

Department of Defense

QUARTERMASTER MARKET CENTER

OPTIONAL INSPECTION AND TESTING PROCEDURE:

The Quartermaster Market Center Operations Division in Chicago issued on July 13 the following Notice to the Trade on Inspection and Testing Procedure:

A new procedure for the inspecition and testing of component packaging, packing, and marking materials of nonperishable subsistence items has recently been adopted on all Quartermaster Market Center contracts. The procedure, designated the "Certificate of Compliance (and Analysis) Acceptance Procedure," is designed to expedite acceptance of shipments and subsequent payment to contractors. The procedure is entirely optional to contractors, and may be employed to gain immediate acceptance of packaging, packing, and marking materials, in lieu of awaiting results of Government laboratory acceptance testing, as long as the contractor maintains continued eligibility for the procedure. Contractors will be acquainted with the details by a representative of the Quartermaster Corps Inspection Service Command prior to or at the time inspection is conducted,

Salient features of the procedure are as follows:

- a. Samples for Government laboratory testing will be drawn from all lots of component material required to be in conformance with a Federal or Military specification, or otherwise having test characteristic requirements.
- b. In lieu of awaiting test results on component materials on items of domestic pack, the contractor may furnish the Inspector with a Certificate of Compliance stating that material complies with requirements, to be signed by a responsible company official.
- c. In lieu of awaiting test results on component materials for items of export pack, the contractor may furnish a Certificate of Compliance and Analysis. This must be accomplished on Standard DA Form 694, blank copies of which will be supplied by the Inspector or Inspection Office. The form must show an acceptable test result for each component test requirement. Test results may be furnished by supplier of material, commercial laboratory or contractor's own laboratory.
- d. In the event Government laboratory testing indicates non-compliance with requirements of materials previously certified as meeting requirements, contractor's eligibility for procedure will be withdrawn, and acceptance delayed until results of Government laboratory testing become available. Contractor eligibility may be reinstated at a future date at the discretion of the Quartermaster Inspection Service,

Particular attention is invited to the clause below which is included in the majority of Marine Corps and Department of the Navy Contracts. Both agencies have been experiencing difficulty with unauthorized shipments, and the purpose of the clause is to eliminate the practice of shipment prior to receipt of inspection results. Therefore, the cooperation of all vendors is earnestly solicited to insure that proper inspection certificates or reports are accomplished prior to shipment. Contracts will include separate instructions to the effect that properly accomplished Inspection Certificates must accompany all shipments consigned to Navy or Marine Corps destinations. Receiving installations will refuse to accept shipments in the absence of such a certificate, treating each such failure as an unauthorized shipment. Quartermaster Inspectors and Inspection Offices have accordingly been instructed to advise contractors regarding the Navy and Marine Corps position on "improper" or unauthorized shipments.

SHIPMENT, PRIOR AUTHORIZATION

The contractor shall make no shipment under this contract unless the Department of Defense Material Inspection Receiving Report, other inspection report or inspection certificate, covering said shipment has been previously signed by the Government inspector, except where such shipment is otherwise specifically authorized by the contracting officer. Should the contractor make shipment contrary to the provisions of this clause, the shipment shall be considered unauthorized and the Government shall have the option of either returning such shipment at the contractor's expense or storing same, in either event holding the contractor chargeable for all additional expenses, charges and fees including those for transportation, handling, and storage incurred by the Government as a result of said unauthorized shipment. For purposes of this clause, handling and storage fees shall be computed from the date of receipt of the unauthorized shipment at destination, to and inclusive of the date of final acceptance or the date said shipment is shipped back to the contractor if rejected, on the basis of actual costs to the Government,

NOTE: The above clause is included in contract clause sheets as indicated below:

Clause #6, Clauses OPD 1003, 1 July 1955, "Special Provisions for Marine Corps Contracts."

Clause #8, Clauses OPD 1005a and b, 1 July 1955, "Special Provisions for Navy F.O.B. Origin Non-Property Receipt Contracts (N-P)."

Clause #8, Clauses OPD 1006a and b, 1 July 1955, "Special Provisions for Navy F.O.B. Destination Contracts (N-P)."

