinkage at the handler's pool plant(s) as follows:

(a) Compute the total shrinkage of skim milk and butterfat, respectively, at such plant(s); and

(b) Prorate the resulting amounts between receipts of skim milk and butterfat, respectively, in producer milk and in other source milk received in the form of a fluid milk product.

§ 930.43 *Transfers.* Skim milk or butterfat disposed of by a handler from a pool plant, shall be classified:

(a) As Class I milk if transferred or diverted in the form of a fluid milk product to the pool plant of another handler except as:

(1) Utilization in Class II milk is claimed by the operators of both plants in their reports submitted pursuant to § 930.30;

(2) The receiving plant has utilization in Class II of an equivalent amount of skim milk and butterfat, respectively; and

(3) The classification of the skim milk or butterfat so transferred results in the classification at both plants of the maximum Class I utilization to the producer milk at both plants, if either or both handlers have other source milk during the month;

(b) As Class I milk if transferred or diverted to a nonpool plant in the form of milk, skim milk or cream in bulk to a nonpool plant located less than 250 miles from the City Hall of Toledo, Ohio, by the shortest highway distance as determined by the market administrator, unless:

(1) The transferring or diverting handler claims classification as Class II milk in his report submitted pursuant to § 930.30 for the month;

(2) The operator of the nonpool plant maintains books and records showing the receipts and utilization of all skim milk and butterfat at such plant which are made available if requested by the market administrator for the purpose of

verification of such mutually indicated utilization; and

(3) An equivalent amount of skim milk and butterfat was used in products in Class II milk at such non-pool plant.

(c) As Class I milk if transferred or diverted in bulk in the form of milk or skim milk or cream to a nonpool plant located 250 miles or more from the City Hall at Toledo, Ohio, by shortest highway distance as determined by the market administrator.

(d) For the purposes of paragraphs (b) and (c) of this section, skim milk and butterfat shall not be deemed to have been "disposed of" to a nonpool plant if merely retained in or transferred between trucks or other vehicles which enter the premises or come within the orbit of such plant in the course of movement elsewhere.

§ 930.44 *Responsibility of handlers and reclassification of milk.* (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise;

(b) Any skim milk or butterfat shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 930.45 *Computation of the skim milk and butterfat in each class.* For each month, the market administrator shall correct for mathematical and for other obvious errors the reports of receipts and utilization for the pool plant(s) of each handler and shall compute the pounds of butterfat and skim milk in Class I milk and Class II milk for such handler: *Provided,* That if any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all of the water normally associated with such solids in the form of whole milk.

§ 930.46 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 930.45, the market administrator shall determine the classification of producer milk received at the pool plant(s) of each handler each month as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk, assigned to producer milk pursuant to § 930.41 (b) (4);

(2) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk in other source milk;

(3) Subtract from the remaining pounds of skim milk in each class the skim milk in fluid milk products received from the pool plants of other handlers according to the classification of such products as determined pursuant to § 930.43 (a);

(4) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk in inventory of fluid milk products on hand at the beginning of the month;

(5) Add to the pounds of skim milk remaining in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph and if the remaining pounds of skim milk in both classes exceed the pounds of skim milk contained in producer milk, subtract such excess from the remaining pounds of skim milk in series beginning with Class II.

(b) Butterfat shall be allocated in accordance with the same procedure prescribed for skim milk in paragraph (a) of this section.

(c) Determine the weighted average butterfat content of producer milk remaining in each class computed pursuant to paragraphs (a) and (b) of this section.

MINIMUM PRICES

§ 930.50 *Class prices.* Subject to the provisions of §§ 930.52 and 930.53, each handler shall pay not less than the following prices per hundredweight, on the basis of 3.5 percent butterfat content, for producer milk received at his pool plant during the month:

(a) *Class I milk price.* (1) Except as provided in subparagraph (2) of this paragraph, add to the basic formula price the following amount for the delivery period indicated:

Delivery period:	*Amount*
April, May, and June	$1.00
February, March, and July	1.25
All others	1.65

(2) The price for Class I milk shall be the amount computed pursuant to subparagraph (1) of this paragraph plus or minus a "supply-demand adjustment" computed pursuant to subdivisions (i), (ii), and (iii) of this subparagraph: *Provided,* That the price shall not be adjusted by the supply-demand adjustment factor until the utilization percentage computed pursuant to subdivision (i) of this subparagraph is equal to or exceeds the standard utilization percentage pursuant to subdivision (ii) of this subparagraph for each of three successive months:

(i) Divide the total receipts of producer milk during the first and second months preceding by the total gross volume of Class I milk (less interhandler transfers) during the same two months, multiply the result by 100, and round to the nearest whole number. The result shall be known as the "utilization percentage".

(ii) Compute a "deviation percentage" by subtracting from the utilization percentage as computed in subdivision (i) of this subparagraph, the "standard utilization percentage" shown in this subdivision:

Month for which the price is being computed:	*Standard utilization percentage*
January	115
February	123
March	129
April	130
May	130
June	137
July	138
August	127
September	116
October	108
November	105
December	108

(iii) Determine the amount of the supply-demand adjustment from the following schedule:

If deviation percentage is:	*Supply-demand adjustment is: (cents)*
+16 or over	−50
+13 or +14	−40
+10 or +11	−30
+7 or +8	−20
+4 or +5	−10
+2 or −2	0
−4 or −5	+10
−7 or −8	+20
−10 or −11	+30
−13 or −14	+40
−16 or under	+50

When the deviation percentage does not fall within the tabulated brackets the adjustment shall be determined by the adjacent bracket which is the same as or nearest to the bracket used in the previous month.

(b) *Class II milk price.* The Class II milk price shall be (1) during the months of July through February, the highest of the prices per hundredweight computed pursuant to § 930.51 or subparagraph (2) of this paragraph for the month and (2) during the months of March through June, the average (computed to the nearest tenth of a cent) of the basic or field prices per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following locations for which prices have been reported to the market administrator or to the Department on or before the 5th day after the end of the month by the companies listed below:

Company and Location

Pet Milk Co., Delta, Ohio.
Defiance Milk Products Co., Defiance, Ohio.
Pet Milk Co., Hudson, Mich.

§ 930.51 *Basic formula price.* The basic formula price per hundredweight (computed to the nearest tenth of a cent) to be used in determining the class prices pursuant to § 930.50 shall be the highest of the prices per hundredweight for milk of 3.5 percent butterfat content computed pursuant to paragraph (b) (2) of § 930.50, or to paragraphs (a), (b), and (c) of this section.

(a) The average of the basic (or field) prices reported to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department on or before the 5th day after the end of the month by the companies indicated below:

Companies and Location

Borden Co., Mount Pleasant, Mich.
Borden Co., New London, Wis.
Borden Co., Orfordville, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Sparta, Mich.
Pet Milk Co., Belleville, Wis.
Pet Milk Co., Coopersville, Mich.

Pet Milk Co., Hudson, Mich.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Wayland, Mich.
White House Milk Co., Manitowoc Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed as follows:

(1) Multiply by 8.53 the average of the daily prices per pound of cheese at Wisconsin primary markets ("Cheddars," f. o. b. Wisconsin assembling points, cars or truckloads) as reported by the Department during the month;

(2) Add 0.902 times the Chicago butter price; and

(3) Subtract 34.3 cents.

(c) The price her hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the Chicago butter price subtract three cents, and multiply by 4.2; and

(2) From the arithmetical average of the carlot prices per pound for nonfat dry milk (not including that specifically designated animal feed), spray and rolled process, f. o. b. manufacturing plants in the Chicago area, as published by the Department during the month, deduct 5.5 cents, and multiply by 8.2, except that if such agency does not publish such prices f. o. b. manufacturing plants, there shall be used for the purpose of this computation the arithmetical average of the carlot prices thereof delivered at Chicago, Illinois, as published weekly by such agency during the month; and in the latter event the figure "7.5" shall be substituted for "5.5" in the above formula.

§ 930.52 *Butterfat differentials to handlers.* If the weighted average butterfat test of producer milk which is classified, respectively, in any class of utilization, pursuant to § 930.46, is more or less than 3.5 percent, there shall be added to, or subtracted from, as the case may be, the price for such class of utilization, for each one-tenth of one percent that such weighted average butterfat test is above or below, respectively, 3.5 percent, a butterfat differential (computed to the nearest tenth of a cent), calculated for each class of utilization as follows:

(a) *Class I milk.* Multiply the Chicago butter price by 0.125;

(b) *Class II milk.* Multiply the Chicago butter price by 0.120.

§ 930.53 *Location differentials to handlers.* For that milk which is received from producers at a pool plant located 60 miles or more from the City Hall, Toledo, Ohio, by the shortest hard-surfaced highway distance, as determined by the market administrator, and which is transferred to a distributing plant which is a pool plant in the form of a fluid milk product and assigned to Class I pursuant to the proviso of this section, or otherwise classified as Class I milk, the price specified in § 930.50 (a) shall be reduced at the rate set forth in the following schedule according to the location of the pool plant where such milk is received from producers:

Distance from the Toledo City Hall (miles):	*Rate per hundredweight (cents)*
60 but less than 75	15
75 but less than 90	17
For each additional 15 miles or fraction thereof an additional	2.0

Provided, That for the purpose of calculating such location differentials, fluid milk products which are transferred between pool plants shall be assigned to Class I milk to the extent that the gross Class I uitlization at the transferee plant exceeds 95 percent of the receipts of producer milk at such plant, such assignment to transferor plants to be made first to plants at which no location adjustment is applicable and then in sequence according to the location differential applicable at each plant beginning with the plant having the smallest differential.

§ 930.54 *Use of equivalent prices.* If for any reason a price quotation required by this order for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

HANDLER'S OBLIGATION AND UNIFORM PRICE

§ 930.60 *Computation of net obligation for each handler.* The value of producer milk received during each month by each handler shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of producer milk in each class by the applicable class prices and add together the resulting amounts;

(b) Add an amount computed by multiplying the overage deducted from each class pursuant to § 930.46 (a) (5) and the corresponding step of (b) by the applicable class price;

(c) Add the amount obtained in multiplying the difference between the Class II price for the preceding month and the Class I price for the current month by the hundredweight of producer milk classified in Class II less shrinkage during the preceding month, or the hundredweight of milk subtracted from Class I pursuant to § 930.46 (a) (4) and the corresponding step of (b), whichever is less;

(d) Adjust the resulting amount by the sum of money used in adjusting the uniform price for the previous month to the nearest cent, pursuant to § 930.61 (d); and

(e) Add or subtract, as the case may be, the amount necessary to correct errors in classification for previous delivery periods as disclosed by audit of the market administrator.

§ 930.61 *Computation of uniform price.* For each month, the market administrator shall compute for each handler a "uniform price" per hundredweight, on the basis of 3.5 percent butterfat content, for producer milk received by such handler as follows:

(a) From the value of milk computed for such handler pursuant to § 930.60, deduct, if the weighted average butterfat test of all producer milk received by him is greater than 3.5 percent, or add, if the weighted average butterfat test of such milk is less than 3.5 percent, an amount computed by multiplying the total pounds of butterfat represented by the variance of such weighted average butterfat test from 3.5 percent by the butterfat differential computed pursuant to § 930.72 and multiply by 10;

(b) Add an amount equal to the total location adjustments to be made pursuant to § 930.73;

(c) Divide the resulting value by the total hundredweight of producer milk received by such handler;

(d) The resulting figure, rounded to the nearest cent, shall be known as the uniform price for such handler for milk of 3.5 percent butterfat content at a pool plant, located less than 60 miles from the City Hall of Toledo, Ohio.

§ 930.62 *Notification.* On or before the 12th day after the end of each month, the market administrator shall mail to each handler, at his last known address, a statement showing:

(a) The amount and value of his producer milk in each class;

(b) The uniform price for such handler pursuant to § 930.61 and the butterfat differentials computed pursuant to § 930.72; and

(c) The totals of the amounts to be paid by such handler pursuant to §§ 930.74 and 930.75.

PAYMENTS

§ 930.70 *Time and method of final payment.* (a) On or before the 15th day after the end of each month, each handler shall pay each producer for milk received from him during such month, an amount computed at not less than such handler's uniform price per hundredweight pursuant to § 930.61, subject to the butterfat differential computed pursuant to § 930.72 plus or minus adjustments for errors made in previous payments to such producer; and less (1) payment made pursuant to § 930.71, (2) location differential deductions pursuant to § 930.73, (3) marketing service deductions pursuant to § 930.75 and (4) proper deductions authorized by such producer.

§ 930.71 *Partial payments.* On or before the last day of each month each handler shall pay each producer for milk received from him during the first fifteen days of each month at a rate computed as follows: *Provided,* That in the event a producer discontinues shipping to the market during the month, such partial payments shall not be made and full payment for all milk received from such producer during the month shall be made pursuant to the provisions of § 930.70

(a) Deduct 75 cents from the uniform price for the preceding month for such handler which is applicable at the pool plant where milk is received from such producer.

(b) Add or subtract any amount by which the Class I price differential for the current month is greater than or less than, respectively, the differential for the preceding month.

(c) Round off the result to the nearest multiple of 10 cents.

§ 930.72 *Producer butterfat differential.* In making payments pursuant to § 930.70 the uniform price for each handler shall be adjusted for each one-tenth of one percent of butterfat content in the milk of each producer above or below 3.5 percent, as the case may be, by a butterfat differential computed as follows: Multiply the Chicago butter price by 0.12 and round to the nearest one-half cent.

§ 930.73 *Location differentials to producers.* In making payment pursuant to § 930.70 the uniform price pursuant to § 930.61 to be paid for milk which is received from producers at a pool plant located 60 miles or more from the City Hall, Toledo, Ohio, by the shortest hard-surfaced highway distance, as determined by the market administrator, shall be reduced at the rate set forth in the following schedule according to the location of the pool plant where such milk is received from producers:

Distance from the Toledo City Hall (miles):	*Rate per hundredweight (cents)*
60 but less than 75	15.0
75 but less than 90	17.0
For each additional 15 miles or fraction thereof an additional	2.0

§ 930.74 *Expense of administration.* As his pro rata share of expense incurred pursuant to § 930.22 (d), each handler, except a producer-handler, shall pay the market administrator, on or before the 15th day after the end of each month, 2 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe with respect to receipts during the month of (a) producer milk, (b) other source milk at a pool plant, allocated to Class I milk pursuant to § 930.46 and (c) Class I milk disposed of in the marketing area by a distributing plant, not a pool plant.

§ 930.75 *Deductions for marketing services.* (a) Except as set forth in paragraph (b) of this section each handler, in making payments to producers pursuant to § 930.70, with respect to all milk received from each producer (except milk of such handler's own production) at a plant not operated by a cooperative association of which such producer is a member, shall deduct 6 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe; and on or before the 15th day after the end of such month, shall pay such deductions to the market administrator. Such moneys shall be expended by the market administrator to verify weights, samples, and tests of milk of such producers and to provide such producers with market information, such services to be performed by the market administrator, or by an agent engaged by and responsible to him.

