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Rules, Regulations, Orders

TITLE 10—ARMY: WAR DEPARTMENT

CHAPTER VIII—PROCUREMENT AND DISPOSAL OF EQUIPMENT AND SUPPLIES

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS [1]

CONTRACTS, FORMAL AND INFORMAL

§ 81.14 *Indefinite liability and negligence.* No officer or agent of the Government is authorized to enter into a contract whereby the United States is made to assume liability in any amount for damage or injury to persons or property that may result during the progress of the work, and such provision in a contract is null and void, the contracting officer having exceeded his authority in entering into such agreement. The United States is not responsible for the negligence of its officers, employees, or agents, and such liability cannot be imposed upon it by an attempt on the part of a contracting officer to make it a part of the consideration of a contract. See 8 Comp. Gen. 647; 16 id. 803. (R.S. 3732; 41 U.S.C. 11) [Par. 3*b*, A.R. 5–200, Jan. 2, 1940]

§ 81.15 *Forms of agreement.* All transactions which involve the expenditure of funds for the procurement of supplies, as defined in A.R. 5–100 (see sections 81.1 to 81.9 incl.), must be evidenced by a written record as prescribed in paragraphs (a) and (b) below.

(a) *Formal contracts.* Transactions will be evidenced by formal contracts—(1) When the amount involved is more than $25,000.

(2) When the amount involved is more than $500 and the delivery or performance time is more than 60 days.

(3) When otherwise required by law.

(b) *Informal contracts*—(1) *Written bid and acceptance.* Transactions falling in the categories below need not be evidenced by a formal contract, but a complete written agreement, comprising a bid, or, if authorized by A.R. 5–240 (see sections 81.32 and 81.33), a written informal quotation, signed by the contractor and an acceptance signed by the contracting officer, is required: (i) When the amount involved exceeds $500, does not exceed $25,000, and delivery or performance time does not exceed 60 days.

(ii) When the amount involved does not exceed $500 and more than one payment is involved.

(2) *Oral or written quotation and written acceptance.* Open-market purchases authorized and made in accordance with AR 5–240, which do not exceed $500, which are based on an oral quotation, and which involve only one payment, do not require a written agreement, but a written acceptance signed by the purchasing officer is required. Where such purchases are based on a written quotation, the form of the agreement will be as prescribed in subparagraph (1) above; that is, the agreement will consist of the written quotation and the written acceptance. (See MS. Comp. Gen. A–14836, A–28906, April 28, 1938.) (R.S. 3744; sec. 1, 40 Stat. 198; 41 U.S.C. 16; 45 Stat. 985; 46 Stat. 796; 5 U.S.C. 219) [Par. 5, A.R. 5–200, Jan. 2, 1940]

§ 81.16 *Use of standard contract forms*—(a) *Conditions to be included.* Prescribed forms for invitations for bids either carry within themselves the conditions of the subsequent contract, as in the case of Standard Form No. 33, or refer to a standard form of contract containing the conditions, which may be inspected by the bidder before submitting his bid. If no special conditions have been added to an invitation for bids, it follows that the standard conditions on the contract forms will govern the contract. If, however, because of paragraph (a) (9), section 81.10, War Department Procurement Circulars, or other competent instructions, it has become necessary or desirable to add special conditions in the invitation for bids, the resulting contract must incorporate or refer to those special conditions.

(b) *Name of contractor.* In filling in the name of the contractor in the body of a formal contract, the following will be shown:

(1) In a contract with an individual, the name of the individual.

(2) In a contract with an individual trading as a firm, the name of the individual followed by the words "an individual trading as _____"

(3) In a contract with a partnership the names of all the partners with the statement that they are partners composing a firm, which will be named.

(4) In a contract with a corporation, the name of the corporation.

(c) *Liquidated damages*—(1) *Effect of this provision.* The reason for put-

[1] Section 81.19a is added and sections 81.14 to 81.20 inclusive are superseded.

CONTENTS

FEDERAL REGISTER

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ting into a contract, where time of performance is of the essence thereof, a provision for liquidated damages is that the amount of damage on a breach thereof is difficult if not impossible of definite ascertainment. Both parties are presumed to be acting in good faith, and with a thorough knowledge of the facts of the case when entering into a contract; therefore, when in a proper case they agree upon and liquidate the damages that will be sustained in the event of a breach of the contract, neither party will be permitted to be heard to say that there were no damages. (See 16 Comp. Dec. 618, 623)

(2) *When included.* If at the time the invitation for bids is issued it is determined that the supplies to be purchased cannot be readily obtained from commercial stocks and that the Government would be damaged in case of delay in the performance, and, as a result of that determination, the invitation includes a liquidated damages clause as authorized in paragraph (a) (8), section 81.10, that clause will be made a part of the contract. Such a clause will not be included in an invitation for bids except in such cases. A provision for liquidated damages is included in Standard Form No. 23 and in the directions on Standard Form No. 32.

(d) *Property records.* If the invitation for bids provides that Government property will be furnished the contractor for use in connection with the contract work, the following clause will be included in the contract:

The _____ is designated as the officer to maintain the necessary property records in connection with this contract as contemplated by AR 35–6520.

(e) *Technical material and supplies.* Additional paragraphs for inclusion in invitations for bids and contracts for technical material and supplies are authorized by paragraph (f) (2), § 81.10.

(f) *Secret, confidential, or restricted projects.* See sections 5.11 and 5.14. (R.S. 3744, sec. 1, 40 Stat. 198; 41 U.S.C. 16; 45 Stat. 985; 46 Stat. 796; 5 U.S.C. 219) [Par. 7, A.R. 5–200, Jan. 2, 1940]

§ 81.17 *Execution of contracts*—(a) *Contracts with individuals.* A contract with an individual will be signed by the individual in his own name.