Comments and/or suggestions concerning the above-described procedure are invited and should be directed to the nearest Quartermaster Market Center office.



Office of Defense Mobilization

CERTIFICATES OF NECESSITY FOR CERTAIN INDUSTRIES SUSPENDED:

The issuance of Certificates of Necessity for expansion goals of certain industries was suspended by Director of Defense Mobilization order OD-LA No. 416 (8-11-55). Certificates of Necessity provided accelerated tax amortization for certain industries which were considered important to National Defense.

Certificates of Necessity will no longer be issued for the expansion goals of these industries:

Title	Delegate Agency
Inland Waterway Terminal Facilities	ICC
Inland Waterway Vessels (Specific Types)	ICC
Motor Truck Terminal and Repair Facilities	ICC
Warehousing and Storage	ICC
	Inland Waterway Terminal Facilities



PROPOSED TRADE PRACTICE RULES ISSUED FOR FROZEN FOOD INDUSTRY:

For the consideration and hearing of industry members and other interested or affected parties, the Federal Trade Commission on August 11 issued "Proposed Trade Practice Rules for the Frozen Food Industry." These rules will affect any person, firm or organization engaged in the production and marketing of all frozen foods, including frozen fishery products.

These proposed rules were discussed at a public hearing scheduled to begin in Washington, D. C., on September 8, 1955. The Commission extended an opportunity to all persons, firms, corporations, and organizations, including labor and consumer groups, to present their views concerning the proposed rules in writing before that date or orally at the hearing. These proceedings were instituted pursuant to an industry application for the establishment of a set of trade practice rules directed to the maintenance of a fair competitive basis in the industry. After consideration of the views present-

ed orally or in writing, the Commission will proceed to final action on the proposed rules.

The industry for which trade practice rules are sought to be established through these proceedings is composed of persons, firms, corporations, and organizations engaged in the production and/or marketing of vegetables, fruits, juices, fish and shellfish, baked goods, and other miscellaneous prepared foods, which are packed, marketed, and delivered to the ultimate consumer in a frozen state. (Not included as products of the industry are meats and poultry, and frozen dairy products, including ice cream and sherbets.) Rules for this industry, upon their final approval and promulgation by the Commission, will supplant the trade practice rules for the Grocery Industry promulgated March 18, 1952, with respect to those items identified as products of the Frozen Food Industry.

The rules are divided into two groups. Group I rules inhibit only such practices as are considered by the Commission to be illegal under laws administered by it. Included are prohibited discrimination; exclusive deals; prohibited sales below cost; push money; fictitious prices; false invoicing, billing, etc.; coercing the purchase of one product as a prerequisite to the purchase of other products; misrepresentation in general; defamation of competitors or false disparagement of their products; enticing away employees of competitors; substitution of products; inducing breach of contract; use of lottery schemes, etc.; prohibited forms of trade restraints (unlawful price fixing, etc.); use of the word "free;" misrepresenting products as conforming to standards; procurement of competitors' confidential information; and aiding or abetting use of unfair trade practices. Group II rules include contractual obligations and proper refrigeration, and although their violation does not per se constitute violation of law, corrective proceedings in respect thereto may be constituted by the Commission.



Small Business Administration

GOVERNMENT LOANS AVAILABLE IN DISASTER AREAS:

The Small Business Administration in mid-August designated a limited number of counties in the states of Massachusetts, Rhode Island, New York, New Jersey, and Pennsylvania, and all counties in Connecticut and Delaware, as disaster areas. These areas were harmed in August by floods and high waters. Residents and businesses in these areas which suffered such damage are eligible for rehabilitation loans from SBA.

On August 15 the Small Business Administration also declared 10 counties in North Carolina and 1 county in South Carolina hit by hurricane "Connie" as disaster areas eligible for rehabilitation loans from SBA. The counties included are as follows:

South Carolina: Horry.

North Carolina: Beaufort, Brunswick, Carteret, Craven, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender.

These actions permit persons suffering damage to their homes or business to apply to SBA for disaster loans to help in repairing the damage. The loans are made at 3 percent interest with terms up to 20 years for repayment. Persons suffering damage in adjacent areas from the same cause may also apply for such loans.

Temporary disaster loan offices were opened to receive applications from disaster victims. Applications were also received at branch offices and at regional offices.