(b) Each association of producers which is actually performing the services described in paragraph (a) of this section, as determined by the market administrator, may file with a handler a claim for authorized deductions from the payments otherwise due to its producer-members for milk delivered to such handler. In making payments to producers for milk received during the month, each handler shall make deductions in accordance with the association's claim and shall pay the amount deducted, to the association, within 15 days after the end of the month. Such claim shall contain a list of the producers for which such deductions apply, an agreement to indemnify the handler in the making of the deductions, and a certification that the association has an unterminated membership contract with each producer authorizing the claimed deduction.

§ 930.76 *Reports to cooperatives.* Upon request the market administrator is authorized to report to any cooperative association qualifying under § 930.75 (b) for each month the amount of butterfat shortage or overage in member milk found in any handler's plant, as revealed by the records of the market administrator. For the purpose of this report, the butterfat shortage or overage on member milk shall be determined as the percentage of total butterfat shortage or overage which total receipts of butterfat in member milk is of the total receipts of butterfat in the plant.

§ 930.77 *Errors in payments.* Whenever audit by the market administrator of any handler's reports, books, records, or accounts disclose errors resulting in moneys due (a) the market administrator or cooperative associations from such handler, or such handler from the market administrator or cooperative associations pursuant to §§ 930.74 or 930.75, or (b) any producer or cooperative association from such handler pursuant to § 930.70, the market administrator shall promptly notify such handler of any such amount due; and said payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred, following the 5th day after such notice.

APPLICATION OF PROVISIONS

§ 930.80 *Plants subject to other Federal orders.* The provisions of this part shall not apply to a distributing plant or a supply plant during any month in which the milk at such plant would be subject to the classification and pricing provisions of another order issued pursuant to the act unless such plant qualified as a pool plant pursuant to § 930.9 and a greater volume of fluid milk products is disposed of from such plant to retail or wholesale outlets and to pool plants in the Toledo, Ohio, marketing area than in the marketing area regulated pursuant to such other order during the current and each of the three months, immediately proceeding: *Provided,* That the operator of a distributing plant or a supply plant which is exempted from the provisions of this order pursuant to this section shall, with respect to the total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

§ 930.81 *Producer-handlers.* Sections 930.50, 930.60, 930.70, 930.74, 930.75, and 930.77 shall not apply to the milk of a producer-handler.

MISCELLANEOUS PROVISIONS

§ 930.90 *Termination of obligations.* (a) The obligations of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the month during which the market administrator receives the handler's report of utilization of the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association, the name of such producers or association, or, if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books or records required by this part to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or wilful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

§ 930.91 *Effective time.* The provisions of this part, or of any amendment to this part, shall become effective at such time as the Secretary may declare

and shall continue in force until suspended or terminated.

§ 930.92 *When suspended or terminated.* The Secretary shall, whenever he finds that this part, or any provision thereof, obstructs or does not tend to effectuate the declared policy of the act, terminate or suspend the operation of this part or any such provision thereof.

§ 930.93 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this part, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 930.94 *Liquidation.* Upon the suspension of the provisions of this part, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

§ 930.95 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 930.96 *Separability of provisions.* If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

[F. R. Doc. 57-1870; Filed, Mar. 12, 1957; 8:46 a. m.]

[7 CFR Part 978]

[Docket No. AO-184-A15]

MILK IN NASHVILLE, TENNESSEE, MARKETING AREA

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

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held in the County Courtroom, Fourth Floor, Davidson County Courthouse, Nashville, Tennessee, beginning at 10:00 a. m., c. s. t., March 21, 1957, for the purpose of receiving evidence with respect to the proposed amendments hereinafter set forth, or appropriate modification thereof, to the tentative marketing agreement heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the Nashville, Tennessee, marketing area (7 CFR, 978 et seq.).

In view of the proposal (No. 1) to make a specific change in the supply-demand adjustment, all the supply-demand adjustment provisions of the order are considered to be open for any modification which may be indicated on the record of the hearing.

The proposed amendments have not received the approval of the Secretary of Agriculture.

The following proposals have been made for amending the order:

Proposed by Nashville Milk Producers, Inc.:

1. Suspend the delayed 12-month utilization ratio in the supply-demand adjustment (§ 978.51 (a) (1) (ii)).

2. Amend § 978.60 providing for base-forming months being September through the following January and, further, to provide for making August a free month (neither base-forming nor base and surplus).

3. Amend the order to provide authorization for the market administrator to report each cooperative association, the percentage of member milk used in the various classes by each handler.

4. Amend § 978.41 so as to provide that all shrinkage shall be classified as Class I.

Proposed by Certain Nashville Handlers:

5. Amend § 978.11 by deleting the language "any day during the months of March through August, or on not more than ten days during any other month."

Proposed by the Dairy Division, Agricultural Marketing Service:

6. Clarify the language of the proviso in § 978.43 (a).

7. Make such changes as may be required to make the entire marketing agreement and order conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing and of the order now in effect may be procured from the Market Administrator, Presbyterian Building, Room 101, 152 4th Avenue, North, Nashville 3, Tennessee, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: March 8, 1957.

[SEAL] ROY W. LENNARTSON, *Deputy Administrator.*

[F. R. Doc. 57-1882; Filed, Mar. 12, 1957; 8:48 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 19]

CHEESES; PROCESSED CHEESES; CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

NOTICE EXTENDING TIME IN WHICH TO FILE VIEWS AND COMMENTS ON PROPOSAL TO ADOPT DEFINITION AND STANDARD OF IDENTITY FOR GRATED AMERICAN CHEESE FOOD

Requests have been received for a 30-day extension of time in which to file views and comments on the proposal to adopt a definition and standard of identity for grated American cheese food which was published in the FEDERAL REGISTER of January 29, 1957 (22 F. R. 581). The requests set forth reasonable grounds for such extension.

In exercise of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919; 21 U. S. C. 341, 371), and delegated to him (22 F. R. 1045), the Commissioner of Food and Drugs hereby extends until April 3, 1957, the time for filing views and comments upon the proposal to adopt a definition and standard of identity for grated American cheese food.

Dated: March 7, 1957.

[SEAL] GEO. P. LARRICK, *Commissioner of Food and Drugs.*

[F. R. Doc. 57-1875; Filed, Mar. 12, 1957; 8:47 a. m.]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 40, 41, 42]

[Draft Release No. 57-3]

DAILY MECHANICAL REPORTS AND MECHANICAL INTERRUPTION SUMMARY REPORTS

NOTICE OF PROPOSED RULE MAKING

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety, notice is hereby given that the Bureau will propose to the Board the adoption of amendments to Parts 40, 41, and 42 of the Civil Air Regulations as hereinafter set forth.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety, Washington 25, D. C. In order to insure their consideration by the Board before taking further action on the proposed rules, communications must be received by May 10, 1957. Copies of such communications will be available after May 14, 1957, for examination by interested persons at the Docket Section of the Board, Room 5412, Department of Commerce Building, Washington, D. C.

Currently effective § 40.509 of Part 40 of the Civil Air Regulations requires operators to submit to the Administrator a detailed report known as a Mechanical Interruption Summary (MIS) Report which in substance contains:

(a) All flight interruptions resulting from known or suspected mechanical difficulties or malfunctions;

(b) The number of engines prematurely removed because of mechanical trouble; and

(c) The number of propeller featherings in flight.

Section 40.508 requires operators to submit daily another report known as a Daily Mechanical Report (DMR) which contains information concerning each failure, malfunctioning, or other defect, regardless of where detected, which may reasonably be expected by the air carrier to cause a serious hazard in the operation of an airplane.

At a joint airline-Government meeting dealing with maintenance questions, it was agreed that that portion of the mechanical interruption summary report required by paragraph (a) of § 40.509 is no longer valuable as a safety evaluation report and, therefore, should be eliminated as a requirement. It was agreed, however, that the information required under paragraphs (b) and (c) of § 40.509 is useful and should be retained. As a result of the aforementioned meeting, the Air Transport Association has requested the deletion of the requirement for submitting mechanical interruption summary reports.

As a result of the review given this request, however, it appears desirable to re-evaluate the reporting requirements of both §§ 40.508 and 40.509 with the view toward eliminating all unnecessary reporting requirements and to consolidate and make more specific those reporting requirements which the Board believes are necessary. Analysis of the provisions in these two sections reveals that the reporting of many mechanical failures and malfunctions detected and corrected on the ground, including premature engine removals, serves little useful purpose since these incidents, once corrected, cannot contribute to future inflight hazards; nor does the knowledge of these incidents contribute substantially to the prevention of future hazards. There are, however, some significant exceptions to this general situation:

(a) Failures, malfunctions, and defects which may have caused or may be reasonably expected to cause fire, significant loss of control or structural strength, or other hazardous conditions; and

(b) Failures the knowledge of which would impel inspection of the carrier's fleet and serve to alert other carriers of unsatisfactory conditions. Items in group (b) above may be in addition to those in group (a).

A study of the DMR's submitted in compliance with § 40.508 showed results similar to those found for the MIS Reports. In the first three months of 1954, for example, a total of more than 350 items was reported by all operators. Of these only 201 or about 57 percent were directly related to flight or ground incidents of a nature the knowledge of which would be useful in the prevention of future inflight incidents or hazards. Furthermore, of this 57 percent, only a fraction of the incidents reported were of the "alert" type which would justify publication in the "Summary of Daily Mechanical Reports." A typical example is the report of an engine feathering because of a rise in oil temperature or a drop in oil pressure from a cause as yet undetermined. While such incidents should be reported, for reasons discussed hereinafter, they have no "alert" value which would enable other operators to take action to prevent the repetition of such incidents in their own equipment.

From the foregoing, it is seen that many man-hours are spent under the present reporting system, both by industry and government, in the processing and study of nonessential information.

On the other hand there are some items directly related to flight safety which are not uniformly reported. Examples of these are:

(a) *Propeller feathering in flight.* Each propeller feathering in flight results in a lowering of the level of safety for the duration of the time the engine is inoperative and is a positive indication of a "failure" of greater or lesser degree. The propeller feathering frequency is an excellent index of the degree to which powerplant reliability has been achieved.

(b) *Failure to feather.* Each case of inability to feather a propeller results in a lowering of the level of safety for the remainder of the flight whether the engine is shut down with the propeller windmilling or power is used. The high drag of a windmilling propeller reduces the performance available in the event the engine is shut down and if power is used on a crippled engine the probability of serious powerplant damage and of fire is enhanced.

In reassessing the provisions of the Civil Air Regulations which deal with daily mechanical reports and mechanical interruption summary reports, consideration was given to the objectives sought in the reporting of the conditions and incidents required in these provisions.

The foremost objective of a reporting system is to warn industry and government of incidents of an "alert" type which may be common to aircraft, systems, or components of the same or similar type. Any failure or malfunction falls into this category when it results in a hazardous condition, or when good maintenance practice dictates the inspection of the fleet to prevent the occurrence of similar incidents in other equipment. Such reporting serves accident prevention in two ways: First, the knowledge of these incidents prompts other operators to take action for the prevention of similar incidents in their own equipment. Second, the statistical record of all such incidents and the related information provide the manufacturer with knowledge which will allow the source of such incidents to be "designed out" of new structures, systems, and components.

A second objective of a reporting system is the determination of the frequency of flight incidents arising from mechanical deficiencies, a knowledge of which would serve to give warning of unsafe operating conditions prior to the occurrence of hazards or accidents.

The final objective is to confine the nature of items to be reported to those directly related to the safety of operations and the number of items within practicable limitations so that complete, accurate, and uniform reporting is assured throughout the industry.

The proposed amendment would rescind § 40.509 in its entirety; however, certain provisions now included in that section would be incorporated into § 40.508. These provisions relate to the reporting of propeller featherings and of "flight terminations"—"flight terminations" meaning those incidents arising from mechanical difficulties which result in accelerate-stops, go-arounds after take-off, and unscheduled and emergency landings.

It is anticipated that this proposal will substantially reduce the number of items required to be reported under currently effective §§ 40.508 and 40.509. For example, the reporting of certain premature engine removals would no longer be required, and the number of failures and malfunctions detected and corrected on the ground which must be reported would be reduced. In addition it is anticipated that there would be a considerable reduction in the number of items published in the DMR summary since many items presently published on a daily basis would either not be reported at all, or would be reported on a semimonthly basis. Furthermore, in order to insure the highest possible degree of conformity in reporting, the proposed amendment contains more definitive standards to be used by the air carriers in determining when, and in what manner, a particular condition must be reported. This is in contrast to the currently effective § 40.508 which leaves entirely to the air carriers the determination of which mechanical difficulties need be reported.

Since maintenance reporting objectives contemplated for scheduled air carrier operations conducted outside the continental limits of the United States and for all irregular air carrier operations are similar to those proposed herein for scheduled interstate operations, it is proposed to make similar changes in Parts 41 and 42 to reflect the substance of the changes herein.

In view of the foregoing, notice is hereby given that it is proposed to recommend to the Board that Part 40 of the Civil Air Regulations be amended as follows:

1. By deleting § 40.509 in its entirety.

2. By amending § 40.508 to read as follows:

§ 40.508 *Mechanical reports.* (a) The air carrier shall report to the Administrator the first of each type of failure, malfunctioning, or other defect detected in flight or on the ground in an aircraft or component which has caused, or which may be reasonably expected to cause, a fire, a significant loss of control or structural strength, or other hazardous condition, whether or not a similar occurrence has previously been reported by another air carrier. In addition, the

air carrier shall report the initiation of a fleet campaign to correct a safety hazard. These reports shall include the information required by paragraph (d) of this section. These reports shall cover a 24-hour period of operation beginning and ending at midnight, and shall be submitted not later than noon of the following working day, or sooner if the seriousness of the incident warrants.

(b) The recurrence of a type of failure, malfunctioning, or other defect previously reported by the air carrier in compliance with paragraph (a) of this section shall be reported semi-monthly to the Administrator not later than the 10th day after the reporting period in which it was detected.

(c) All failures, malfunctionings, or other defects, detected on the runway after the take-off run has started, while airborne, and on the runway prior to termination of the landing run, not reported in compliance with paragraphs (a) and (b) of this section, shall be reported semi-monthly to the Administrator not later than the 10th day after the reporting period in which they were detected. Reports shall include all the information required by paragraph (d) (1) of this section, and, in addition, information concerning the flight regime in which the incident occurred. Incidents which shall be reported in showing compliance with this paragraph shall include, but not be limited to, the following:

(1) Propeller featherings, including automatic, manual, and precautionary featherings; or, in the case of jet-propelled aircraft, engine shutdown or stoppage. Propeller featherings or engine shutdown or stoppage for demonstration or check purposes need not be reported;

(2) Failures of the propeller to feather:

(3) Fire warnings;

(4) Incidents, arising from actual or suspected mechanical difficulties, which result in accelerate-stops, go-arounds after take-off, and unscheduled and emergency landings.

(d) (1) The reports required by paragraphs (a) (b), and (c) of this section shall include the following information:

(i) Type and CAA identification of the aircraft and engine, name or air carrier, and date;

(ii) Nature of incident; e. g., fire, structural failure;

(iii) Procedures effected; e. g., accelerate-stop, go-around after take-off, unscheduled or emergency landing, fuel dumping, use of fire extinguisher;

(iv) Apparent cause of difficulty; e. g., mechanical failure, design deficiency, personnel error;

(v) Corrective action, where appropriate; and

(vi) Brief narrative summary to supply any other pertinent data required for clarification or determination of seriousness.