(b) *Contracts with an individual trading as a firm.* Such a contract will be signed by the individual, without further reference to the trade name.

(c) *Contracts with partnerships.* (1) The contract may be signed in the name of the partnership by one or more of the partners. Each partner who signs will sign as one of the firm.

(2) A contract with a partnership doing business through a local representative or agent may be executed in the name of the firm by such local representative or agent, in which case the contracting officer will—(i) File with the contract a properly certified copy of the power of attorney showing the authority of such representative or agent, or

(ii) Certify on the contract that he has satisfied himself of the signer's authority to bind the firm and has waived the requirements as to furnishing evidence of such authority.

(d) *Contracts with corporations.* (1) A contract with a corporation will have the name of the corporation written in the blank space provided therefor at the end of the contract form, followed by the word "By," after which the officer or person who has been authorized to contract on behalf of the corporation will sign his name, with the designation of his official capacity.

(2) The contracting officer will, in all cases, satisfy himself that the signer has authority to bind the corporation, and will either require from him satisfactory evidence thereof and file this evidence with the contract, or will procure or make one of the alternate certificates indicated on the contract form.

(3) Evidence filed with a contract will consist of extracts from the records of the corporation showing—(i) The election of the officers executing the contract and bond on behalf of the corporation.

(ii) The grant of authority to the officers who execute the contract and bond.

The above-mentioned copies will be certified by the custodian of such records, under the corporate seal (if there be one), to be true copies of the records of the corporation.

(e) *Contracting officer's signature.* The contracting officer will sign on behalf of the United States in the space provided for his signature, and his official title will be added. (R.S. 3744; sec. 1, 40 Stat. 198; 41 U.S.C. 16; 45 Stat. 985; 46 Stat. 796; 5 U.S.C. 219) [Par. 9, A.R. 5–200, Jan. 2, 1940]

§ 81.18 *Modification of contracts*—(a) *Authorized under specific provisions of contract*—(1) *Authority.* Article 3, Standard Form No. 23 and article 2, Standard Form No. 32 authorize contracting officers, by a written order and without notice to the sureties, to make changes in the drawings and/or specifications of the contract and within the general scope thereof. Changes as to shipment and packing of supplies are also provided for by article 2, Standard Form No. 32. As provided in these articles, if these changes cause an increase or decrease in the amount due under the contract, or in the time required for performance, an equitable adjustment will be made and the contract will be modified in writing accordingly. No change involving more than $500 in either form of contract will be made by the contracting officer without prior approval of the Secretary of War or his duly authorized representative. As to extensions of time because of delays due to unforeseeable causes, see paragraph (f), § 81.19.

From time to time, other provisions are inserted in contracts which permit the Government by written order to change contract requirements, or exercise options such as a provision for the increase in the quantity of supplies called for under the contract at a reduction in the unit price.

The written order making changes in a contract which are authorized under the provisions thereof is known as a change order.

(2) *Form and procedure.* Subject to such more special instructions as may be issued by the chief of the supply arm, service, or bureau concerned, and subject also to the requirements of the standard Government contract form used, the change order will be in the form of a letter addressed to the contractor. A change order will specify the number of the contract concerned, the changes to be made, the increase or decrease in price and time for performance, and any other provisions which may be necessary. Each and every change order will bear the same complete identification as the contract which it modifies, and will be lettered in the order issued for each contract.

(3) *Notice to surety.* Although the approval of or consent to change orders by sureties is not required, contracting officers will furnish copies thereof to them for their records.

(b) *Not authorized under specific provisions of contract*—(1) *Supplemental agreements.* Any amendments or changes in the terms of contracts, which are not authorized under specific provisions thereof but are found to be desirable or necessary during the life of the contract, are made by supplemental agreements. Supplemental agreements must contain all the essential elements of an original contract and must bear the

signatures of the contracting parties. J.A.G. 400.12, May 21, 1935.

(2) *Must be in interest of the United States or based upon new consideration.* A modification of a contract by a supplemental agreement is not authorized except for the benefit of the United States or upon a new and valuable consideration passing to the Government. (See 5 Comp. Gen. 605; 14 id. 468) Officers of the Government are not authorized to modify the terms of a contract which has been entered into, if such modification will be prejudicial to the interests of the United States. (8 Comp. Doc. 549)

(3) *Separate work to be advertised.* An existing contract may not be expanded so as to include additional work of any considerable magnitude without compliance with R.S. 3709; 41 U.S.C. 5; M.L., 1929, sec. 730, requiring advertising, unless it clearly appears that the additional work was not in contemplation at the time of the original contracting and that it is such an inseparable part of the work originally contracted for as to render it reasonably impossible of performance by other than the original contractor. The apparent probability that the additional work may be done more conveniently or even at less expense by the original contractor, because of being engaged upon the original work, or otherwise, is not controlling of the matter as to whether the provisions of R.S. 3709 are for application. Whether the original contractor can do the work at less expense to the Government than can any other contractor is possible of definite determination only by soliciting competitive bids under said section. (See 5 Comp. Gen. 508, 642)

(4) *Unauthorized supplemental agreements*—(i) *If made after contract is fully performed.* A supplemental agreement may not be entered into after the main contract has been fully performed by both parties, and such an agreement, if made, is ineffective to bind the Government.

(ii) *If made for purpose of interpreting main contract.* A supplemental contract made only for the purpose of interpreting the meaning of the terms of the main contract is ineffective to bind the Government and the terms of the original agreement are to be interpreted according to accepted rules without regard to such supplemental contract. (25 Comp. Dec. 764.)

(iii) *To modify standard forms.* A supplemental agreement may not be entered into for the purpose of authorizing a deviation from the terms of a standard Government contract form unless such deviation has been authorized in accordance with section 81.4.