Emergency aid in addition to SBA loans is available from the Federal Government in the disaster areas. Some of the various types of aid to be provided are as follows:

- 1. Free distribution of surplus Government property including boats on an "as is where is" basis. This distribution will be effected through the State Property Officer of the individual states.
- 2. Large-scale distribution of food from Federal surplus food stocks. This distribution will be effected through the

officer in the individual state handling surplus food commodity distribution.

3. One hundred percent insurance on FHA insurance of loans.

Contact the Regional Director of the Federal Civil Defense Administration in the area for further details on such aid.



Department of State

JAPAN BECOMES PARTY TO GATT:

The Executive Secretary of the General Agreement on Tariffs and Trade announced on August 11 that more than two-thirds of the contracting parties to the General Agreement have cast favorable votes on a decision for the accession of Japan to the General Agreement. Accordingly, Japan will become a contracting party on September 10, 1955, and, as previously indicated the tariff concessions negotiated between the United States and Japan will become effective on the same date, the U. S. Department of State announced on August 22.

In accordance with the provisions of the Protocol for the Accession of Japan, United States concessions to countries other than Japan in connection with the negotiations for Japan's accession will be made effective 30 days after such countries notify the Executive Secretary that their concessions to Japan are being placed in effect. The Governments of Canada and Denmark have given notification that their concessions to Japan will become effective on September 10, 1955, and the concessions made by the United States to Canada and Denmark, in consideration of their concessions to Japan, will go into effect on the same date. Concessions on the items listed below are being withheld until further notice because the countries to which they were made have not given notice of the effective date of their concessions to Japan.

The President has notified the Secretary of the Treasury of the effective date for the concessions to Japan, Canada, and Denmark. The notification, which will be published in the Federal Register, reads as follows:

MEMORANDUM FOR THE SECRETARY OF THE TREASURY, AUGUST 22, 1955

"Reference is made to my proclamation of July 22, 1955, carrying out the Protocol of Terms of Accession by Japan to the General Agreement on Tariffs and Trade and for other purposes.

"Pursuant to the procedure described in Part I (b) (1) of that Proclamation, I hereby notify you that all items in Part I of Schedule XX to the Protocol for the accession of Japan, with the exception of the items specified below, shall not be withheld pursuant to paragraph 4 of said Protocol on and after September 10, 1955..." The fishery items which shall continue to be withheld until further notice are:

Item Designation	Description	
717 (c)	Fish, dried and unsalted, other than cod haddock, hake, pollock, and cusk(except shark fins)	

720 (a)(2) Herring, whole or beheaded, but not further advanced, if hard dry-smoked

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PHILIPPINE-UNITED STATES TRADE AGREEMENT SIGNED:

A revised agreement between the Republic of the Philippines and the United States regarding trade arrangements and related matters was signed September 6, 1955, at the Department of State. The agreement was signed on behalf of the Philippines by General Carlos P. Romulo, Special and Personal Envoy of the President of the Philippines; James M. Langley, Special Representative of the President of the United States of America, signed on behalf of the United States.

The title of the agreement is "Agreement between the United States of America and the Republic of the Philippines concerning Trade and Related Matters during a Transitional Period following the Institution of Philippine Independence, signed at Manila on July 4, 1946, as revised." The authorizing legislation of the U. S. Congress is Public Act 196, "Philippine Trade Agreement Revision Act of 1955," according to a Department of State news release.

The 1946 Trade Agreement was entered into at the time the Philippines gained its independence. At that time there were no precedents to indicate exactly how the problems of the new relationship which was to exist between the Philippines and the United States might best be met. During the nine years of operation of this agreement, problems

arose on both sides suggesting the need for revisions. These revisions, affecting every article of the agreement, provide for adjustments which better accommodate the current and future economic interests of both nations and effect changes in their relationships which were mutually felt desirable as a result of the experiences of the Philippines in handling its political and economic problems since the Philippines became independent in 1946. The modification of transitional tariff schedules coupled with the elimination of an exchange tax in the Philippines is an important element of the revised agreement.

The further economic development of the Philippines is one of the objectives of the new agreement. Such development, in addition to enhancing the importance of the Philippines as a trading partner of the U. S., serves to strengthen a staunch friend and close ally.