(2) The reports required by paragraphs (a) and (b) of this section shall include the following information in addition to that prescribed in subparagraph (1) of this paragraph:

(i) Identification of the part and system involved including the type designation, the total service time, the time since overhaul, and the time since inspection of the component involved, as appropriate; and

(ii) Disposition or corrective action; e. g., repaired, replaced, airplane grounded, fleet campaigned.

(3) A report shall not be withheld pending accumulation of all the information specified in this section. When additional information is obtained relative to such incident, it shall be expeditiously submitted as a supplement to the original report, reference being made to the date and place of the first report.

These amendments are proposed under the authority of Title VI of the Civil Aeronautics Act as amended. The proposal may be changed in the light of comments received in response to this notice of proposed rule making.

(Sec. 205, 52 Stat. 984, 49 U. S. C. 425. Interpret or apply secs. 601–610, 52 Stat. 1007–1012 as amended, 49 U. S. C. 551–560)

Dated at Washington, D. C., March 1, 1957.

By the Bureau of Safety.

[SEAL] OSCAR BAKKE,
Director.

[F. R. Doc. 57–1897; Filed, Mar. 12, 1957; 8:51 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

PEANUTS

NOTICE OF CLOSING DATES ESTABLISHED BY AGRICULTURAL STABILIZATION AND CONSERVATION STATE COMMITTEES FOR PEANUT-PRODUCING STATES

Sections 729.822 (b) (1), 729.825 (a) and (b) of the Allotment and Marketing Quota Regulations for Peanuts of the 1957 and Subsequent Crops (21 F. R. 9370, 9760) provide that the Agricultural Stabilization and Conservation State Committees shall, within prescribed limits, establish closing dates for (1) filing applications for new farm allotments, (2) voluntarily releasing acreage which will not be used on the farm for which allotted, and (3) filing applications for increase in allotment from any acreage released by other farmers in the county. Section 3 of the Administrative Procedure Act (5 U. S. C. 1002 (a)) requires that these closing dates be published in the FEDERAL REGISTER. Accordingly there are set forth below the closing dates applicable to the 1957 crop of peanuts which have been established by the State Committees of the peanut-producing States.

I. *Closing dates for filing applications for new farm allotments.* For Florida and New Mexico, January 31, 1957; for Arkansas, February 1, 1957; for Texas, February 8, 1957; and for Alabama, Arizona, California, Georgia, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee and Virginia, February 15, 1957.

II. *Closing dates for releasing acreage which will not be used on the farm for which allotted.* For Alabama, March 20, 1957; for Florida and Georgia, April 1, 1957; for Virginia, April 15, 1957; for North Carolina, April 30, 1957; for Mississippi, Missouri and South Carolina, May 1, 1957; for New Mexico, May 10, 1957; for Arkansas and California, May 15, 1957; for Oklahoma, May 31, 1957; for Louisiana, June 1, 1957; for Texas, June 7, 1957; and for Arizona and Tennessee, July 1, 1957.

III. *Closing dates for filing applications for increase in allotment from released acreage.* For Alabama, March 20, 1957; for Georgia, April 12, 1957; for Virginia, April 15, 1957; for Florida, April 16, 1957; for North Carolina, May 10, 1957; for Missouri, May 15, 1957; for New Mexico, May 17, 1957; for Mississippi, May 20, 1957; for California and South Carolina, May 31, 1957; for Arkansas, June 1, 1957; for Oklahoma, June 14, 1957; for Louisiana, June 15, 1957; for Texas, June 21, 1957; and for Arizona and Tennessee, July 15, 1957.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply secs. 301, 358, 359, 361–368, 372, 373, 374, 376, 388, 52 Stat. 38, 62, 63, 64, 65, 66, 68, as amended; 55 Stat. 88, 90 as amended; 66 Stat. 27; secs. 106, 112, 377, 70 Stat. 191, 195, 206; 7 U. S. C. 1301, 1358, 1359, 1361–1368, 1372, 1373, 1374, 1376, 1377, 1388)

Issued at Washington, D. C., this 8th day of March 1957.

[SEAL] CLARENCE L. MILLER,
Associate Administrator, Commodity Stabilization Service.

[F. R. Doc. 57–1886; Filed, Mar. 12, 1957; 8:49 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[Bureau Order 551, Amdt. 31]

FUNCTIONS RELATING TO CREDIT MATTERS

DELEGATION OF AUTHORITY WITH RESPECT TO TRUST OR RESTRICTED LAND

MARCH 7, 1957.

Bureau Order 551, as amended, is further amended by addition of the following new sections under the heading Functions Relating to Credit Matters:

SEC. 134. *Loan security.* The approval of mortgages of trust chattels and crops on trust or restricted land of an Indian, and assignments of income from trust or restricted land of an Indian, except income from restricted land of heirs or

devisees of members of the Five Civilized Tribes, Oklahoma, as security for a loan by any lender.

SEC. 135. *Assignments of trust property.* The approval of assignments of any trust property of an Indian, except land, and authority to act as the Indian's attorney in fact to execute leases on any trust land in which the Indian borrower may have an interest and to apply the rentals on the Indian's indebtedness, for a loan made pursuant to 25 CFR 21, 23, and 28.

SEC. 136. *Release of United States interests.* The release of interests of the United States in any trust or restricted property of an Indian, except land.

W. BARTON GREENWOOD,
Acting Commissioner.

[F. R. Doc. 57-1866; Filed, Mar. 12, 1957; 8:46 a. m.]

[Order 551, Amdt. 30]

FUNCTIONS RELATING TO GENERAL MATTERS

DELEGATION OF AUTHORITY; OPERATION OF U. S. M. S. "NORTH STAR"

MARCH 7, 1957.

Order 551, as amended, is further amended to add a new section under the heading Functions Relating to General Matters, to read as follows:

SEC. 355. *Operation of U. S. M. S. "North Star".* All of the authorities contained in 25 CFR Part 3.

GLENN L. EMMONS,
Commissioner.

[F. R. Doc. 57-1865; Filed, Mar. 12, 1957; 8:45 a. m.]

DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

[Amdt. 1]

REGIONAL ADMINISTRATORS

DELEGATION OF AUTHORITY REGARDING COMPLIANCE WITH AIRPORT OPERATION AGREEMENTS

The purpose of this amendment is to delegate authority to Regional Administrators to release electric, water, gas, heating, sewerage, aircraft fuel, and other similar utility systems and the component parts thereof from the terms and conditions of Surplus Property Instruments of Disposal.

Pursuant to authority under Reorganization Plan No. 5, of 1950 (64 Stat. 1263; 5 U. S. C. 133z-15) and Department of Commerce Department Order 86 (21 F. R. 7027), paragraph 4.4 of the Delegation of Authority Regarding Compliance With Airport Operation Agreements published in the FEDERAL REGISTER April 12, 1956 (21 F. R. 2392), is revised to read as follows:

4.4 *Surplus structures and facilities.* Each Regional Administrator is hereby delegated authority to execute such instruments of release or correction or other instruments as may be necessary to release from any or all of the terms, conditions, reservations, and restrictions of surplus airport property instruments of disposal:

(a) Any structures, facilities or items of personal property which, in the opinion of the Regional Administrator, have outlived their useful life or deteriorated beyond economical repair, notwithstanding the performance of such maintenance work by the airport owner as he could reasonably have been expected to perform in maintaining the property in accordance with the applicable instrument of disposal;

(b) Any structures or facilities which, in the opinion of the Regional Administrator, must be removed to permit the accomplishment of needed airport improvement or expansion;

(c) Any equipment such as machinery, machine tools, and vehicular equipment which, in the opinion of the Regional Administrator, is no longer needed for the purpose for which it was conveyed or, because of size, type or other reason, is uneconomical to use for the purpose for which it was conveyed; and

(d) Any electric, water, gas, heating, sewerage, aircraft fuel and other similar utility system and the component parts thereof when, in the opinion of the Regional Administrator, such system cannot economically be maintained and operated by the owning agency because of the lack of qualified operating personnel or for other reason and the release is necessary to assure accomplishment of the purpose for which the system was conveyed to such agency.

This revision shall become effective upon publication in the FEDERAL REGISTER.

[SEAL] JAMES T. PYLE,
Administrator of Civil Aeronautics.

[F. R. Doc. 57-1863; Filed, Mar. 12, 1957; 8:45 a. m.]

Federal Maritime Board

WEAVER BROS., INC., AND COASTWISE LINE

NOTICE OF AGREEMENT FILED FOR APPROVAL

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, (39 Stat. 733, 46 U. S. C. 814):

Agreement No. 8207, between Weaver Bros., Inc., and Coastwise Line, covering the transportation of cargo under through bills of lading issued by Weaver Bros., Inc., between United States Pacific Coast ports and points in Alaska, with transhipment at Valdez, Alaska. Coastwise Line will transport the cargo between United States Pacific Coast ports and Valdez, Alaska, and Weaver Bros., Inc., will transport the cargo between Alaskan points of origin or destination and Valdez.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 8, 1957.

By order of the Federal Maritime Board.

GEO. A. VIEHMANN,
Assistant Secretary.

[F. R. Doc. 57-1874; Filed, Mar. 12, 1957; 8:47 a. m.]

ATOMIC ENERGY COMMISSION

[Docket No. F-8]

NORTH CAROLINA STATE COLLEGE

ISSUANCE OF CONSTRUCTION PERMIT AUTHORIZING MODIFICATION OF RESEARCH REACTOR

Please take notice that the Atomic Energy Commission on March 6, 1957, issued Construction Permit No. CPRR-10, authorizing North Carolina State College to modify its research reactor. The construction permit is substantially as set forth in the notice of proposed action published in the FEDERAL REGISTER on February 20, 1957, 22 F. R. 1052.

A copy of the construction permit is on file in the AEC Public Document Room located at 1717 H Street NW., Washington, D. C.

Dated at Washington, D. C., this 7th day of March 1957.

For the Atomic Energy Commission.

H. L. PRICE,
Director,
Division of Civilian Application.

[F. R. Doc. 57-1861; Filed, Mar. 12, 1957; 8:45 a. m.]

[Docket Nos. F-40, F-41]

AEROJET-GENERAL NUCLEONICS AND AEROJET-GENERAL CORP.

NOTICE OF ISSUANCE OF AMENDMENT TO LICENSE AUTHORIZING TRANSFER OF TITLE TO FACILITY AND LICENSE AUTHORIZING ACQUISITION OF TITLE TO FACILITY

Aerojet-General Nucleonics, Docket No. F-40; Aerojet-General Corporation, Docket No. F-41.

Please take notice that the Atomic Energy Commission on March 7, 1957, amended License No. R-6 to authorize Aerojet-General Nucleonics to transfer to Aerojet-General Corporation title to the reactor designated by them as Model AGN-201, Serial No. 100. On March 7, 1957, License No. R-8 was issued Aerojet-General Corporation authorizing it to acquire title to the reactor.

The amendment to License No. R-6 and License No. R-8 are substantially in the form set forth in the notice of the proposed action published in the FEDERAL REGISTER on February 14, 1957, 22 F. R. 937.

Dated at Washington, D. C., this 7th day of March 1957.

For the Atomic Energy Commission.

H. L. PRICE,
Director,
Division of Civilian Application.

[F. R. Doc. 57-1862; Filed, Mar. 12, 1957; 8:45 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 8517]

SWISSAIR, SWISS AIR TRANSPORT CO., LTD.

NOTICE OF HEARING

In the matter of the application of Swissair, Swiss Air Transport Company Limited, insofar as it seeks authority to serve Lisbon, Portugal, as an intermediate point on its New York-Switzerland route.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that public hearing in the above entitled matter is assigned to be held on March 14, 1957, at 10 a. m., e. s. t., in Room 5829, Commerce Building, 14th Street and Constitution Avenue NW., Washington, D. C., before Examiner Walter W. Bryan.

Dated at Washington, D. C., March 8, 1957.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 57-1898; Filed, Mar. 12, 1957; 8:51 a. m.]

[Docket No. 7864]

AIR JORDAN CONTROL BY TRANSOCEAN

NOTICE OF PREHEARING CONFERENCE

In the matter of the application for approval of acquisition of control of Air Jordan by Transocean.

Notice is hereby given that a prehearing conference in the above-entitled application is assigned to be held on March 18, 1957, at 10 a. m., e. s. t., in Room E-224, Temporary Building No. 5, 16th Street and Constitution Avenue NW., Washington, D. C., before Examiner Thomas L. Wrenn.

Dated at Washington, D. C., March 8, 1957.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 57-1899; Filed, Mar. 12, 1957; 8:51 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 11180, 11901; FCC 57M-190]

BILL MATHIS AND GILLESPIE BROADCASTING CO. (KNAF)

ORDER CONTINUING HEARING AND SCHEDULING PREHEARING CONFERENCE

In re applications of Bill Mathis, Abilene, Texas, Docket No. 11180, File No. BP-8917; Gillespie Broadcasting Company (KNAF), Fredericksburg, Texas, Docket No. 11901, File No. BP-10598; for construction permits.

It is ordered, This 6th day of March 1957, on the Examiner's own motion, that hearing in the above-entitled matter now scheduled for March 18, 1957 is continued to a date to be determined later.

It is further ordered, That a pre-hearing conference will be held on March 18, 1957, at 10:00 a. m. at the offices of the Commission.

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

[F. R. Doc. 57-1878; Filed, Mar. 12, 1957; 8:47 a. m.]

[Docket No. 11924; FCC 57M-192]

BELOIT BROADCASTERS, INC. (WBEL)

ORDER SCHEDULING PREHEARING CONFERENCE

In re application of Beloit Broadcasters, Incorporated (WBEL), Beloit, Wisconsin, Docket No. 11924, File No. BP-10531; for construction permit.

It is ordered, This 6th day of March 1957, that a prehearing conference in the above-entitled proceeding will be held in the Offices of the Commission, Washington, D. C., on Friday, March 15, 1957, commencing at 2:00 p. m.

Released: March 7, 1957.

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

[F. R. Doc. 57-1879; Filed, Mar. 12, 1957; 8:48 a. m.]

[Docket Nos. 11940, 11941; FCC 57M-195]

SARKES TARZIAN, INC., AND GEORGE A. BROWN, JR.

ORDER SCHEDULING HEARING

In re applications of Sarkes Tarzian, Inc., Bowling Green, Kentucky, Docket No. 11940, File No. BPCT-2114; George A. Brown, Jr., Bowling Green, Kentucky, Docket No. 11941, File No. BPCT-2131; for construction permits for new television stations (Channel 13).

It is ordered, This 5th day of March 1957, that Millard F. French will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on May 1, 1957, in Washington, D. C..

Released: March 8, 1957.

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

[F. R. Doc. 57-1880; Filed, Mar. 12, 1957; 8:48 a. m.]

[Docket No. 11943; FCC 57M-194]

PARISH BROADCASTING CORP. (KAPK)

ORDER SCHEDULING HEARING

In re application of Parish Broadcasting Corporation (KAPK), Minden, Louisiana, Docket No. 11943, File No. BP-10749; for construction permit.