(iv) *To correct mutual mistake.* When it is claimed that a formal written contract does not express the real intention of the parties a reformation on the ground of mutual mistake is not to be accomplished by a writing in the form of a supplemental contract or supplemental agreement merely reciting the alleged mutual mistake, but such mistake should be established by the most convincing evidence as to the intention of each party when entering into the contract; and upon submission to the General Accounting Office of evidence sufficient to prove what the mutual mistake was, the written contract will be read in accordance with the real intention of the parties and claims for additional payment will be settled accordingly. (See 27 Comp. Dec. 109)

(5) *Consent of surety.* The consent of the surety guaranteeing performance of a contract must be obtained to any modification of such contract not authorized by the provisions thereof. See subparagraph (a) (1) above. (R.S. 161; 5 U.S.C. 22) [Pars. 19, 20, A.R. 5–200, Jan. 2, 1940]

§ 81.19 *Default in performance*—(a) *Contract provisions.* The standard Government contract forms state the procedure which may be followed by the Government in cases of delay, including the charging of excess cost and liquidated damages against the contractor.

(b) *Termination of contract not required.* The Government is not required to terminate a contract on account of delayed deliveries, but may permit the contractor to proceed and charge him with the actual damages resulting from the delays. See 16 Comp. Gen. 277.

(c) *Completion by surety.* In case of default by a contractor, the surety may and should be allowed to complete the contract, even though the Government is under no obligation to give the surety such an opportunity in the absence of a provision in the contract or the accompanying bond requiring the Government to call upon the surety to carry out the contract in the case of default of the contractor. (See Dig. Ops. JAG 1912, p. 378, par. XXIX) The contract may be completed by the surety in the name of the contractor or under a separate contract between the Government and the surety without advertising. (See 8 Comp. Dec. 552; 16 id. 490; 26 id. 467; 3 Comp. Gen. 636; 5 id. 995; 8 id. 36, 58, 435) A supplemental agreement between the Government, the contractor, and the surety is suggested, since this method of providing for the completion of the work and payment therefor has been found by experience to be satisfactory.

(d) *Completion by Government.* Where the contractor defaults and the surety has been given an opportunity to complete the contract but does not elect to do so, the Government may take such further action as is provided for in the contract. In the case of construction, if the work is to be completed by contract, such contract will be made after advertising in strict accordance with the original plans and specifications. (See 6 Comp. Gen. 24, 32.) In other cases the Government may purchase the supplies after advertising, if that action will best protect the interests of the Government and the defaulting contractor, or in the open market as provided in paragraph (e), section 81.33, in strict accordance with the original specifications.

(e) *Liquidated damages*—(1) *Termination of contract.* After the date fixed for completion, as extended, liquidated damages, if provided for in the contract, accrue to the United States in accordance with the terms of the contract, in case of delay. Standard Form No. 23, used for construction contracts, provides for liquidated damages until the work is completed or the contractor's right to proceed is terminated, except where the delay is due to any of the unforeseeable causes stated on the form. No liquidated damages, but only excess costs, accrue after the date of termination by the United States of the contractor's right to proceed with the work. (See 7 Comp. Gen. 409; 8 id. 318, 320; 15 id. 409.) Standard Form No. 32, used for supply contracts, provides for excess costs and liquidated damages until such time as the Government reasonably may procure similar material or supplies elsewhere, subject to an extension of time for delay due to certain unforeseeable causes. (See 15 Comp. Gen. 903.) If there is a liquidated-damage provision in an agreement for the purchase of ordinary supplies and default should occur, there should not be permitted the running of time indefinitely, the result of which would make the liquidated damages chargeable exceed the contract price of the supplies to be delivered. The law imposes the duty upon a party subjected to injury by the action of another to conserve the damages which result from such wrongful action, and that must be as true where liquidated damages run as in the ordinary case of actual damages. (See 20 Comp. Dec. 171, 385.) Efforts must be made to procure supplies elsewhere if delivery is not forthcoming within a reasonable time after the default occurs. While the course to be followed must depend upon the facts in each case, the rule may be stated that damages beginning to run must be conserved and, as promptly as possible, according to what may be the attitude of the other party respecting delivery, administrative action should be taken to procure the supplies elsewhere.

(2) *Change orders.* Disbursing officers are not required to deduct liquidated damages for delays resulting from changes made by change orders where such delays do not exceed the number of days stated in the change order as necessary within which to effect the changes. (MS. Comp. Gen., A–26558, April 1, 1929)

(f) *Extension of time for delay.* (1) The time fixed for the completion of a contract will not be extended except under the express terms thereof. Standard Forms Nos. 32 and 33 provide that, in the event of delay in the performance of the contract due to unforeseeable causes beyond the control and without the fault of the contractor, if the con-

tractor shall within 10 days from the beginning of such delay (or within such further period of time as may be granted) notify the contracting officer in writing of the causes of delay, the contracting officer will ascertain the facts and extent of the delay, and his findings of fact thereon will be final and conclusive on the parties to the contract, subject only to appeal within 30 days by the contractor to the head of the department concerned, or his duly authorized representative, whose decision on such appeal as to the facts of delay will be final. The liquidated damage article in Standard Form No. 23, and the same article when used in Standard Form No. 32, in addition to the foregoing, provide for the extension of the time for completion of the work or delivery of the supplies by the contracting officer, and provide for a review of such extension of time by the Secretary of War or his duly authorized representative on appeal by the contractor.

(2) Findings of fact by contracting officers and the decisions of heads of departments on appeals are conclusive. However, these findings, and decisions on appeal therefrom, are conclusive only if they are actually made by the officer designated by the contract to make such findings or decisions, and if same are communicated to the contractor by that officer.