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Note: Also see Commercial Fisheries Review, February 1955, p. 49.



Eighty-Fourth Congress (First Session)

AUGUST 1955

Listed below are public bills and resolutions introduced and referred to com-

mittees or passed by the Eighty-Fourth Congress (First Session) and signed by the President that directly or indirectly affect the fisheries and allied industries. Public bills and resolutions are



shown in this section when introduced and, if passed, when signed by the President; but also shown from month to month are the more pertinent reports, hearings, or chamber actions on some bills.

ADJOURNMENT: The First Session of the 84th Congress adjourned, sine die, on August 2. Congress will reconvene in January 1956, unless the President calls a special session.

GREAT LAKES FISHERIES CONVENTION: Report from Committee on Foreign Relations to accompany Executive B, 84th Congress, 1st. Session, May 23, 1955, 6 p.

GREAT LAKES FISHERY TECHNOLOGICAL LABORATORY: S. 2707 (Potter), introduced July 30. A bill direct-

ing the Secretary of the Interior to establish, under the Fish and Wildlife Service, a technological laboratory to serve the Great Lakes region; to the Committee on Interstate and Foreign Commerce.

ORGANIZATION FOR TRADE COOPERATION: H. R. 5550, a bill which would authorize United States participation in the Organization for Trade Cooperation. The President agreed to postpone hearings on the bill until next year, according to the Chairman of the House Ways and Means Committee on July 19. The Chairman states that the bill will be one of the first considered by the Committee in 1956.

PHILIPPINE TRADE AGREEMENT REVISION ACT OF 1955: The President on August 1 signed H. R. 6059 (Cooper), a bill to authorize the President of the United States to enter into an agreement with the President of the Republic of the Philippines to revise the 1946 trade agreement between the United States of America and the Republic of the Philippines (P. L. 196, 84th Congress).

TRADE AGREEMENTS: Trade Agreements Extension Act of 1955, House Report No. 745 (June 9, 1955, 84th Congress, Ist Session), 7 pp., printed. This is a conference report on H. R. 1, a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

TRANSPORTATION OF MOLLUSK SHELLS: H. R. 7807 (Boggs), introduced August 1. A bill to provide that the transportation of mollusk shells (including clam and oyster shells) from the point of extraction to the dockside shall be taken into account in computing percentage depletion; to the Committee on Ways and Means.

Also \underline{H}_{\bullet} \underline{R}_{\bullet} 7819 (Thompson of Louisiana) and \underline{H}_{\bullet} \underline{R}_{\bullet} 7820 (Thompson of Texas), introduced August 1, similar to \underline{H}_{\bullet} \underline{R}_{\bullet} 7807.

TILAPIA

A number of popular magazines in this country have published articles dealing with tilapia, describing the success with which Tilapia mossambica has been propagated as a food fish in various Asiatic countries. The considerable public interest aroused by these articles has been reflected in the offices of the U.S. Fish and Wildlife Service by the number of inquiries received from people who wanted information about the possibility of raising tilapia in the United States.

Because of the widespread interest in propagating in this country the highly-praised tilapia, it seems advisable to call attention to several points that merit careful consideration before culture of the fish is undertaken.

Originally a native of tropical Africa, tilapia is quite unable to withstand the

climatic conditions that prevail in most of the United States. The fish will not survive temperatures below the

range of 50° to 55° F.

With regard to growth or production under our conditions, tilapia apparently can offer little advantage over domestic species. Tilapia has a high reproductive potential—as have many fishes—and would develop stunted over—populations in such ponds as provided suitable habitat. Fish of very small size—although they may be acceptable to the



protein-hungry peoples living in various crowded Asiatic countries -- are not regarded as edible in the United States.

Tilapia may be purchased from dealers in aquarium fishes in the United States. Private individuals are cautioned, however, against stocking or propagating tilapia without first obtaining the approval or permission of their state conservation department.

At least until careful experimental work has demonstrated the usefulness of tilapia as a food or sport species in this country, the Fish and Wildlife Service cannot encourage its introduction into our natural waters.

-- The Progressive Fish-Culturist, April 1955.