It is ordered, This 5th day of March 1957, that Annie Neal Huntting will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on May 1, 1957, in Washington, D. C.

Released: March 8, 1957.

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

[F. R. Doc. 57-1881; Filed, Mar. 12, 1957; 8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-5293, G-9781]

V. F. NEUHAUS ET AL.[1]

NOTICE OF APPLICATIONS AND DATE OF HEARING

March 7, 1957.

Take notice that V. F. Neuhaus (Operator) et al. (Applicant), whose address is First State Bank Building, Mission, Texas, filed an application on November 22, 1954, as amended May 10, 1956, in Docket No. G-5293, pursuant to section 7 of the Natural Gas Act, for permission and approval to abandon service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant seeks to abandon the sale of natural gas in interstate commerce, from production in the Vincente Saenz 624 acre unit located in the North Rincon Field, Starr County, Texas, to Sun Oil Company (Sun) for resale.

On December 15, 1955, Applicant filed in Docket No. G-9781 an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, for authority to render the service, proposed to be abandoned in Docket No. G-5293, to Tennessee Gas Transmission Company (Tennessee) for transportation in interstate commerce for resale.

Applicant states that pending negotiation of a long term contract with Tennessee, Sun has been delivering limited quantities of gas purchased from Applicant on a day-to-day basis to Transcontinental Gas Pipe Line Corporation (Transco) at the outlet of Sun's Starr County Plant in Texas. Applicant further states, that the cessation of delivery of the gas produced from the Vicente Saenz Unit to Transco, by Sun, will in no way affect Sun's ability to meet its current obligations to Transco. In addition, Applicant states that the granting of the abandonment application herein would make available to the ultimate consumers additional quantities of gas. In this connection, Applicant states that deliveries of its gas to Tennessee are es-

[1] The applications herein were filed by Applicant, for himself and on behalf of American Liberty Oil Company, The Chicago Corporation (now Champlin Oil & Refining Company) and C. R. Nichols. All are signatory parties to the sales contract involved herein.

timated to average 27,000 Mcf per month, whereas deliveries to Transco have averaged 12,210 Mcf per month.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 10, 1957, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 25, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1889; Filed, Mar. 12, 1957; 8:49 a. m.]

[Docket No. G-8681 etc.]

DRAPER MOTORS CORP. AND DEAN A. DRAPER

NOTICE OF APPLICATIONS AND DATE OF HEARING

MARCH 7, 1957.

In the matters of Draper Motors Corporation, Docket Nos. G-8681, G-10470, and G-10472; Dean A. Draper, Docket Nos. G-10471 and G-10473.

Take notice that Draper Motors Corporation (Draper Motors), a Michigan corporation with its principal place of business at Royal Oak, Michigan, filed on March 28, 1955, an application in Docket No. G-8681, for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing it to sell natural gas in interstate commerce from production in the Hugoton Field, Seward County, Kansas, to Northern Natural Gas Company for resale, all as more fully set forth in the application.

On May 24, 1956, Draper Motors filed applications in Docket Nos. G-10470 and G-10472, for authorization pursuant to section 7 (b) of the Natural Gas Act, to abandon service as follows:

(1) In Docket No. G-10470, to Colorado Interstate Gas Company (Colorado) from six wells located on Beach Units Nos. 1 through 6 in the Hugoton Field, Finney County, Kansas.[1]

(2) In Docket No. G-10472 to Northern Natural Gas Company (Northern) for which certificate authorization was applied for by Draper Motors, as described above and as more fully set forth in the application in Docket No. G-8681 [2] in this proceeding.

On May 24, 1956, Dean A. Draper, with his principal place of business at Royal Oak, Michigan, filed applications in Docket Nos. G-10471 and G-10473, pursuant to section 7 (c) of the Natural Gas Act, for authorization to continue the services proposed to be abandoned by Draper Motors in Docket Nos. G-10470 and G-10472, respectively.

The applications herein are on file with the Commission and open to public inspection.

The parties herein state that by two instruments executed January 31, 1956, Draper Motors, now being dissolved, assigned its interests in the leases involved herein to Dean A. Draper.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 11, 1957, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a noncontested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 25, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1890; Filed, Mar. 12, 1957; 8:49 a. m.]

[1] A certificate authorizing this sale was issued February 10, 1956, in Docket No. G-8878.

[2] Temporary authorization for this service was granted in Docket No. G-8681 on May 19, 1955.

[Docket No. G-9557 etc.]

SUN OIL CO.

NOTICE OF CONTINUANCE OF HEARING

MARCH 7, 1957.

In the matter of Sun Oil Company, Docket Nos. G-9557, G-9647, G-11287, G-11288, G-11354 and G-11513.

Upon consideration of the motion filed March 4, 1957, for continuance of the hearing now scheduled for March 25, 1957, in the above-designated matter;

Notice is hereby given that said hearing is postponed to be held at 10 a. m., e. d. s. t., on May 13, 1957, in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1892; Filed, Mar. 12, 1957; 8:50 a. m.]

[Docket No. G-10325]

SUNRAY MID-CONTINENT OIL CO.[1]

NOTICE OF SEVERANCE

MARCH 7, 1957.

Take notice that the application in the matter of Sunray Mid-Continent Oil Company in Docket No. G-10325 which has been heretofore consolidated with various other applications in a proceeding entitled, In the matters of United States Smelting, Refining & Mining Company, et al., Docket Nos. G-9833 et al., and scheduled to be heard therewith at 9:30 a. m., e. s. t., on Thursday, March 28, 1957, is hereby severed from said consolidated proceeding at the request of Applicant's counsel and continued to a date to be set hereafter by further notice.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1891; Filed, Mar. 12, 1957; 8:50 a. m.]

[Docket No. G-10802 etc.]

COLUMBIAN FUEL CORP. AND UNITED PRODUCING CO., INC.

NOTICE OF APPLICATIONS AND DATE OF HEARING

MARCH 7, 1957.

In the matters of Columbian Fuel Corporation, Docket Nos. G-10802, G-11527; United Producing Company, Inc., Docket Nos. G-10803, G-11522.

Take notice that Columbian Fuel Corporation (Columbian), a Delaware corporation with principal place of business at 380 Madison Avenue, New York, New York, and United Producing Company, Inc. (United), a Maryland corporation with principal place of business at United Carbon Building, Charleston, West Virginia (Applicants), filed in Docket Nos. G-10802, G-10803, G-11522 and G-11527 as hereinafter described,

[1] Proceeding entitled: In the matters of United States Smelting, Refining & Mining Company, et al., Docket Nos. G-9833 et al.

pursuant to sections 16 and 7 (c) of the Natural Gas Act (act), petitions to amend the certificates of public convenience and necessity issued in Docket Nos. G–4308, G–4310, G–4314 and G–4328 which authorized the sale of natural gas to Panhandle Eastern Pipe Line Company (Panhandle) and for certificates of public convenience and necessity authorizing Applicants to render service to Colorado Interstate Gas Company (Colorado Interstate), subject to the jurisdiction of the Commission, all as more fully represented in the petitions and applications which are on file with the Commission and open for public inspection.

Said petitions were filed in Docket Nos. G–11522 and G–11527 as applications for permission and approval to abandon the sale of natural gas to Panhandle pursuant to section 7 (b) of the act.

Columbian requests by its petition filed on November 23, 1956 in Docket No. G–11527, in effect, that the certificates of public convenience and necessity issued to it on November 15, 1955 in Docket Nos. G–4308 [1] and G–4310 [1] be amended by deleting therefrom the following interests in certain leases covered thereby. Columbian's 50 percent interest in leases K–761, 786, 791, 818, 821, 893, 898, 899, 944; Columbian's 37.5 percent interest in lease K–896, Meade County, Kansas; and Columbian's 50 percent interest in lease P–1755 and in 289 and 291 acres of lease K–791, Beaver County, Oklahoma, all in the Adams Ranch Field. By application filed on July 24, 1956 in Docket No. G–10802, Columbian seeks authorization to sell natural gas in interstate commerce from the aforesaid specified interests to Colorado Interstate for resale.

United requests by its petition filed on November 23, 1956 in Docket No. G–11522, in effect, that the certificates of public convenience and necessity issued to it on November 15, 1955 in Docket Nos. G–4314 [1] and G–4328 [1] be amended by deleting therefrom interests which are identical to, but separate from, those referred to above in connection with Columbian. By application filed on July 24, 1956 in Docket No. G–10803, United seeks authorization to sell natural gas in interstate commerce from these specified interests to Colorado Interstate for resale.

Applicants Columbian and United state Panhandle has never laid any lines to connect up the few wells located in the Adams Ranch Field; that Applicants have never made deliveries of natural gas to Panhandle under the certificates involved; that the wells located in said field have remained shut-in since they were completed in 1952; and that by amendment dated March 31, 1956 to each of the gas purchase contracts involved, Panhandle has released the aforesaid acreage which was dedicated to it.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on Tuesday, March 26, 1957 at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 22, 1957. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57–1894; Filed, Mar. 12, 1957; 8:50 a. m.]

[1] Proceeding entitled: In the Matters of Columbian Fuel Corporation et al., Docket Nos. G–4308, et al.

[Docket No. G–12158]

J. RAY MCDERMOTT & CO., INC.

ORDER SUSPENDING PROPOSED CHANGE IN RATES

MARCH 7, 1957.

J. Ray McDermott & Company, Inc., (McDermott), on February 5, 1957, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate, is contained in the following designated filing which is proposed to become effective on the date shown:

Description: Notice of Change dated February 1, 1957.

Purchaser: Texas Gas Transmission Corporation.

Rate schedule designation: Supplement No. 3 to McDermott's FPC Gas Rate Schedule No. 3.

Proposed effective date: [1] March 8, 1957.

McDermott's proposed rate change is based on favored-nations clauses in its contract with Texas Gas Transmission Corporation in the Maxie Field, Acadia Parish, Louisiana, which, by its terms, has become operative by the rates for initial service to Texas Gas in the South Bell City Field, one such rate being that under Gulf Refining Company FPC Gas Rate Schedule No. 24.

McDermott, in support of the increase, states that provisions establishing the increased rate, as well as all other provisions in the contract, were arrived at by arm's-length bargaining, and that such increased rate is fair, just and reasonable. Applicant further submits that the long-term contract resulted from the pricing provisions therein, and to deny the increased rate would be to discriminate against seller.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR Chapter I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge, and, pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until August 8, 1957, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(C) Interested state commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57–1887; Filed, Mar. 12, 1957; 8:49 a. m.]

[1] The stated effective date is the first day after expiration of the required thirty days' notice, or the effective date proposed by McDermott, if later.

[Docket No. G–12159]

ATLANTIC REFINING CO.

ORDER SUSPENDING PROPOSED CHANGES IN RATES

MARCH 7, 1957.

The Atlantic Refining Company (Atlantic) on February 6, 1957, tendered for filing several proposed changes in its presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filings:

Description: Contract dated October 5, 1956; Supplemental Agreement dated October 31, 1952; Letter dated November 24, 1952; Supplemental Agreement dated July 17, 1953.

Purchaser: United Fuel Gas Company.

Rate schedule designations: Atlantic's FPC Gas Rate Schedule No. 166; Supplement No. 1 to Atlantic's FPC Gas Rate Schedule No. 166; Supplement No. 2 to Atlantic's FPC Gas Rate Schedule No. 166; Supplement No. 3 to Atlantic's FPC Gas Rate Schedule No. 166.

Effective date:[1] March 8, 1957.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest, and to aid in the enforcement of the provisions of the Natural Gas Act, that the Commission enter upon a hearing concerning the lawfulness of the said proposed increased rates and charges, and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations thereunder (18 CFR Chapter I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed increased rates and charges; and, pending such hearing and decision thereon, the above-designated supplements be and they are each hereby suspended, and the use thereof deferred until April 1, 1957, and until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(B) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby shall be changed until this proceeding has been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(C) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.[2]

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1888; Filed, Mar. 12, 1957; 8:49 a. m.]

[Docket No. E-6732]

BLACK HILLS POWER AND LIGHT CO.

NOTICE OF APPLICATION

MARCH 6, 1957.

Take notice that on February 25, 1957, an application was filed with the Federal Power Commission pursuant to section 204 of the Federal Power Act by Black Hills Power and Light Company ("Applicant"), a corporation organized under the laws of the State of South Dakota and doing business in the States of South Dakota and Wyoming, with its principal business office at Rapid City, South Dakota, seeking an order authorizing the issuance of 34,352 shares of additional Common Stock of the par value of $1 per share. The number of shares to be issued may be increased in the event of conversion of shares of Applicant's 4.56% Cumulative Preferred Stock in an amount equal to one-eighth of the number of shares of such Preferred Stock converted. Said shares of additional Common Stock will be offered to the holders of the presently outstanding Common Stock pro rata according to their pre-emptive rights, with additional rights to said stockholders to subscribe for any shares not taken upon the exercise of the pre-emptive rights. Applicant proposes to arrange with Dillon, Read & Co., Inc., New York, N. Y., for the underwriting of such shares of the additional Common Stock as the holders may not purchase pursuant to the rights to be issued to them.

Any person desiring to be heard or make any protest with reference to said application should on or before the 22d day of March 1957, file with the Federal Power Commission, Washington 25, D. C. a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file and available for public inspection.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 57-1867; Filed, Mar. 12, 1957; 8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3553]

GENERAL PUBLIC UTILITIES CORP.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE REGARDING ISSUE AND SALE OF ADDITIONAL SHARES OF COMMON STOCK PURSUANT TO RIGHTS OFFERING AND RETIREMENT OF BANK LOAN NOTES

MARCH 7, 1957.

General Public Utilities Corporation ("GPU"), a registered holding company, having filed an application-declaration and amendments thereto, pursuant to sections 6 (a), 7, and 12 (c) of the Public Utility Holding Company Act of 1935 ("act"), and Rule U-50 promulgated thereunder, regarding the following transactions:

GPU proposes to offer to the holders of its outstanding common stock of record March 8, 1957 rights to subscribe for additional shares of GPU common stock at the rate of one additional share of common stock for each fifteen shares of GPU common stock held of record, at a price which will be not more than the closing price on the New York Stock Exchange on the day prior to the record date and not less than 85 percent thereof. The subscription period will expire approximately 18 days after the final date of the mailing of the subscription warrants.

In lieu of issuing rights to record holders of less than fifteen shares, GPU will purchase such rights for cash and remit such cash to said record holders. In addition, GPU will, upon request of initial record holders of warrants, purchase such number of the rights represented thereby as such holders do not desire to exercise. Holders of rights in excess of fifteen but not exactly divisible by fifteen may, upon subscribing for the maximum number of whole shares covered by such rights, subscribe for one additional share without furnishing additional rights, subject to availability to GPU of such additional shares. If additional shares are not available GPU will purchase the excess rights. During the subscription period, and for not more than thirty business days thereafter, stockholders and warrant holders will have the privilege of purchasing from GPU unsubscribed shares to the extent such shares are available for such purpose, at the prevailing market price but not less than the subscription price.