(3) When the contracting officer receives the written notification of the causes of the delay, as provided by the terms of the contract, he will ascertain the facts, and, as soon as practicable, will personally in writing make such findings, and grant such extension of time as may be warranted by the facts; and will promptly transmit his findings to the contractor.

(4) When an appeal to the Secretary of War, or his duly authorized representative, by a contractor from findings of a contracting officer, with respect to delays, is received by the contracting officer, or other office of record, the time of receipt will be noted thereon, and the appeal, with all related papers, will be forwarded to the Secretary of War or his duly authorized representative. In the event the Secretary of War has authorized a representative to act in his stead, such representative will personally in writing make his decision on the appeal and will furnish the contracting officer with such decision for transmission to the contractor. Such decision will include a statement that he is the duly authorized representative of the Secretary of War.

(g) *Acts of the Government*—(1) *Delay.* Where the Government delays the commencement of work, the matter is not one of liquidated damages but requires the fixing of a new commencement date with the consent of the contractor. (See 8 Comp. Gen. 552)

(2) *Suspension of performance.* Under the standard form of construction contract, and under the liquidated damage article of the supply contract, where activities are suspended by Government orders, liquidated damages are not chargeable for the time intervening between the effective date of the order for suspension and the effective date of the order to recommence work, or for delivery of the supplies. (See 8 Comp. Gen. 80)

(h) *Furnishing information to contractors.* Information to be furnished in correspondence and contact with bidders is referred to in sections 81.12 and 81.13. Likewise every effort should be made to furnish legitimate information to contractors. (R.S. 161; 5 U.S.C. 22) [Pars. 21 to 28 incl., A.R. 5–200, Jan. 2, 1940]

§ 81.19a *Disputes.* (a) Standard Forms Nos. 23 and 32 provide that all disputes concerning questions of fact arising under the contract will be decided by the contracting officer, subject to written appeal by the contractor within 30 days to the head of the department concerned, or his duly authorized representative, whose decision will be final and conclusive upon the parties thereto.

(b) When a contracting officer makes a decision respecting any dispute concerning questions of fact arising under a contract, he will as soon as practicable make a written record of his decision and transmit same to the contractor.

(c) When an appeal to the Secretary of War, or his duly authorized representative, by a contractor from a decision of a contracting officer with respect to a dispute concerning questions of fact arising under the contract, is received by a contracting officer, or other office of record, the time of receipt will be noted thereon, and the appeal, with all related papers, will be forwarded to the Secretary of War, or his duly authorized representative. In the event the Secretary of War has authorized a representative to act in his stead, such representative will personally in writing make his decision on the appeal and will furnish the contracting officer with such decision for transmission to the contractor. Such decision will include the statement that he is the duly authorized representative of the Secretary of War. (R.S. 161; 5 U.S.C. 22) [Par. 29, A.R. 5–200, Jan. 2, 1940]

§ 81.20 *Assignment*—(a) *Assignment of contracts and orders.* No contract or order, or any interest therein, shall be transferred by the party to whom such contract or order is given to any other party, and any such transfer shall cause the annulment of the contract or order transferred, so far as the United States are concerned. All rights of action, however, for any breach of such contract by the contracting parties, are reserved to the United States. (R.S. 3737; 41 U.S.C. 15; M.L. 1929, sec. 746)

(b) *Assignment by operation of law.* Under the provisions of sections 3477 and 3737, Revised Statutes, the transfer or assignment of claims against or contracts with the United States is prohibited, but these statutes do not apply where such a contract or claim is transferred by order of a court in receivership and bankruptcy proceedings, such an assignment being by operation of law. See 3 Comp. Gen. 623; 5 id. 592. (R.S. 3737; 41 U.S.C. 15) [Par. 30, A. R. 5–200, Jan. 2, 1940]

[SEAL] E. S. ADAMS,
Major General,
The Adjutant General.

[F. R. Doc. 40–713; Filed, February 16, 1940; 10:35 a. m.]

TITLE 14—CIVIL AVIATION

CHAPTER I—CIVIL AERONAUTICS AUTHORITY

[Amendment 41, Civil Air Regulations]

REVISION OF THE TERM "ACROBATICS"

At a session of the Civil Aeronautics Authority held at its office in Washington, D. C., on the 13th day of February 1940.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, particularly sections 205 (a) and 601 (a) of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under said Act, the Civil Aeronautics Authority hereby amends the Civil Air Regulations as follows:

Effective March 1, 1940, the Civil Air Regulations are amended as follows:

1. By amending § 60.152 to read as follows:

"§ 60.152 *Acrobatics (acrobatic flight).* Acrobatics are unnecessary flight evolutions voluntarily performed with an aircraft requiring or resulting in an abrupt change in its attitude, an abnormal attitude, or operations in excess of the aircraft's design level flight speed (placard value). A normal bank not in excess of 70 degrees will not be considered as an abrupt change in the aircraft's attitude or as an abnormal attitude."

2. By amending § 98.104 to read as follows:

"§ 98.104 *Acrobatics (acrobatic flight).* Acrobatics are unnecessary flight evolutions voluntarily performed with an aircraft requiring or resulting in an abrupt change in its attitude, an abnormal attitude, or operations in excess of the aircraft's design level flight speed (placard value). A normal bank not in excess of 70 degrees will not be considered as an abrupt change in the aircraft's attitude or as an abnormal attitude."

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40–716; Filed, February 16, 1940; 12:31 p. m.]

TITLE 16—COMMERCIAL PRACTICES

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket No. 3400]

MILTON S. KRONHEIM & SON, INC., ET AL.

§ 3.27 (c10) *Combining or conspiring—To enforce resale price maintenance.* Entering into or enforcing the provisions of any contract, agreement or understanding, verbal or written, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District, for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., with any retail dealer, jobber or wholesaler, distiller or other distributor of alcoholic beverages, the purpose or effect of which is to maintain a specified standard or uniform minimum resale price discount or "mark-up" at which whiskies, wines or other alcoholic beverages are to be sold by such retail dealers, jobbers, wholesalers or distributors, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.27 (c10) *Combining or conspiring—To enforce resale price maintenance.* Enforcing, or attempting to enforce, the maintenance of standard or uniform minimum resale prices, discounts or "mark-ups", in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District, for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., through collectively refusing to sell, or threatening to refuse to sell, such products to price-cutting retail dealers, or combining and agreeing, directly or indirectly, with distillers, retailers or respondent D. C. Exclusive Retail Liquor Dealers Association, so to refuse, etc., or to reinstate price-cutting retail customers upon promise of conformance thereafter, or to circulate, or threaten to circulate, among retail dealers, wholesalers, etc., reports or lists of price-cutters, non-conforming wholesalers, or sellers to price-cutters, or securing and endeavoring to secure, through contracts, etc., support and cooperation of respondent wholesalers or other wholesalers, distillers, said retail association, its members, etc., in carrying out of resale price policy in question, as in said order in detail set forth, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.63 (c) *Maintaining resale prices—Combination.* Entering into or enforcing the provisions of any contract, agreement or understanding, verbal or written, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., with any retail dealer, jobber or wholesaler, distiller or other distributor of alcoholic beverages, the purpose or effect of which is to maintain a specified standard or uniform minimum resale price discount or "mark-up" at which whiskies, wines or other alcoholic beverages are to be sold by such retail dealers, jobbers, wholesalers or distributors, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.63 (c) *Maintaining resale prices—Combination.* Enforcing, or attempting to enforce, the maintenance of standard or uniform resale prices, discounts or "mark-ups", in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., through collectively refusing to sell, or threatening to refuse to sell, such products to price-cutting retail dealers, or combining and agreeing, directly or indirectly, with distillers, retailers or respondent D. C. Exclusive Retail Liquor Dealers Association, so to refuse, etc., or to reinstate price-cutting retail customers upon promise of conformance thereafter, or to circulate, or threaten to circulate, among retail dealers, wholesalers, etc., reports or lists of price-cutters, non-conforming wholesalers, or sellers to price-cutters, or securing and endeavoring to secure, through contracts, etc., support and cooperation of respondent wholesalers or other wholesalers, distillers, said retail association, its members, etc., in carrying out of resale price policy in question, as in said order in detail set forth, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.63 (e) *Maintaining resale prices—Cutting off supplies:* § 363 (i) *Maintaining resale prices—Refusal to sell.* Collectively refusing to sell, or threatening to refuse to sell, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., whiskies, wines or other alcoholic beverages to price cutting retail dealers, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.63 (d) *Maintaining resale prices—Contracts and agreements.* Reinstating as their customers, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., price cutting retail dealers, whom they have theretofore refused to sell, upon an agreement or understanding with such retail dealers that such suggested minimum resale prices, discounts or "mark-ups" will thereafter be maintained, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.63 (a) *Maintaining resale prices—Black listing.* Circulating and threatening to circulate, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent wholesale liquor dealers, their officers, etc., and respondent Wholesale Liquor Dealers of Washington, its members, etc., among retail dealers, wholesalers and other distributors of whiskies, wines and alcoholic beverages, reports or lists of those retail dealers who have cut prices on said products and reports of wholesalers who have given discounts greater than those agreed upon and reports of those wholesalers who have continued to sell alcoholic beverages to retail dealers who have cut prices on said products to a price below the minimum resale price so fixed, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.27 (c10) *Combining or conspiring—To enforce resale price maintenance.* Entering into or enforcing the provisions of any contract, understanding or agreement, either verbal or written, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent D. C. Exclusive Retail Liquor Dealers Association, its members, etc., and respondent Davis, individually and

as secretary of said association, with any retail dealer, jobber, distiller, wholesaler or other distributor of alcoholic beverages in said District, the purpose and effect of which is to maintain a specified standard or uniform minimum resale price, discount or "mark-up" at which said alcoholic beverages are to be re-sold by such retail dealers, jobbers, wholesalers or other distributors, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.27 (c10) *Combining or conspiring—To enforce resale price maintenance.* Enforcing or attempting to enforce the maintenance of standard or uniform minimum resale prices, discounts or "mark-ups", in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent D. C. Exclusive Retail Liquor Dealers Association, its members, etc., and respondent Davis, individually and as secretary of said association, through boycotting or threatening to boycott any wholesaler, distiller, jobber, retailer or other distributor for selling such merchandise to price-cutting retailers, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

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§ 3.63 (c) *Maintaining resale prices—Combination.* Enforcing or attempting to enforce the maintenance of standard or uniform minimum resale prices, discounts or "mark-ups", in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent D. C. Exclusive Retail Liquor Dealers Association, its members, etc., and respondent Davis, individually and as secretary of said association, through boycotting or threatening to boycott any wholesaler, distiller, jobber, retailer or other distributor for selling such merchandise to price-cutting retailers, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

§ 3.24 (e) *Coercing and intimidating—Suppliers of Competitors:* § 3.33 (e) *Cutting off competitors' supplies—Threatening withdrawal of patronage:* § 3.63 (e) *Maintaining resale prices—Cutting off supplies:* § 3.63 (g) *Maintaining resale prices—Penalties.* Boycotting or threatening to boycott any wholesaler, distiller, jobber, retailer or other distributor of alcoholic beverages, in connection with sale, offer, etc., of whiskies, wines and other alcoholic beverages in the District of Columbia, and with shipment of such beverages into said District for resale therein, and on the part of respondent D. C. Exclusive Retail Liquor Dealers Association, its members, etc., and respondent Davis, individually and as secretary of said association, for selling such merchandise to retail dealers known to engage in price cutting activities, or notifying or threatening to notify (1) the wholesalers in said District, including respondent wholesalers, not to supply any price cutting retail dealers under threatened penalties of forfeiture and boycott, or (2) distillers of any wholesaler not conforming to the aforesaid price maintenance policy, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Milton S. Kronheim & Son, Inc., et al., Docket 3400, February 9, 1940]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 9th day of February, A. D. 1940.