The rights offering will not be underwritten, but GPU will utilize the services of security dealers to solicit the exercise by initial record holders of rights, and to participate in the disposition of shares, if any, not subscribed or otherwise disposed of by GPU under the terms of the rights offering. The price or prices at which such sale of unsubscribed shares will be effected through security dealers will be fixed by GPU at not higher than prevailing market prices plus 30 cents per share, and not less than the subscription price. GPU will pay to participating security dealers a fee not less than 30 cents nor more than 40 cents per share, for (i) successful solicitation of the exercise of warrants by the initial holders thereof, or (ii) for obtaining purchases of unsubscribed stock by initial warrant holders; and a fee, not less than 40 cents nor more than 55 cents per share, in connection with sales through such dealers, of stock not subscribed for or purchased by initial warrant holders.

In connection with the rights offering GPU may effect stabilization transactions in its common stock or rights, but at no time will GPU acquire a net long position exceeding 64,685 shares.

The net proceeds realized by GPU from the sale of the additional common stock will be applied (a) to repay GPU's outstanding bank loans and (b) to the making of additional investments in GPU's domestic subsidiary companies, or to the reimbursement of GPU's treasury for such investments theretofore made, and for other corporate purposes.

GPU requests that the Commission grant an exemption from the competitive bidding requirements of Rule U-50 to the extent such rule may be applicable to the sale of unsubscribed shares.

No. State or Federal regulatory body, other than this Commission, has jurisdiction over the proposed transactions.

The fees and expenses (other than security dealers' fees mentioned above) to be incurred by GPU in connection with the proposed transactions are estimated at an aggregate of $190,000, including counsel fees—$15,000; depository agent's fees and expenses—$35,000; clearing

[1] The stated effective dates is the first day after expiration of the required thirty days' notice, or the effective date proposed by Atlantic, if later.

[2] Commissioner Digby dissenting.

agent's fees and expenses—$7,000; accountant's fees—$7,000; and registrar's fees—$1,500.

Due notice of the filing of the application-declaration having been given (Holding Company Act Release No. 13389, February 20, 1957), in the manner prescribed by Rule U-23 promulgated under the act, and no hearing having been requested of or ordered by the Commission; and

The Commission finding in respect of the application-declaration, as amended, that the applicable provisions of the act and the rules promulgated thereunder are satisfied, observing no basis for adverse findings or the imposition of terms or conditions, it appearing that the fees and expenses to be incurred in connection with the proposed transactions are not unreasonable if they do not exceed the estimates hereinabove stated, and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers to grant the application and permit the declaration, as amended, to become effective, forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that the application-declaration, as amended, be, and it hereby is, granted and permitted to become effective, forthwith, subject to the terms and conditions prescribed in Rule U-24.

It is further ordered, That the request of GPU for exemption from the provisions of Rule U-50, to the extent such rule is applicable to the proposed transactions be, and it hereby is, granted.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 57-1895; Filed, Mar. 12, 1957; 8:50 a. m.]

[File No. 70-3559]

INDIANA & MICHIGAN ELECTRIC CO.

ORDER GRANTING APPLICATION REGARDING THE ISSUANCE OF SHORT-TERM NOTES TO BANKS

MARCH 7, 1957.

Indiana & Michigan Electric Company ("Indiana"), a public-utility subsidiary of American Gas and Electric Company ("American"), a registered holding company, has filed an application and amendments thereto with this Commission pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 ("act") regarding certain proposed transactions which are summarized as follows:

Indiana has established a line of credit with each of the following banking institutions under which it proposes to borrow from time to time prior to December 31, 1957 not in excess of $16,500,000:

Irving Trust Company, New York, N. Y.	$3,250,000
Mellon National Bank & Trust Company, Pittsburgh, Pa.	3,250,000
Guaranty Trust Company of New York, New York, N. Y.	3,250,000
First National City Bank of New York, New York, N. Y.	2,000,000
Manufacturers Trust Company, New York, N. Y.	$2,000,000
Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois	1,000,000
Bankers Trust Company, New York, N. Y.	875,000
The Hanover Bank, New York, N. Y.	875,000
	16,500,000

Of the $16.5 million proposed to be borrowed, Indiana has, as of December 31, 1956, borrowed $5,000,000 and has issued its notes in evidence thereof. This amount and additional borrowings of $5,700,000 will be exempted from the provisions of section 6 (a) by the first sentence of section 6 (b) of the act.

Indiana now requests approval for additional borrowings under the above line of credit in an amount not to exceed $5,800,000, such borrowings to be evidenced by notes to be dated as of the date of such borrowings and to mature not more than 270 days after the date of issuance. The notes are to bear interest at the then current prime rate, which is presently 4 percent per annum, and may be prepaid from time to time, in whole or in part, without premium.

The proceeds from the issuance of the notes will be used by Indiana to pay part of the costs of its construction program which, it is presently estimated will amount to $35,000,000 in 1957. All of Indiana's notes payable to banks outstanding at the time of its next permanent financing will be paid off from the proceeds of such financing which is presently expected to be effected prior to December 31, 1957. Upon the consummation of the permanent financing it is understood and agreed by Indiana that any authorization granted by this Commission's order, pursuant to this application, shall cease.

It is estimated that the expenses to be incurred by Indiana will not exceed one thousand dollars, including routine services incident to the proposed transaction which will be performed by the service company of the American system. No fees, commissions or other expenses are to be paid in regard to the proposed transaction except issuance taxes which may be paid to the State of Indiana.

The proposed transaction has been expressly authorized by the Public Service Commission of Indiana, the State in which Indiana is organized and doing business. No other State commission and no Federal commission other than this Commission has jurisdiction over the proposed transaction.

Due notice of the filing of the application having been given in the manner prescribed by Rule U-23 (Holding Company Act Release No. 13388) and no hearing having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and of the rules promulgated thereunder are satisfied, and that the application as amended should be granted forthwith:

It is ordered, Pursuant to section 6 (b) of the act and Rule U-23 promulgated thereunder, that the application as amended be, and the same hereby is, granted forthwith, subject to the condition that the authorization granted herein shall terminate on December 31, 1957, or at such earlier date as the permanent financing referred to above is consummated and also subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 57-1896; Filed, Mar. 12, 1957; 8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[Notice 155]

MOTOR CARRIER APPLICATIONS

MARCH 8, 1957.

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers and by brokers under sections 206, 209, and 211 of the Interstate Commerce Act and certain other procedural matters with respect thereto. (FEDERAL REGISTER Volume 21, pages 7339, 7340, § 1.241, September 26, 1956.)

All hearings will be called at 9:30 o'clock a. m., United States standard time (or 9:30 o'clock a. m., local daylight saving time, if that time is observed), unless otherwise specified.

APPLICATIONS ASSIGNED FOR ORAL HEARING OR PRE-HEARING CONFERENCE

MOTOR CARRIERS OF PROPERTY

No. MC 1124 (Sub No. 134), filed February 12, 1957, HERRIN TRANSPORTATION COMPANY, a Corporation, 2301 McKinney Ave., Houston, Tex. Applicant's attorney: Leroy Hallman, First National Bank Bldg., Dallas 2, Tex. For authority to operate as a *common carrier,* transporting: *General commodities, including Class A and B explosives,* but excepting commodities of unusual value, household goods as defined by the Commission, commodities in bulk, and those injurious or contaminating to other lading, serving the site of the Wyandotte Chemicals Corporation Chemical Plant located near Geismar, La., approximately 6 miles west of Gonzales, La., (which is located on U. S. Highway 61 approximately 25 miles south of Baton Rouge, La.) as an off-route point in connection with applicant's authorized regular route operations between Baton Rouge and New Orleans, La., over U. S. Highway 61. Applicant is authorized to conduct similar operations in Arkansas, Louisiana, Oklahoma, Tennessee, and Texas.

HEARING: April 17, 1957, at the Jung Hotel, New Orleans, La., before Joint Board No. 164.

No. MC 2028 (Sub No. 1), filed February 1, 1957, GRAY FLEET TRUCKING CO., INC., 70-74 North Sixth St., New York (Brooklyn), N. Y. Applicant's attorney: Morris Honig, 150 Broadway, New York 38, N. Y. For authority to operate as a *common carrier,* over irregular routes, transporting: *Empty*

chemical containers, between New York, N. Y., on the one hand, and, on the other, points in Bergen, Essex, Hudson, Morris, Somerset, Union, and Passaic Counties, N. J., and points in that part of Middlesex County, N. J., north of the Raritan River, and New Brunswick, N. J.

NOTE: Applicant has authority in Certificate No. MC 2028, dated May 14, 1941, to transport *Heavy industrial chemicals,* between New York, N. Y., on the one hand, and, on the other, New Brunswick, N. J., and points in Bergen, Essex, Hudson, Morris, Somerset, Union, and Passaic Counties, N. J., and that portion of Middlesex County north of the Raritan River.

HEARING: April 26, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 6181 (Sub No. 5), filed March 1, 1957, FRED LERNER, doing business as LERNER, 217 Price St., Hammonton, N. J. Applicant's attorney: Paul F. Barnes, 811–819 Lewis Tower Bldg., 225 S. 15th St., Philadelphia 2, Pa. For authority to operate as a *common carrier,* over irregular routes, transporting: *Canned and processed foods* and *bakery products,* from Bridgeton and Cedarville, N. J., and points in Atlantic County, N. J. to points in Delaware, Maryland, New York, Pennsylvania and the District of Columbia, and *commodities as are used in or incidental to the preparation, packing and shipping of the above commodities* on return.

HEARING: April 15, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner T. Kinsey Carpenter.

No. MC 8989 (Sub No. 165) (correction), filed January 23, 1957, HOWARD SOBER, INC., 2400 West St. Joseph St., Lansing 4, Mich. Applicant's attorney: Albert F. Beasley, Investment Bldg., 15th & K Sts., NW., Washington 5, D. C. For authority to operate as a *common carrier,* over irregular routes, transporting: *Construction machinery and equipment,* as described by the Commission and embraced in Ex Parte MC–45 (61 M. C. C. 209) under "Road construction machinery and equipment" and Appendix VIII thereof, *off-highway type dumping and hauling vehicles, and attachments and parts of all such machinery, equipment and vehicles,* moving with units being transported, in haulaway, towaway, or driveaway service, from points in the Chicago, Ill., Commercial Zone as defined by the Commission, (including Melrose Park, Ill.), Libertyville, Ill., and Milwaukee, Wis., and points within 5 miles of each, to points in the United States and the Territory of Alaska. Applicant is authorized to conduct driveaway and truckaway service throughout the United States.

HEARING: Remains as assigned March 19, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner William T. Croft.

No. MC 9655 (Sub No. 3), filed February 25, 1957, J. R. BUTLER, 1324 N. Webster Ave., Dunmore 10, Pa. Applicant's attorney: Charles L. Casper, Miners National Bank Bldg., Wilkes-Barre, Pa. For authority to operate as a *common carrier,* over irregular routes, transporting: *Store fixtures, counters* and *cases,* from Factoryville, Pa., to points in New Jersey, New York, Connecticut, Ohio, Indiana, and Illinois, and *materials* and *supplies* used or useful in the manufacture of store fixtures and *empty containers or other such incidental facilities* (not specified) used in transporting store fixtures, counters and cases on return.

HEARING: April 16, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner Paul Coyle.

No. MC 25518 (Sub No. 12), filed January 14, 1957, JOHN BUNNING (MARY BUNNING, EXECUTRIX AND LEWIS H. BROWN EXECUTOR), doing business as JOHN BUNNING TRANSFER COMPANY, Rialto Theatre Building, 109 Sherman St., Rock Springs, Wyo. Applicant's attorney: John H. Lewis, The 1650 Grant Street Building, Denver 3, Colo. For authority to operate as a *common carrier,* over irregular routes, transporting: *Contractors' equipment, materials, and supplies,* and *building materials,* as defined by the Commission, but excluding petroleum products, in bulk, in tank vehicles, between points in Utah and points in Sweetwater and Uinta Counties, Wyo. Applicant is authorized to transport similar commodities in the States of Colorado, Kansas, Montana, New Mexico, and Wyoming.

HEARING: March 21, 1957, at the Utah Public Service Commission, Salt Lake City, Utah, before Joint Board No. 80.

No. MC 32213 (Sub No. 3), filed February 25, 1957, L. R. PORTER, Mitchell, S. Dak. Applicant's attorney: H. Lauren Lewis, Wilson Terminal Bldg., P. O. Box 707, Sioux Falls, S. Dak. For authority to operate as a *common carrier,* over irregular routes, transporting: *Malt beverages,* from Minneapolis Minn., to Mitchell, S. Dak., and *empty containers or other such incidental facilities* (not specified), used in transporting the commodities specified, on return movements.

HEARING: May 3, 1957, at the U. S. Court Rooms, Sioux Falls, S. Dak., before Joint Board No. 26, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 36165 (Sub No. 4), filed January 14, 1957, HINES TRANSFER, INC., Ellsworth, Wis. Applicant's representative: A. R. Fowler, Agent, Associated Motor Carriers Tariff Bureau, 2288 University Ave., St. Paul 14, Minn. For authority to operate as a *common carrier,* over irregular routes, transporting: *Malt beverages,* from St. Louis, Mo., to Ellsworth, Wis. *Empty containers* used in transporting the above-described commodities, on return. Applicant is not presently authorized to transport malt beverages.

HEARING: April 22, 1957, at the Federal Court Bldg., Marquette Ave., South and Third Sts., Minneapolis, Minn., before Examiner William E. Messer.

No. MC 42329 (Sub No. 130), filed February 28, 1957, HAYES FREIGHT LINES, INC., 628 E. Adams Street, Springfield, Ill. Applicant's attorney: Edward G. Bazelon, 39 South La Salle Street, Chicago 3, Ill. For authority to operate as a *common carrier,* over irregular routes, transporting: *Construction machinery and equipment,* as described by the Commission, *dumping and hauling vehicles,* (off-highway type), and *attachments* and *parts* of all such machinery, equipment and vehicles moving with the units being transported, in haulaway, towaway, and driveaway service, from points in the Chicago, Ill., Commercial Zone as defined by the Commission (including Melrose Park, Ill.), Libertyville, Ill., and Milwaukee, Wis., and points within five miles of each, to all points in the United States and the Territory of Alaska.

HEARING: March 19, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner William T. Croft.

No. MC 42329 (Sub No. 131), filed February 28, 1957, HAYES FREIGHT LINES, INC., 628 E. Adams Street, Springfield, Ill. Applicant's attorney: Edward G. Bazelon, 39 South LaSalle Street, Chicago 3, Ill. For authority to operate as a *common carrier,* over irregular routes, transporting: *Meat, meat products, and meat by-products,* as defined by the Commission, from Wichita, Kans., to points in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia. Applicant is authorized to transport similar commodities in Illinois, Indiana, Iowa, Kentucky, Michigan, Missouri, Ohio, Pennsylvania, Tennessee, and West Virginia.

HEARING: April 2, 1957, at the Hotel Lassen, Wichita, Kans., before Examiner Mack Myers.