Commissioners: Ewin L. Davis, Chairman; Garland S. Ferguson, Charles H. March, William A. Ayres, Robert E. Freer.

IN THE MATTER OF MILTON S. KRONHEIM & SON, INC., A CORPORATION; MARVIN & SNEAD SALES CORPORATION, A CORPORATION; PHILIP HURWITZ AND LEON SAMET, INDIVIDUALLY, AND AS PARTNERS TRADING UNDER THE NAME AND STYLE ROMA WINE & LIQUOR COMPANY; INTERNATIONAL DISTRIBUTING CORPORATION, A CORPORATION; WASHINGTON WHOLESALE LIQUOR CORPORATION, A CORPORATION; GLOBE DISTRIBUTING COMPANY, INC., A CORPORATION; D. C. EXCLUSIVE RETAIL LIQUOR DEALERS ASSOCIATION, A CORPORATION; MANUEL J. DAVIS, INDIVIDUALLY, AND AS SECRETARY OF D. C. EXCLUSIVE RETAIL LIQUOR DEALERS ASSOCIATION; WHOLESALE LIQUOR DEALERS OF WASHINGTON, A NON-PROFIT, UNINCORPORATED ASSOCIATION OF WHOLESALE LIQUOR DEALERS

ORDER TO CEASE AND DESIST

This proceeding having been heard[1] by the Federal Trade Commission upon the complaint of the Commission, the answers of respondents, testimony and other evidence taken before John J. Keenan, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint, and in opposition thereto, briefs filed herein and oral arguments by Floyd O. Collins and DeWitt T. Puckett counsel for the Commission, and by Milton W. King, counsel for the respondents Manuel J. Davis and D. C. Exclusive Retail Liquor Dealers Association, Norman J. Morrison, counsel for the respondent International Distributing Corporation, John R. Fitzpatrick, counsel for the respondent Washington Wholesale Liquor Corporation, F. Joseph Donohue, counsel for respondent Milton S. Kronheim & Son, Inc., William E. Furey, counsel for respondent Marvin & Snead Sales Corporation, Milford Schwartz, counsel for respondent Wholesale Liquor Dealers of Washington, Henry M. Seigel, counsel for respondents Philip Hurwitz and Leon Samet, individually and as copartners trading under the name and style Roma Wine and Liquor Company, Hyman M. Goldstein, counsel for respondent Globe Distributing Company, Inc., and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent wholesalers, Milton S. Kronheim & Son, Inc., a corporation, its officers, representatives, agents and employees, Marvin & Snead Sales Corporation, a corporation, its officers, representatives, agents and employees, International Distributing Corporation, a corporation, its officers, representatives, agents and employees, Globe Distributing Company, Inc., a corporation, its officers, representatives, agents and employees, Philip Hurwitz and Leon Samet, individually, and as partners trading under the name and style Roma Wine & Liquor Company, their representatives, agents and employees, Washington Wholesale Liquor Corporation, a corporation, its officers, representatives, agents and employees, and the respondent Wholesale Liquor Dealers of Washington, an unincorporated association of wholesale liquor dealers, its members, officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the sale and offering for sale of whiskies, wines and other alcoholic beverages in the District of Columbia, and in connection with the shipment of whiskies, wines and other alcoholic beverages into the District of

[1] 3 F.R. 2432.

Columbia for resale therein, do forthwith cease and desist from:

1. Entering into or enforcing the provisions of any contract, agreement or understanding, verbal or written, with any retail dealer, jobber or wholesaler, distiller or other distributor of alcoholic beverages, the purpose or effect of which is to maintain a specified standard or uniform minimum resale price discount or "mark-up" at which whiskies, wines or other alcoholic beverages are to be sold by such retail dealers, jobbers, wholesalers or distributors.

2. Enforcing or attempting to enforce the maintenance of standard or uniform minimum resale prices, discounts or "mark-ups" by any of the following methods or means:

(a) Collectively refusing to sell or threatening to refuse to sell whiskies, wines or other alcoholic beverages to price cutting retail dealers.

(b) Reinstating as their customers price cutting retail dealers, whom they have theretofore refused to sell, upon an agreement or understanding with such retail dealers that such suggested minimum resale prices, discounts or "mark-ups" will thereafter be maintained.

(c) Circulating and threatening to circulate among retail dealers, wholesalers and other distributors of whiskies, wines and alcoholic beverages reports or lists of those retail dealers who have cut prices on said products and reports of wholesalers who have given discounts greater than those agreed upon and reports of those wholesalers who have continued to sell alcoholic beverages to retail dealers who have cut prices on said products to a price below the minimum resale price so fixed.

(d) Combining and agreeing directly or indirectly with distillers, retail dealers or with the D. C. Exclusive Retail Liquor Dealers Association to do or cause to be done any of the foregoing acts or things.

(e) Securing and endeavoring to secure through contracts, agreements or understandings the active support and cooperation of respondent wholesalers or other wholesale liquor dealers or distillers or of respondent D. C. Exclusive Retail Liquor Dealers Association or retail dealer members of said respondent Association or of respondent Manuel J. Davis, or of other retail dealers in the District of Columbia individually or collectively in carrying out the minimum resale price policy aforesaid.

It is further ordered, That the respondents D. C. Exclusive Retail Liquor Dealers Association, a corporation, its members, officers, agents, servants or employees, and Manuel J. Davis, individually and as Secretary of said D. C. Exclusive Retail Liquor Dealers Association, in connection with the sale and offering for sale of whiskies, wines and other alcoholic beverages in the District of Columbia and in connection with the shipment of whiskies, wines and other alcoholic beverages into the District of Columbia for resale therein do forthwith cease and desist from:

1. Entering into or enforcing the provisions of any contract, understanding or agreement, either verbal or written, with any retail dealer, jobber, distiller, wholesaler or other distributor of alcoholic beverages in the District of Columbia, the purpose and effect of which is to maintain a specified standard or uniform minimum resale price, discount or "mark-up" at which said alcoholic beverages are to be re-sold by such retail dealers, jobbers, wholesalers or other distributors.

2. Enforcing or attempting to enforce the maintenance of standard or uniform minimum resale prices, discounts or "mark-ups" by any of the following methods or means:

(a) Boycotting or threatening to boycott any wholesaler, distiller, jobber, retail dealer or other distributor of alcoholic beverages for selling such merchandise to retail dealers known to engage in price cutting activities.

(b) Notifying or threatening to notify the wholesalers in the District of Columbia, including respondent wholesalers, not to supply any price cutting retail dealers under threatened penalties of forfeiture and boycott.

(c) Notifying or threatening to notify distillers of any wholesaler not conforming to the aforesaid price maintenance policy.

It is further ordered, That the said respondents, within sixty (60) days from and after the date of service upon them of this order, shall file with the Commission a report or reports in writing setting forth in detail the manner and form in which they are complying and have complied with the order to cease and desist hereinabove set forth.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary.*

[F. R. Doc. 40-712; Filed, February 16, 1940; 9:46 a. m.]

TITLE 26—INTERNAL REVENUE

CHAPTER I—BUREAU OF INTERNAL REVENUE

[T.D. 4964]

MUTILATED OR MISSING STRIP STAMPS

To collectors of Internal Revenue, District Supervisors, and others concerned:

Pursuant to the authority contained in Section 2803 (d) of the Internal Revenue Code, the following regulations are hereby prescribed:

1. Unopened bottles containing taxpaid distilled spirits required to be stamped under Section 2803 (d) of the Internal Revenue Code, from which the strip stamps are missing, or on which the strip stamp is mutilated to the extent that the contents of the bottle are accessible without further destruction of the stamp, or on which the strip stamp is so mutilated that the genuineness thereof cannot be determined, may be restamped pursuant to the following procedure:

2. The bottle should be set aside by the dealer and proper remittance (one cent for each stamp of one-half pint or greater, or one-quarter cent for each stamp of less than one-half pint) and application under oath for the necessary stamps submitted with Form 428, "Order for Stamps—Distilled Spirits Bottle Strips," in triplicate, to the District Supervisor, Alcohol Tax Unit. Copies of Form 428 may be obtained from the District Supervisor, Alcohol Tax Unit. The applicant in every case will state the cause of mutilation or absence of the stamps and submit evidence that the spirits are tax-paid. Such evidence may consist of the invoices covering the purchase of the spirits, in addition to other available documents. The District Supervisor will approve the requisition, Form 428, if he is satisfied from the evidence submitted that the tax has been paid on the spirits, and that the mutilation or absence of the stamps has been explained. He will forward the original Form 428 and one copy with the remittance to the proper Collector of Internal Revenue. The Collector will enter the serial numbers of the stamps issued and stamp the date of sale on both copies of Form 428. He will send the stamps and the copy of Form 428 to the District Supervisor, who will deliver the stamps to the applicant, either by mail or by a representative of his office, together with instructions in regard to affixing them to the containers.

3. When an internal revenue officer discovers an unopened bottle containing distilled spirits, to which no strip stamp is affixed, or on which the strip stamp is mutilated to the extent that the contents of the bottle are accessible without further destruction of the stamp, or on which the strip stamp is so mutilated that the genuineness thereof cannot be determined, the officer will direct that the bottle be set aside. If the officer is satisfied that the spirits in the bottle have been taxpaid, and the original contents of the bottle have not been replaced or increased by the addition of any substance, he shall secure an affidavit from the proper person setting forth the reason for the absence or mutilation of the stamp, accompanied by documentary evidence, if any, in support thereof. The officer shall assist the person in executing an application on Form 428 in order to procure a strip stamp to be affixed to the bottle, pursuant to the procedure outlined in paragraph 2 hereof. No offer in compromise will be suggested in such cases.

When the inspector has good reason to believe that the distilled spirits have not been taxpaid, or that the original con-

tents of the bottle have been replaced or increased by the addition of a substance, he will seize the spirits for forfeiture.

4. It will not be necessary to require the replacement of strip stamps where an immaterial portion of the stamp is missing, or where the strip stamp has dropped off a bottle and may be reaffixed thereto by the dealer. No offer in compromise will be suggested in such cases.

5. In the case of an opened bottle of distilled spirits from which all portions of the strip stamp have been removed, there will be no necessity to require the restamping of the bottle or to suggest an offer in compromise if the internal revenue officer is satisfied the bottle contains all or a part of its original taxpaid contents only.

6. Nothing contained in these regulations shall supersede or otherwise affect the authority granted and the procedure established by Treasury Decision 4744, approved June 24, 1937, for obtaining stamps to replace those which have been lost or destroyed.

7. Treasury Decision 4776,[1] approved November 12, 1937, is hereby revoked.

[SEAL] GUY T. HELVERING,
Commissioner.

Approved February 15, 1940.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 40-711; Filed, February 15, 1940; 4:07 p. m.]

TITLE 29—LABOR

CHAPTER IV—CHILDREN'S BUREAU

[Regulation No. 15]

CHILD LABOR

PART 402—ACCEPTANCE OF STATE CERTIFICATES

FEBRUARY 14, 1940.