No. MC 52460 (Sub No. 39), filed February 13, 1957, HUGH BREEDING, INC., 1420 West 35th Street, P. O. Box 9515, Tulsa, Okla. Applicant's attorney: James W. Wrape, Sterick Building, Memphis, Tenn. For authority to operate as a *common carrier,* over irregular routes, transporting: *Caustic soda,* in bulk, in pressurized tank vehicles, from the site of the Diamond Alkali Company within the U. S. Arsenal grounds near Pine Bluff, Ark., to all points in Oklahoma.

HEARING: April 24, 1957, at the Arkansas Public Service Commission, Little Rock, Ark., before Joint Board No. 217.

No. MC 52752 (Sub No. 9), filed February 19, 1957, WESTERN TRANSPORTATION COMPANY, a Corporation, 1300 West 35th St., Chicago, Ill. Applicant's attorney: Carl L. Steiner, 39 South La Salle St., Chicago 3, Ill. For authority to operate as a *common carrier,* transporting: *General commodities,* except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving points in Cook, Lake, Kane, Will, DuPage, Kendall, McHenry, and Kankakee Counties, Ill., as off-route points in connection with applicant's authorized regular route operations to and from Chicago, Ill. in Certificate No. MC 52752.

NOTE: Applicant states that the above authority shall be restricted against transportation of any shipments locally between any two points in the counties specified. Applicant is authorized to transport general commodities, with exceptions, in Iowa and Illinois, including the Chicago, Ill., Commercial Zone as defined by the Commission.

HEARING: May 9, 1957, in Room 852, U. S. Custom House, 610 South Canal St., Chicago, Ill., before Joint Board No. 21, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 59759 (Sub No. 6), filed February 11, 1957, FOOD PRODUCTS TRUCKING CO., a corporation, 235 Keats Ave., Elizabeth, N. J. Applicant's representative: Bert Collins, 140 Cedar Street, New York 6, N. Y. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Such merchandise* as is distributed by a premium stamp redemption center in redemption of stamps, and in connection therewith *equipment, materials,* and *supplies* used in the conduct of such business, under special and individual contracts or agreements, with persons (as defined in section 203 (a) of the Interstate Commerce Act), the business of which is the redemption of premium stamps issued by those who operate retail businesses, from Linden, N. J., to points in Pennsylvania on and east of U. S. Highway 15 and Baltimore, Md., and *returned, refused and rejected shipments of the commodities specified,* as well as *premium stamp books with stamps attached* on return shipments.

HEARING: April 26, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 64828 (Sub No. 8), filed February 4, 1957, JOHN J. GARTLAND, doing business as GARTLAND MOTOR LINES, 17 Parkwood Drive, Poughkeepsie, N. Y. Applicant's attorney: Edward J. Murtaugh, 226 Union St., Poughkeepsie, N. Y. For authority to operate as a *common carrier*, transporting: *Meats, meat products* and *meat by-products, dairy products,* and *articles distributed by meat-packing houses,* as defined by the Commission, serving the intermediate or off-route points of Ohioville, Tillson, Rosendale, Esopus, Ulster Park, Lake Katrine, High Falls, Stone Ridge, Clintondale, Vail's Gate, Glasco, Cornwall, Cornwall-on-Hudson, Cold Springs, Red Oaks Mills, and West Point, N. Y. in connection with applicant's authorized regular route operations (1) from Poughkeepsie, N. Y. to Wallkill, N. Y., (2) from Poughkeepsie, N. Y. to Maybrook, N. Y., and (3) from Poughkeepsie, N. Y., to Saugerties, N. Y. Applicant is authorized to transport similar commodities in New York.

HEARING: April 18, 1957, at the Federal Bldg., Albany, N. Y., before Examiner Alton R. Smith.

No. MC 64932 (Sub No. 226), filed February 18, 1957, ROGERS CARTAGE CO., 1934 S. Wentworth Ave., Chicago 16, Ill. Applicant's attorney: Carl L. Steiner, 39 S. La Salle Street, Chicago 3, Ill. For authority to operate as a *common carrier*, over irregular routes, transporting: *Liquid chemicals,* in bulk, in tank vehicles, from Mapleton, Ill. to points in Minnesota, Iowa, Missouri, Ohio, Michigan, Wisconsin, Kentucky, and Indiana. Applicant is authorized to conduct operations in Kentucky, Michigan, Illinois, Indiana, Iowa, Missouri, Ohio, Wisconsin, New Jersey, New York, Pennsylvania, West Virginia, Alabama, Arkansas, Tennessee, Mississippi, Louisiana, Kansas, Oklahoma, Texas, Nebraska, and North Carolina.

HEARING: May 8, 1957, in Room 852, U. S. Custom House, 610 South Canal St., Chicago, Ill., before Examiner William E. Messer.

No. MC66900 (Sub No. 17) (Correction), filed January 28, 1957, HOUFF TRANSFER, INCORPORATED, Weyers Cave, Va. Applicant's representative: Glenn F. Morgan, 1006–1008 Warner Bldg., Washington 4, D. C. For authority to operate as a *common carrier*, over irregular routes, transporting: *General commodities,* except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, from points in that part of Pennsylvania on and south of U. S. Highway 422 and on and east of U. S. Highway 111 to points in Virginia within 80 miles of Staunton, Va., including Staunton, but excepting Roanoke, Va. Applicant is authorized to conduct operations in Maryland, Ohio, Pennsylvania, Virginia, West Virginia, and the District of Columbia.

NOTE: Applicant states as follows: Applicant now holds authority from the above described Pennsylvania area to Staunton, Va., and points within 50 miles of Staunton; also between Staunton and points within 80 miles of Staunton, except Roanoke, Va. The purpose of this application is to remove the need to operate into the 50 mile area when the traffic is moving to points in the 80 mile area. Applicant is presently serving the 80 mile area via the 50 mile area.

HEARING: Remains as assigned March 21, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner T. Kinsey Carpenter.

No. MC 76490 (Sub No. 1), filed February 21, 1957, CHELMSFORD IDEAL TRUCKING, INC., 15 Groton Road, North Chelmsford, Mass. For authority to operate as a *common carrier*, over irregular routes, transporting: *Granite,* such as is used for building, monuments, bridges, curb edging, slopes, and paving blocks, between Acton, Mass., and Westford, Mass., on the one hand, and, on the other, points in Rhode Island, Connecticut, and New York. Applicant is authorized to transport granite and lumber between Chelmsford, Mass., and points in a specified portion of New Hampshire.

HEARING: April 19, 1957, at the New Post Office & Court House Bldg., Boston, Mass., before Examiner Alton R. Smith.

No. MC 85130 (Sub No. 4), filed February 25, 1957, ANNA BRADLEY, doing business as BRADLEY'S EXPRESS, 76 Water St., Middletown, Conn. Applicant's attorney: Hugh M. Joseloff, 410 Asylum St., Hartford 3, Conn. For authority to operate as a *common carrier*, transporting: *General commodities,* except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, serving Thompsonville, Conn., as an off-route point in connection with applicant's authorized regular route operations to and from Hartford, Conn.

NOTE: Applicant states that above authority will be restricted to interchange of freight only. Applicant is authorized to transport similar commodities in Connecticut, New York, New Jersey, and Massachusetts.

HEARING: April 24, 1957, at the U. S. Court Rooms, Hartford, Conn., before Joint Board No. 227, or, if the Joint Board waives its right to participate, before Examiner Alton R. Smith.

No. MC 97776 (Sub No. 4), filed June 14, 1956, EVERETT A. ROGERS, doing business as ROGERS FREIGHT & TRUCKING SERVICE, Winthrop Ave., Oak Bluffs, Mass. Applicant's attorney: George C. O'Brien, 10 State St., Boston 8, Mass. For authority to operate as a *common carrier*, over regular routes, transporting: *General commodities,* except those of unusual value, Class A and B explosives, household goods, as defined by the Commission, commodities in bulk, and those requiring special equipment, between Falmouth, Mass., and Oak Bluffs, Mass., from Falmouth over Massachusetts Highway 28 to junction unnumbered highway and thence over unnumbered highway to Woods Hole, Mass., thence across Vineyard Sound via ferry to Tisbury, Mass., thence over unnumbered highways to Oak Bluffs, Mass., and return over the same route, serving the intermediate point of Tisbury, Mass. Applicant is authorized to conduct operations in Massachusetts.

CONTINUED HEARING: April 22, 1957, at the New Post Office and Court House Bldg., Boston, Mass., before Joint Board No. 231, or, if the Joint Board waives its right to participate, before Examiner Alton R. Smith.

No. MC 103654 (Sub No. 39), filed February 27, 1957, SCHIRMER TRANSPORTATION COMPANY, INCORPORATED, 649 Pelham Blvd., St. Paul, Minn. Applicant's attorney: Donald A. Morken, 1100 First National Soo Line Bldg., Minneapolis 2, Minn. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum* and *petroleum products,* as defined by the Commission, from Eau Claire, Wis., and points within 10 miles of Eau Claire, to points in Minnesota and the Upper Peninsula of Michigan. Applicant is authorized to transport similar commodities in Illinois, Indiana, Minnesota, and Wisconsin.

HEARING: April 18, 1957, at the Federal Court Bldg., Marquette Ave., South and Third Sts., Minneapolis, Minn., before Joint Board No. 282, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 105902 (Sub No. 8), filed February 4, 1957, PENN YAN EXPRESS, INC., 100 West Lake Road, P. O. Box 396, Penn Yan, N. Y. Applicant's representative: Bert Collins, 140 Cedar St., New York 6, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *General commodities,* except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between New York, N. Y., and points in Bergen, Passaic, Sussex, Warren, Morris, Essex, Hudson, Union, Middlesex, Somerset, Hunterdon, Mon-

mouth, and Ocean Counties, N. J., on the one hand, and, on the other, points in New York (except New York, N. Y., and points within 50 miles thereof).

NOTE: Applicant states the purpose of this application is to remove the restriction contained in MC 105902 (Sub No. 7) which now reads: "* * * in truckload lots, minimum weight 10,000 pounds," and that upon grant of authority sought it is agreeable to the concurrent revocation of its certificate No. MC 105902 (Sub No. 7) issued December 5, 1956, including the specific commodity authority which is unrestricted as to size of shipments as well as the general commodity authority which is restricted as to size of shipments. Duplicating authority should be eliminated. Applicant is authorized to transport similar commodities in Delaware, Maryland, New Jersey, New York, Pennsylvania and the District of Columbia.

HEARING: April 25, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 106239 (Sub No. 2), filed January 18, 1957, HENRY OSTERMAN, doing business as KWIK TRUCKING COMPANY, 65–41 Saunders Street (also Rego Park, L. I.), New York, N. Y. For authority to operate as a *contract carrier*, over irregular routes, under special and individual contracts or agreements, with persons (as defined in section 203 (a) of the Interstate Commerce Act) who are engaged in the manufacture and sale of *tires, rubber goods, automobile accessories*, and *automobile parts*, for the transportation of: *Such commodities*, as are dealt in by the above-named persons and *advertising matter* used in connection therewith (more fully described in Appendix F of the application), from Newark, N. J. (including Port Newark) to New York, N. Y. Applicant has authority under Permit No. MC 106239 to transport the commodities involved in this application from New York, N. Y., to Hackensack, Paterson, Passaic, Nutley, Orange, West Orange, East Orange, Newark, Elizabeth, and Perth Amboy, N. J., and *rejected shipments* of the named commodities from the authorized destination points to New York, N. Y. Applicant now seeks to transport the named commodities in this application from Newark N. J. (including Port Newark) to New York, N. Y., which applicant states in effect is a request to amend the commodity description in his Permit to allow transporting the commodities described in the application from Newark, N. J. (including Port Newark) to New York, N. Y., instead of the rejected shipments description now authorized. Applicant is authorized to conduct operations in New Jersey and New York.

HEARING: April 25, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 106965 (Sub No. 99), (Correction) filed February 5, 1957, M. I. O'BOYLE AND SON, INC., doing business as O'BOYLE TANK LINES, 817 Michigan Ave., N. E., Washington, D. C. Applicant's attorney: Dale C. Dillon, 1825 Jefferson Place NW., Washington, D. C. For authority to operate as a *common carrier*, over irregular routes, transporting: *Syrups*, in bulk, in tank vehicles, from Jersey City, N. J., to points in Alabama, Delaware, Florida, Georgia, Indiana, Maryland, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia, and the District of Columbia. Applicant is authorized to transport the above-described commodity in Delaware, Maryland, North Carolina, Ohio, Pennsylvania, Virginia, West Virginia and the District of Columbia.

HEARING: Remains as assigned April 1, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner Paul Coyle.

No. MC 106977 (Sub No. 16), filed February 13, 1957, T. S. C. MOTOR FREIGHT LINES, INC., 400 Pinckney Street, P. O. Box 2625, Houston, Tex. Applicant's attorney: Reagan Sayers, Century Life Building, Fort Worth 2, Tex. For authority to operate as a *common carrier*, transporting: *General commodities*, except those of unusual value, Class A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment, serving Unatex, La., located approximately 6 miles west of Eunice, La., and approximately 1 mile south of U. S. Highway 190, as an off-route point in connection with applicant's authorized regular route operations between Houston, Tex., and New Orleans, La., and between Lake Charles, La., and Monroe, La. Applicant is authorized to transport the commodities specified in Alabama, Louisiana, Mississippi, and Texas.

HEARING: April 18, 1957, at the Jung Hotel, New Orleans, La., before Joint Board No. 164.

No. MC 107496 (Sub No. 89), filed February 13, 1957, RUAN TRANSPORT CORPORATION, 408 S. E. 30th Street, Des Moines, Iowa. Applicant's representative: H. L. Fabritz, same address. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum* and *petroleum products*, in bulk, in tank vehicles, from points in Chippewa and Eau Claire Counties, Wis., to points in the Upper Peninsula of Michigan and Minnesota. Applicant is authorized to transport similar commodities in Illinois, Iowa, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin.

HEARING: April 18, 1957, at the Federal Court Building, Marquette Ave., South and Third Sts., Minneapolis, Minn., before Joint Board No. 282, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 107496 (Sub No. 91), filed February 25, 1957, RUAN TRANSPORT CORPORATION, 408 S. E. 30th Street, Des Moines, Iowa. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum* and *petroleum products*, in bulk, in tank vehicles, from Minneapolis and St. Paul, Minn., and points within 10 miles of each, to points in Barron, Buffalo, Burnett, Chippewa, Clark, Douglas, Dunn, Jackson, Eau Claire, La Crosse, Marathon, Monroe, Pepin, Pierce, Polk, Rusk, St. Croix, Taylor, Trempeleau, Washburn, Wood, Vernon, Crawford, Juneau, Richland, and Sauk Counties, Wis., and points in Sawyer County, Wis., within 100 miles of St. Paul, Minn., and Duluth, Minn., and points in that part of Minnesota on and east of a line beginning at Duluth and extending along U. S. Highway 53 to International Falls, Minn., through Cotton, Virginia and Ray, Minn., excluding points in Cook County, Minn.

NOTE: All duplicating authority should be eliminated. Applicant is authorized to transport the commodities in Illinois, Iowa, Minnesota, Missouri, Nebraska, North Dakota, South Dakota and Wisconsin.