By virtue of and pursuant to the authority conferred by section 3 (l) of the Fair Labor Standards Act of 1938 (Act of June 25, 1938, c. 676, 52 Stat. 1060, U.S.C. Supp. IV, ti. 29, sec. 201), § 402.1, Part 402, Title 29, of the Codification of Federal Regulations is hereby amended to read as follows:

§ 402.1 *Designation of States.*[1] Pursuant to the provisions of § 401.5[2] I hereby designate the following States as States in which State age, employment, or working certificates or permits shall have the same force and effect as Federal certificates of age under the Fair Labor Standards Act of 1938:

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

This designation shall be effective from November 1, 1939, until June 30, 1940.

[SEAL] KATHARINE F. LENROOT,
Chief of the Children's Bureau.

[F. R. Doc. 40-715; Filed, February 16, 1940; 10:37 a. m.]

[1] 2 F.R. 2486.

[1] This regulation replaces §§ 402.1 through 402.10, which were also designated as Child Labor Regulations Nos. 2, 4, 6, 7, 8, 9, 10, 11, 12, and 13, and were published in 3 F.R. 2500, 2533, 2627, 2693, and 2773, and 4 F.R. 382, 1637, 3328, 3339, and 3704, DI, respectively. Nos. 2 and 4 were republished in 4 F.R. 1391 DI.

[2] Section 5, Child Labor Regulation No. 1, "Certificates of Age," issued October 14, 1938, pursuant to the authority conferred by sections 3 (l) and 11 (b) of the Fair Labor Standards Act of 1938, published in 3 F.R. 2487 DI; republished in 4 F.R. 1361 DI.

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

CHAPTER II—CORPS OF ENGINEERS, WAR DEPARTMENT

PART 203—BRIDGE REGULATIONS

§ 203.468 *Hillsboro River, Fla.; bridge (highway) at Sligh Avenue, Tampa, Fla.* In accordance with the provisions of Section 5 of the River and Harbor Act approved August 18, 1894 (28 Stat. 362; 33 U.S.C. 499), the following special regulations are prescribed to govern the operation of the drawbridge of Hillsborough County, Florida, across the Hillsboro River at Sligh Avenue in the City of Tampa, Florida.

(a) The owner or agency controlling the bridge will not be required to keep a draw tender in constant attendance at the aforementioned bridge between the hours of 6:00 p. m. and 7:00 a. m.

(b) Whenever, in the event of an emergency, a vessel, unable to pass under the closed bridge, is required to pass through the drawspan between these hours, at least one-hour's advance notice of the time the opening is required shall be given to the authorized representative of the owner or agency controlling the bridge.

(c) Upon receipt of such notice, the authorized representative of the owner of or agency controlling the bridge, in compliance therewith, shall arrange for the prompt opening of the draw at the time specified in the notice for the passage of the vessel.

(d) The owner or agency controlling the bridge shall keep conspicuously posted on both the upstream and downstream sides of the bridge, in such manner that it can easily be read at any time, a copy of these regulations, together with a notice stating exactly how the representative specified in paragraph (b) may be reached.

(e) The operating machinery of the draw shall be maintained in a serviceable condition and the draw opened and closed at least once every four months to make certain that the machinery is in proper order for satisfactory operation.

(f) These regulations shall take effect and be in force on and after February 15, 1940, and are supplemental to the "Rules and regulations to govern the operation of drawbridges crossing all navigable waterways of the United States discharging their waters into the Atlantic Ocean south of and including Chesapeak Bay and the Gulf of Mexico, excepting the Mississippi River and its tributaries." (Sec. 5, River and Harbor Act, Aug. 18, 1894, 28 Stat. 362; 33 U.S.C. 499) [Special regs., Feb. 5, 1940 (E.D. 6371 (Tampa (Fla.)—Hillsboro R.—Sligh Ave.) 5/4)]

[SEAL] E. S. ADAMS,
Major General,
The Adjutant General.

[F. R. Doc. 40-714; Filed, February 16, 1940; 10:35 a. m.]

Notices

DEPARTMENT OF LABOR.

Division of Public Contracts.

IN THE MATTER OF AN EXTENSION OF THE DETERMINATION OF THE PREVAILING MINIMUM WAGE IN THE PHOTOGRAPHIC SUPPLIES INDUSTRY TO INCLUDE THE PRODUCTS OF THE BLUEPRINT PAPER COATING INDUSTRY

NOTICE OF OPPORTUNITY TO SHOW CAUSE

This Department has received evidence showing that blueprint, brownprint, blackprint, black-line, and other similarly sensitized papers and cloths are produced by manufacturing processes similar to those involved in the sensitizing of photographic papers, and that similar minimum wages prevail in the production of such papers and cloths.

In the light of these facts, all interested parties are hereby given until and including February 29, 1940, in which to file briefs with the Administrator, Division of Public Contracts, Department of Labor, showing cause (1) why the Secretary's decision of July 28, 1939, In the Matter of the Determination of the Prevailing Minimum Wage in the Photographic Supplies Industry (4 F.R. 3496 DI) should not be extended to include

the manufacture or supply of the above designated products of the Blueprint Paper Coating Industry; namely, blueprint, brownprint, blackprint, black-line and other similarly sensitized papers and cloths, and (2) why the minimum wage determination for employees engaged in the performance of contracts with agencies of the United States, subject to the provisions of the Act of June 30, 1936 (49 Stat. 2036; 41 U.S.C. Sup. III 35) for the manufacture or supply of these products should not be determined to be 40 cents an hour or $16.00 per week of forty hours, arrived at either upon a time or piece work basis.

Dated, February 15, 1940.

[SEAL] L. METCALFE WALLING,
Administrator.

[F. R. Doc. 40-717; Filed, February 16, 1940; 12:47 p. m.]