HEARING: April 18, 1957, at the Federal Court Bldg., Marquette Ave., South and Third Sts., Minneapolis, Minn., before Joint Board No. 142, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 108119 (Sub No. 3), filed February 20, 1957, E. L. MURPHY TRUCKING CO., 1924 University Ave., St. Paul, Minn. Applicant's attorney: Donald A. Morken, Eleven Hundred First National-Soo Line Bldg., Minneapolis 2, Minn. For authority to operate as a *common carrier*, over irregular routes, transporting: (1) *related parts, materials and supplies* not requiring the use of special handling or special equipment when the transportation of such item is incidental to the transportation by applicant of commodities which, by reason of size or weight, require special handling or the use of special equipment, (a) between points in Minnesota; (b) between points in Minnesota, on the one hand, and, on the other, points in Iowa, North Dakota, South Dakota, Wisconsin, Michigan, Ohio, Indiana, Illinois, Missouri, and Montana; (2) *Commodities*, which, because of size or weight, require special handling or the use of special equipment and *related parts, materials and supplies* when their transportation is incidental to the transportation by applicant of commodities which by reason of size or weight require special handling or the use of special equipment, between points in Minnesota, on the one hand, and, on the other, points in the United States, except points in Montana, North Dakota, South Dakota, Iowa, Missouri, Wisconsin, Illinois, Michigan, Indiana, and Ohio. Applicant is authorized to transport commodities (as described above) in the States of Minnesota, Montana, Missouri, Illinois, Indiana, Ohio, Michigan, Iowa, North Dakota, South Dakota, and Wisconsin.

HEARING: April 23, 1957, at the Federal Court Bldg., Marquette Ave., South and Third Sts., Minneapolis, Minn., before Examiner William E. Messer.

No. MC 108449 (Sub No. 42), filed February 25, 1957, INDIANHEAD TRUCK LINE, INC., 1947 West County Road "C", St. Paul 13, Minn. Applicant's attorney: Glenn W. Stephens, 121 West Doty Street, Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Petroleum* and *petroleum products*, and all derivatives thereof, in bulk, in tank vehicles, from Eau Claire, Wis., and points within 10 miles of Eau Claire, to points in the Upper Peninsula of Michigan and Minnesota. Applicant is authorized to transport similar commodities in Iowa, Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin.

HEARING: April 18, 1957, at the Federal Court Building, Marquette Ave., South and Third Sts., Minneapolis, Minn., before Joint Board No. 282, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 110988 (Sub No. 42), filed February 15, 1957, KAMPO TRANSIT, INC., 200 Cecil St., Neenah, Wis. Applicant's attorney: Adolph E. Solie, 715 First Nat'l. Bank Bldg., Madison 3, Wis. For authority to operate as a *common carrier*, over irregular routes, transporting: *Acids and chemicals*, as defined by the Commission, in bulk, in tank vehicles, from points in Illinois on and north of Illinois Highway 17 and those in Indiana located in the Chicago, Ill. Commercial Zone, as defined by the Commission, to points in Wisconsin and those in the Upper Peninsula of Michigan. Applicant is authorized to conduct operations in Wisconsin, Minnesota, Michigan and Illinois.

HEARING: April 15, 1957, at the Hotel Schroeder, Milwaukee, Wis., before Examiner William E. Messer.

No. MC 112324 (Sub No. 2), filed February 7, 1957, P. TOSCANO & SONS MOVING CO., INC., 2049 Utica Avenue, Brooklyn, N. Y. Applicant's attorney: Morris Honig, 150 Broadway, New York 38, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) from points in New York, New Jersey, Pennsylvania and Connecticut within 100 miles of New York, N. Y., to New York, N. Y., and (2) between New York, N. Y., on the one hand, and, on the other, points in New York, New Jersey, Pennsylvania, and Connecticut beyond 100 miles from New York, N. Y.

NOTE: Applicant is authorized in Certificate No. MC 112324 to transport *household goods*, as defined by the Commission, over irregular routes, from points in the New York, N. Y., Commercial Zone, as defined by the Commission, to those points in Connecticut, New Jersey, New York, and Pennsylvania which are within 100 miles of New York, N. Y. Applicant states no duplicating authority is sought and that the purpose of this application is to round out applicant's authority which is presently one-way to portions of the four states named, and also to procure return authority.

HEARING: April 30, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 112497 (Sub No. 86), filed February 25, 1957, HEARIN TANK LINES, INC., 6440 Rawlins St., P. O. Box 3096, Baton Rouge, La. For authority to operate as a *common carrier*, over irregular routes, transporting: *Asphalt* and *asphalt compounds*, in bulk, in tank vehicles, from New Orleans, Destrehan and Norco, La., to points in Union, Morehouse, West Carroll, East Carroll, Lincoln, Ouachita, Richland, Madison, Caldwell, Franklin, Tensas, LaSalle, Catahoula, and Concordia Parishes, La. Applicant is authorized to transport similar commodities in Louisiana, Mississippi, Alabama, Florida, Georgia, and Tennessee.

HEARING: April 18, 1957, at the Jung Hotel, New Orleans, La., before Joint Board No. 28.

No. MC 113855 (Sub No. 19) (correction), filed January 23, 1957, INTERNATIONAL TRANSPORT, INC., 2303 Third Ave., North, Fargo, N. Dak. Applicant's attorney: Franklin J. Van Osdel, First National Bank Building, Fargo, N. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Construction machinery and equipment*, as described and embraced in Ex Parte MC–45 (61 M. C. C. 209) under "Road construction machinery and equipment" and Appendix VIII thereof, *off-highway type dumping and hauling vehicles, and attachments and parts of all such machinery, equipment and vehicles*, moving with units being transported, in haulaway, towaway or driveaway service, from points in the Chicago, Ill. Commercial Zone as defined by the Commission (including Melrose Park, Ill.), Libertyville, Ill., and Milwaukee, Wis. and points within five miles of each, to points in the United States and the Territory of Alaska. Applicant is authorized to transport similar commodities in Washington, Oregon, California, Nevada, Idaho, Montana, Wyoming, Utah, Arizona, Colorado, New Mexico, North and South Dakota, Nebraska, Iowa, Minnesota, Wisconsin, and Illinois.

HEARING: Remains as assigned March 19, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner William T. Croft.

No. MC 113903 (Sub No. 2), filed February 18, 1957, THEODORE L. FREEMAN and WILLIAM L. CAMPBELL, a partnership, doing business as BROOKINGS LIVESTOCK & TRUCKING CO., P. O. Box 1218, Brookings, Oreg. Applicant's attorney: Wm. P. Ellis, 1102 Equitable Bldg., Portland 4, Oreg. For authority to operate as a *common carrier*, over irregular routes, transporting: (1) *Building materials, (including resin glues in bulk, in tank vehicles)*, in shipments of 20,000 pounds or more, between points in Curry County, Oreg., on the one hand, and, on the other, points in San Francisco, Santa Clara, San Mateo and Contra Costa Counties, Calif., and (2) *soda ash*, in shipments of 20,000 pounds or more, between points in Curry County, Oreg., on the one hand, and, on the other, points in San Francisco County, Calif. Applicant is authorized to transport lumber and building materials in Oregon and California.

HEARING: April 24, 1957, in Room 226, Old Mint Bldg., Fifth and Mission Streets, San Francisco, Calif., before Joint Board No. 11, or, if the Joint Board waives its right to participate, before Examiner F. Roy Linn.

No. MC 115279 (Sub No. 2), filed February 5, 1957, MORRIS SHAPIRO, 349 18th Avenue, Paterson, N. J. Applicant's representatives: Bert Collins, 140 Cedar St., New York 6, N. Y. For authority to operate as a *common carrier*, over irregular routes, transporting: *General commodities, including commodities of unusual value*, but excluding Class A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, in specialized delivery service, restricted to shipments having an immediately prior or immediately subsequent movement by air transportation, between Teterboro Airport and Newark Airport, N. J., and La Guardia and Idlewild Airports, N. Y., on the one hand, and, on the other, points in Fairfield, Hartford, and New Haven Counties, Conn. Applicant is authorized to conduct operations in New Jersey and New York.

HEARING: April 29, 1957, at 346 Broadway, New York, N. Y., before Examiner Alton R. Smith.

No. MC 116241 (Sub No. 1), filed January 18, 1957, CLARE GIBBARD AND WENDALL GIBBARD, doing business as GIBBARD BROTHERS ELEVATOR, 505 West Fourth Street, Imlay City, Mich. For authority to operate as a *common carrier*, over irregular routes, transporting: *Rough lumber*, from Capac, Mich., and points in that part of Michigan bounded by a line beginning at junction Michigan Highways 46 and 15, near Vassar, Mich., and extending along Michigan Highway 46 to junction U. S. Highway 25, thence in a southerly direction along U. S. Highway 25 to junction Michigan Highway 59, thence along Michigan Highway 59 to junction Michigan Highway 15, thence along Michigan Highway 15 to point of beginning, including points on the indicated portions of the highways specified, to South Bend, Ind.

HEARING: April 16, 1957, at the Olds Hotel, Lansing, Mich., before Joint Board No. 23, or, if the Joint Board waives its right to participate, before Examiner Reece Harrison.

No. MC 116395, filed January 23, 1957, D. W. HOLT doing business as JACK HOLT, Box 172, Thomaston, Ala. Applicant's representative: Jno. W. Drinkard, Linden, Ala. For authority to operate as a *common carrier*, over irregular routes, transporting: *Lumber*, from Linden, Ala., to Chattanooga, Tenn.

HEARING: April 16, 1957, at the Hotel Thomas Jefferson, Birmingham, Ala., before Joint Board No. 106.

No. MC 116425, filed February 6, 1957, JOHN CODY, doing business as CODY TRUCKING SERVICE, Big Stone City, S. Dak. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Cheese*, from Big Stone City, S. Dak., to New Ulm, Minn., and *empty containers or other such incidental facilities* (not specified) used in transporting cheese on return.

HEARING: May 3, 1957, at the U. S. Court Rooms, Sioux Falls, S. Dak., before Joint Board No. 26, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 116446, filed February 14, 1957, HAROLD SCHUGEL, 301 North Water St., New Ulm, Minn. Applicant's attorney: Henry N. Somsen, Jr., New Ulm, Minn. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Poultry feeds* and *animal feeds*, completed products, and *ingredients of poultry and animal feeds*, such as soybean meal, limestone, calcium and others, between New Ulm, Willmar and Mankato, Minn., on the one hand, and, on the other, Belmond, Alden, and Estherville, Iowa.

HEARING: April 22, 1957, at the Federal Court Building, Marquette Ave., South and Third Sts., Minneapolis, Minn., before Joint Board No. 146, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 116451, filed February 15, 1957, GEORGE L. ANDERSEN, 38 Alpine St., Somerville 44, Mass. For authority to operate at a *contract carrier*, over irregular routes, transporting: *Caskets (refinished)*, uncrated, from Somerville, Mass., to points in Maine, New Hampshire, Vermont, Rhode Island and Connecticut.

HEARING: April 19, 1957, at the New Post Office & Court House Bldg., Boston, Mass., before Examiner Alton R. Smith.

No. MC 116462, filed February 18, 1957, HERMAN F. IMEL, doing business as IMEL WEST SIDE TRAILER SALES, Rapid City, S. Dak. Applicant's attorney: L. E. Schreyer, Lake Andes, S. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *House trailers*, designed to be drawn by passenger automobiles, in secondary movements, by the truckaway method, from Rapid City, S. Dak., and points within 25 miles of Rapid City, to all points in the United States.

HEARING: May 1, 1957, at the Alex Johnson Hotel, Rapid City, S. Dak., before Examiner William E. Messer.

No. MC 116467, filed February 25, 1957, MOFFATT TRUCKING LIMITED, a corporation, 816 Cabell St., London, Ontario, Canada. For authority to operate as a *common carrier*, over a regular route, transporting: *Wood barrel staves and heading*, between Kittanning and Butler, Pa., and the United States-Canada International Boundary line at Buffalo, N. Y., from Kittanning and Butler, Pa., over U. S. Highway 422 to junction U. S. Highway 19, thence over U. S. Highway 19 to junction Pennsylvania Highway 102, thence over Pennsylvania Highway 102 to junction Pennsylvania Highway 98, thence over Pennsylvania Highway 98 to junction Pennsylvania Highway 5, thence over Pennsylvania Highway 5 to the Pennsylvania-New York State line, thence over New York Highway 5 to the United States-Canada International Boundary line at Buffalo, and return over the same route, serving no intermediate points.

HEARING: April 16, 1957, at the Offices of the Interstate Commerce Commission, Washington, D. C., before Examiner William T. Croft.

No. MC 116468, filed February 25, 1957, ARNOLD MONRAD, 100 S. Franklin Ave., Sioux Falls, S. Dak. Applicant's attorney: H. Lauren Lewis, Wilson Terminal Bldg., P. O. Box 707, Sioux Falls, S. Dak. For authority to operate as a *common carrier*, over irregular routes, transporting: *Malt beverages*, from Milwaukee and La Crosse, Wis., St. Paul, Minn., and Omaha, Nebr., to Sioux Falls and Canton, S. Dak.; and *Beverages*, flavored or phosphated, non-alcoholic, from Shakopee, Minn., to Sioux Falls and Canton, S. Dak., and *empty containers or other such incidental facilities* (not specified) used in transporting the above-described commodities on return movements.

HEARING: May 6, 1957, at the U. S. Court Rooms, Sioux Falls, S. Dak., before Joint Board No. 26, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 116470, filed February 25, 1957, NICHOLAS TORO AND MICHAEL J. TORO, doing business as TORO BROTHERS, 71 Palmieri Avenue, New Haven, Conn. Applicant's attorney: Reubin Kaminsky, 410 Asylum Street, Hartford 3, Conn. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Upholstered furniture*, new, uncrated, from New Haven, Conn., to Boston, Mass., Providence, R. I., New York, N. Y.; points in Westchester and Nassau Counties, N. Y.; and points in Union, Essex, Bergen, and Hudson Counties, N. J.

HEARING: April 23, 1957, at the U. S. Court Rooms, Hartford, Conn., before Examiner Alton R. Smith.

MOTOR CARRIERS OF PASSENGERS

No. MC 1510 (Sub No. 57), filed February 5, 1957, SOUTHWESTERN GREYHOUND LINES, INC., 210 East Ninth St., Fort Worth, Tex. Applicant's attorney: Jack R. Turney, Jr., 2001 Massachusetts Avenue, N. W., Washington 6, D. C. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers* and their *baggage*, and *newspapers, express* and *mail* in the same vehicle with passengers, between Little Rock, Ark., and Fordyce, Ark., over U. S. Highway 167, serving all intermediate points. Applicant is authorized to conduct operations in Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, Tennessee, and Texas.

HEARING: April 22, 1957, at the Arkansas Public Service Commission, Little Rock, Ark., before Joint Board 215.

No. MC 69394 (Sub No. 3), filed February 18, 1957, THE GRAY LINE, INC., Hotel Sheraton Plaza, Boston, Mass. Applicant's attorney: Daniel H. Rider, 73 Tremont St., Boston 8, Mass. For authority to operate as a *common carrier*, over irregular routes, transporting: *Passengers*, in special round-trip operations, restricted to the transportation of passengers who at the time are traveling from the designated origin points to the designated destinations and return for the purpose of participating in games commonly referred to as beano and bingo games, beginning and ending at Arlington, Boston, Cambridge, Chelsea, Everett, Malden, Medford, Melrose, Quincy, Revere, Saugus, Somerville, Waltham, Winchester, and Winthrop, Mass., and extending to Derry and Pelham, N. H. Applicant is authorized to conduct operations Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont, and the District of Columbia.

NOTE: Applicant is authorized and licensed in MC 17127, dated October 27, 1942, to engage in operations as a broker in connection with the transportation of *Passengers and their baggage*, between points in the United States.

HEARING: April 1, 1957, at the New Post Office & Court House Bldg., Boston, Mass., before Joint Board No. 20.

No. MC 116263 (Sub No. 1), filed February 15, 1957, LLOYD T. GEELAN, doing business as YELLOWSTONE TRANSIT COMPANY, P. O. Box 430, Hettinger, N. Dak. Applicant's attorney: Vernon Williams, 217 Western Union Bldg., Aberdeen, S. Dak. For authority to operate as a *common carrier*, over regular routes, transporting: *Passengers* and *their baggage*, and *express, mail*, and *newspapers* in the same vehicle with passengers, between Miles City, Mont., and Aberdeen, S. Dak., over U. S. Highway 12, serving all intermediate points.

HEARING: April 26, 1957, at the North Dakota Public Service Commission, Bismarck, N. Dak., before Joint Board No. 124, or, if the Joint Board waives its right to participate, before Examiner William E. Messer.

No. MC 116418, (Correction) filed January 28, 1957, OSCAR PORTER, doing business as PORTER BUS LINE, 170 Catherine Street, Ahoskie, N. C. Applicant's attorney: Vaughan S. Winborne, Security Bank Bldg., Raleigh, N. C. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Passengers*, under individual written contracts with particular passengers or groups of passengers for industrial and employment purposes, from Ahoskie, N. C., and points between Ahoskie and Winton, N. C., on U. S. Highway 13, including Winton, to Suffolk, Va., and return over the same route.

NOTE: Carrier is authorized to operate as a common carrier, under Certificate No. MC 111805 (Sub No. 2) transporting passengers and their baggage, in round-trip charter operations, over irregular routes, beginning and ending at points in Hertford County, N. C., and extending to points in Virginia east of a line beginning at the North Carolina-Virginia State line and extending along U. S. Highway 301 through Emporia, Richmond, Bowling Green, and Rosita, Va., to the Potomac River.

HEARING: Remains as assigned April 2, 1957, at the Post Office and U. S. Court Rooms, Norfolk, Va., before Joint Board No. 7.

APPLICATIONS IN WHICH HANDLING WITHOUT ORAL HEARING IS REQUESTED

MOTOR CARRIERS OF PROPERTY

No. MC 730 (Sub No. 94), filed January 24, 1957, PACIFIC INTERMOUNTAIN EXPRESS CO., a corporation, 299 Adeline Street, Oakland, Calif. For authority to operate as a *common carrier*, over irregular routes, transporting: *Tallow* and *animal fats*, in bulk, in tank vehicles, from Ogden, Utah and points within five (5) miles thereof, to Pocatello, Idaho and points within three (3) miles thereof, and *rejected or contaminated shipments* of the above-described commodities on return movements. Applicant is authorized to transport Tallow, in bulk, in tank vehicles, in Idaho, Montana, Oregon, and Washington.

No. MC 50069 (Sub No. 181), filed February 21, 1957, REFINERS TRANSPORT & TERMINAL CORPORATION, 2111 Woodward Ave., Detroit 1, Mich. For authority to operate as a *common carrier*, over irregular routes, transporting: *Slop oil* (a petroleum product), in bulk,

in tank vehicles, from points in Union Township, Huntington County, Ind., to Toledo, Ohio.

No. MC 87720 (Sub No. 2), filed February 20, 1957, MAURICE F. BEHRENS, 19 Clarkson Street, Malverne, Long Island, N. Y. Applicant's representative: Edward F. Bowes, 1060 Broad Street, Newark 2, N. J. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Burlap bagging or cloth*, from New York, N. Y., and Hoboken, Jersey City and Port Newark, N. J., to Flemington, N. J., and *finished burlap cloth* and *burlap and cotton bags*, from Flemington, N. J., to New York, N. Y.

No. MC 101126 (Sub No. 63), filed February 12, 1957, STILLPASS TRANSIT COMPANY, INC., 4967 Spring Grove Avenue, Cincinnati 32, Ohio. For authority to operate as a *contract carrier*, over irregular routes, transporting: *Silica gel catalyst*, in bulk, in covered hopper vehicles, from Cincinnati, Ohio, to Warren, Pa. Applicant is authorized to transport the commodity specified in Illinois, Indiana, Kentucky, Ohio, and Michigan.

MOTOR CARRIERS OF PASSENGERS

No. MC 10622 (Sub No. 3), filed February 11, 1957, YOSEMITE PARK AND CURRY CO., doing business as YOSEMITE TRANSPORTATION SYSTEM, Yosemite National Park, Calif. Applicant's attorney: Robert N. Lowry, One Eleven Sutter St., San Francisco 4, Calif. For authority to operate as a *common carrier*, over a regular route, transporting: *Passengers and their baggage*, in the same vehicle with passengers, in a seasonal operation, from July 1 to September 15 of each year, between Brockway, Calif., and the junction of Nevada Highway 28 and U. S. Highway 50, from Brockway over California Highway 28 to the California-Nevada State line, thence over Nevada Highway 28 to the junction of Nevada Highway 28 and U. S. Highway 50 at Spooner's Junction, Nev., and return over the same route, serving all intermediate points.

NOTE: Applicant states the above service is to be restricted to passengers moving to or returning from Yosemite National Park, Calif. Applicant further states that if authority sought herein is granted, applicant seeks to abandon operations over that portion of its presently authorized route as follows: From Tahoe Tavern over California Highway 89 to junction U. S. Highway 50 at Burnetts, Calif., thence over U. S. Highway 50 to junction Nevada Highway 28 at Spooner's Junction. Applicant is authorized to conduct similar operations in California and Nevada.

APPLICATIONS UNDER SECTIONS 5 AND 210a (b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5 (2) and 210a (b) of the Interstate Commerce Act and certain other procedural matters with respect thereto. (FEDERAL REGISTER Volume 21, page 7339, § 1.240, September 26, 1956.)

MOTOR CARRIERS OF PROPERTY

No. MC–F 6527. Authority sought for purchase by SOUTHERN-PLAZA EXPRESS, INC., 1209 Washington Avenue, St. Louis, Mo., of the operating rights of W. G. BURGESS, doing business as RELIABLE MOTOR FREIGHT LINE, P. O. Box 906, 439 South Darlington, Tulsa, Okla., and for acquisition by FIELDING CHILDRESS and COLUMBIA TERMINALS COMPANY, both of St. Louis, of control of such rights through the purchase. Applicants' attorney: Clarence D. Todd, 1825 Jefferson Place, N. W., Washington, D. C. Operating rights sought to be transferred: *General commodities*, with certain exceptions including household goods and commodities in bulk, as a *common carrier* over regular routes between St. Louis, Mo., and Tulsa, Okla., between Tulsa, Okla., and the junction of Oklahoma Highway 33 and U. S. Highway 66, between Tulsa, Okla., and Pawhuska, Okla., between Owasso, Okla., and Skiatook, Okla., between Joplin, Mo., and Carthage, Mo., and between Oklahoma City, Okla., and Kansas City, Mo., serving certain intermediate and off-route points; alternate routes for operating convenience only between Pawhuska, Okla., and Nowata, Okla., between Joplin, Mo., and Springfield, Mo., and between Joplin Mo., and junctions with U. S. Highway 66 in Oklahoma; *petroleum products*, in containers, from Ponca City, Okla., to Tulsa, Okla., serving no intermediate points; *petroleum products in containers*, over irregular routes, between points in Kansas on and east of U. S. Highway 81, on the one hand, and, on the other, points in Oklahoma on and east of U. S. Highway 77; *pecans*, in the shell, in bags, and *pecan meats*, in boxes, during the season extending from September 1 to March 15, inclusive, of each year, from points in Oklahoma on and east of U. S. Highway 77 to Kansas City and St. Louis, Mo.; *anti-freeze compound, in containers*, from Tallant, Okla., to points in Kansas on and east of U. S. Highway 81. Vendee is authorized to operate as a *common carrier* in Missouri, Illinois, Tennessee, Kansas, Texas, and Oklahoma. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6528. Authority sought for purchase by BURLINGTON TRUCK LINES, INC., 547 West Jackson Blvd., Chicago 6, Ill., of the operating rights and property of W. B. LOVE, doing business as LOVE TRANSFER, Weston, Mo. Applicants' attorney: Russell B. James, 547 West Jackson Blvd., Chicago 6, Ill. Operating rights sought to be transferred: *General commodities*, with certain exceptions including household goods and commodities in bulk, as a *common carrier* over regular routes between Weston, Mo., and Kansas City and Atchison, Kans., and from Leavenworth, Kans., to Weston, Mo., serving certain intermediate and off-route points; *general commodities*, with certain exceptions excluding household goods and including Commodities in bulk, between St. Joseph, Mo., and Armour, Mo., serving the intermediate point of Rushville, Mo., and offroute points within five miles of Rushville; *livestock*, from Weston, Mo., to Leavenworth, Kans., serving the intermediate point of Beverly Station, Mo.; *general commodities*, except those of unusual value, commodities requiring special equipment, and those injurious or contaminating to other lading, over irregular routes, between points in Kansas and Missouri within 10 miles of Kansas City, Mo., including Kansas City, Mo.; *general commodities*, except those of unusual value, commodities requiring special equipment, and those injurious or contaminating to other lading, in collection and delivery service, between points in Kansas and Missouri within 10 miles of Kansas City, Mo., including Kansas City, Mo.; *household goods*, as defined by the Commission, and *emigrant movables*, between Weston, Mo., and points within 10 miles of Weston, on the one hand, and, on the other, points in Indiana and Kentucky; *household goods*, as defined by the Commission, between Weston, Mo., and points within 10 miles thereof, on the one hand, and, on the other, points in Kansas; *groceries, ice, fruit, vegetables, building material, tobacco, hogshead material, twine, livestock, feed*, and *agricultural implements*, from, to or between points and areas, varying with the commodity transported, in Kansas, Missouri, Kentucky, and Illinois. Vendee is authorized to operate as a *common carrier* in Colorado, Nebraska, Missouri, Illinois, Iowa, Montana, and Wyoming. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6529. Authority sought for lease by CRAWFORD TRANSPORT COMPANY, INCORPORATED, 4901 U. S. Highway 60, Huntington, W. Va., of a portion of the operating rights of DALLAS & MAVIS FORWARDING CO., INC., 4000 West Sample Street, South Bend, Ind., and for acquisition by F. S. CRAWFORD, 1730 Beverly Blvd., Ashland, Ky., S. T. CRAWFORD, JR., 414 Buckley Road, Ashland, Ky., JACK CRAWFORD and ALICE CRAWFORD, both of 3800 Peach Tree Road, Ashland, Ky., of control of such rights through the transaction. Applicants' attorney: J. J. Kuhner, 736 Society for Savings Bldg., Cleveland 14, Ohio. Operating rights sought to be leased: *Trucks and truck chassis*, in initial movements, in truckaway service, as a *common carrier* over irregular routes from Warren Township, Macomb County, Mich., to certain points in Kentucky. Lessee is authorized to operate as a *common carrier* in Michigan, Ohio, Kentucky, North Carolina and West Virginia. Application has not been filed for temporary authority under section 210a (b).

No. MC–F 6530. Authority sought for purchase by LITTLE AUDREY'S TRANSPORTATION COMPANY, INC., P. O. Box 310, Fremont, Nebr., of the operating rights of DONALD C. BEACH, doing business as FREMONT UNION TRANSFER COMPANY, 200–240 North "H" Street, Fremont, Nebr., and for acquisition by S. N. DRUM and LILLIE O. DRUM, both of Fremont, and ERLE W. FRANCIS, Topeka, Kans., of control of such rights through the purchase. Ap-

plicants' attorney: Loyal G. Kaplan, 924 City National Bank Bldg., Omaha 2, Nebr. Operating rights sought to be transferred: *General commodities*, with certain exceptions including neither household goods nor commodities in bulk, as a *common carrier* over regular routes between Omaha, Nebr., and Norfolk, Nebr., and between Norfolk, Nebr., and Lincoln, Nebr., serving all intermediate points. Vendee is authorized to operate as a *common carrier* in Kansas, New Mexico, Arizona, Texas, California, Colorado, Illinois, Iowa, Minnesota, Missouri, Nebraska, South Dakota, and Nevada. Application has not been filed for temporary authority under section 210a (b).

By the Commission.

[SEAL] HAROLD D. McCOY,
Secretary.

[F. R. Doc. 57-1873; Filed, Mar. 12, 1957; 8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

[Vesting Order 784, Amdt.]

AGNES FLEHINGHAUS

In re: Trust u/d of Agnes Flehinghaus, File No. F-28-14545.

Vesting Order No. 784, dated January 29, 1943, is hereby amended by adding to paragraph (2) the following: "The heirs at law, next of kin, distributees and domiciliary representatives of Ernst Flehinghaus (also known as Ernest Flehinghaus), including but not limited to Helene Flehinghaus and Anna Flehinghaus, and their heirs, distributees and domiciliary representatives, excluding, however, any right, title and interest of the widow of Ernst Flehinghaus or of her heirs."

The said Vesting Order No. 784 is also hereby amended by substituting the following for the paragraph beginning with the words "Now, therefore, the Alien Property Custodian":

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest and claim, of any kind or character whatsoever, of Agnes Flehinghaus, Emilie Flehinghaus, Ernst Flehinghaus, Evangelischer Waisenhaus, in Barmen, Rhenish Prussia, Germany, and each of them, and the heirs at law, next of kin, distributees and domiciliary representatives of Ernst Flehinghaus, including but not limited to Helene Flehinghaus and Anna Flehinghaus and their heirs, distributees and domiciliary representatives, excluding, however, any right, title and interest of the widow of Ernst Flehinghaus or of her heirs, distributees or domiciliary representatives, in and to the trust established by deed of trust of Agnes Flehinghaus,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

All other provisions of said Vesting Order No. 784 and all actions taken by or on behalf of the Alien Property Custodian or the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof, are hereby ratified and confirmed.

Executed at Washington, D. C., on March 6, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-1849; Filed, Mar. 11, 1957; 8:51 a. m.]

[Vesting Order SA-163]

LAJOS MOLNAAR

In re: Debt owing to Lajos Molnaar; F-34-333, F-11-228.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), Department of Justice Order No. 106-55, November 23, 1955 (20 F. R. 8993), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of The Chase Manhattan Bank, 18 Pine Street, New York 15, New York, in the amount of $5,832.46, being a portion of an account entitled "Rohner Gehrig & Co. Inc., Special Account," maintained at the aforesaid bank, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by Lajos Molnaar, Budapest, Hungary, a national of Hungary as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

> Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on March 6, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-1847; Filed, Mar. 11, 1957; 8:50 a. m.]