Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Necessity To Disclose Foreign Origin of Strain Release Device if Servomotor Is Labeled as "Made in U.S."

§ 15.20 Necessity to disclose foreign origin of strain release device if servomotor is labeled as "Made in U.S."

(a) The Commission has issued an advisory opinion in which it advised a manufacturer that it would be improper to label its servomotors as "Made in U.S." since that would constitute an affirmative representation they were entirely made in this country, which is not the fact, unless the label also discloses in a clear and conspicuous manner that the strain release device is imported from West Germany.

(b) The Commission's opinion was rendered in response to a factual situation where all components of the servomotor, except the strain release device, are of domestic origin. The strain release device is to be imported in an assembled state from West Germany, and it represents approximately 5 percent of the total cost of all the components. The servomotors will be sold in the United States and in foreign countries.

(c) In its opinion the Commission also took the position that the disclosure requirement would also be applicable, even though the manufacturer decided at a later date to import the strain release device unassembled and assemble it here in the United States.

(d) Finally, the Commission's opinion noted that it would have authority to impose the same requirement in connection with the sale of servomotors in foreign countries, provided they were being sold in competition with other American manufacturers.

(38 Stat. 717, as amended; 15 U.S.C. 41–58)

Issued: March 28, 1966.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 66-3317; Filed, Mar. 28, 1966; 8:50 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

"Free" Offer of Merchandise

§ 15.21 "Free" offer of merchandise.

(a) The Federal Trade Commission rendered an advisory opinion on a retailer's proposal to offer a stereo record player for "absolutely nothing" with the purchase of one stereo record a week for fifty weeks.

(b) The concern had asserted that it does not retail the record player by itself for less than $249 and that the records are high quality stereo records which it retails for $4.98 and it does not know of anyone else selling them for less. Thus, it stated, the customer would pay $249 for the record player and the records, which is the price normally paid for the set alone.

(c) The Commission informed the retailer, "Since the matter you have presented is wholly dependent upon the facts, it is difficult to render a categorical opinion. When a seller offers to supply one article 'free,' or 'at no extra cost,' or for 'absolutely nothing' in conjunction with the purchase of another article, he is thereby representing to prospective customers that the article required to be purchased is being sold at no more than the price at which it is usually sold in substantial quantities. You will note that we are not dealing here with abstract evaluations, but rather with concrete selling prices.

(d) "Thus if the records which are to be offered those who accept this offer are currently being sold in substantial quantities for $4.98, there could be no objection to the offer on that score. On the other hand, if such records are what is known in the trade as 'low cost,' 'cutouts,' 'budget lines,' etc., which normally command a much lower selling price, the offer would be deceptive even though the records may be listed at $4.98 for advertising or preticketing purposes. In that event, instead of purchasing current records at the prevailing market price and receiving a record player at no extra cost, the purchaser would be paying a high, nationally advertised, price for records worth a fraction of that value, the substantial markup thereby defraying the cost of the record player.

(e) "Although the sample of the promotion letter you furnished contains no representation of the value of the record player, the same general principles would apply if such representations are made. Thus, to avoid any basis for deception, representations of price or value of the record player must reflect the actual or prevailing market price at which sales of that product are currently being made in substantial quantities."

(f) The Commission also noted that the promotion letter states "Have you ever been called 'Lucky'? Well Congratulations" and urges the customer to "come in before the expiration date."

(g) "If, in fact," the advisory opinion commented, "the offer is available to more than a few selected persons, or continues for an extended or indefinite period of time, then the representations in the promotion letter would be false and deceptive."

(38 Stat. 717, as amended; 15 U.S.C. 41–58)

Issued: March 28, 1966.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 66-3318; Filed, Mar. 28, 1966; 8:50 a.m.]

PART 75—HOUSEHOLD FURNITURE INDUSTRY

Interpretation of Trade Practice Rules

§ 75.101 Interpretations.

(a) The Federal Trade Commission interprets paragraph (a) and the concluding Note in § 75.3 of the trade practice rules for the Household Furniture Industry as requiring that when a wood name is used in advertising or labeling to describe the grain design and/or color of a stain finish or other type of simulated finish which has been applied to a surface composed of something other than solid wood of the type named, it must be made clear that the wood name used is merely descriptive of the grain design and/or color or other simulated finish.

(b) Under this interpretation, unqualified phrases such as "walnut finish" and "mahogany finish" will not satisfy this requirement. But statements such as "walnut grained plastic top," "walnut color," "walnut stain," "maple stained finish," "mahogany finish on gum" and "walnut finished hardwoods" (or "softwoods," as the case may be) will satisfy this requirement if such statements are factually correct and appear in contexts which are otherwise nondeceptive.

(c) Section 75.2(3)(ii) which relates to similar representations will be interpreted consistently with the foregoing.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45)

Approved: March 21, 1966.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 66-3319; Filed, Mar. 28, 1966; 8:51 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER A—GENERAL

PART 8—COLOR ADDITIVES

Subpart D—Listing of Color Additives for Food Use Exempt From Certification

TAGETES EXTRACT

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 706 (b)(1), (c)(2), (d), 74 Stat. 399, 402; 21 U.S.C. 376 (b)(1), (c)(2), (d)), and under the authority delegated to him by the Secretary of Health, Education, and Welfare (21 CFR 2.120; 31 F.R. 3008), the Commissioner of Food and Drugs, based on a petition (CAP 33) filed by Markel and Hill, counsel for Special Nutrients, Inc., 9814 West Broadview Drive, Bay Harbor Islands, Fla., 33154, and other relevant material, finds that tagetes (Aztec marigold) extract is safe for use as a color additive in poultry

feed under the conditions prescribed in this order, and that certification is not necessary for the protection of the public health. *Therefore, it is ordered,* That the color additive regulation providing for the safe use of tagetes (Aztec marigold) meal be revised to include the extract. Accordingly, § 8.306 is revised to read as follows:

§ 8.306 Tagetes (Aztec marigold) meal and extract.

(a) *Identity.* (1) The color additive tagetes (Aztec marigold) meal is the dried, ground flower petals of the Aztec marigold (*Tagetes erecta* L.) mixed with not more than 0.3 percent ethoxyquin.

(2) The color additive tagetes (Aztec marigold) extract is a hexane extract of the flower petals of the Aztec marigold (*Tagetes erecta* L.). It is mixed with an edible vegetable oil, or with an edible vegetable oil and a hydrogenated edible vegetable oil, and not more than 0.3 percent ethoxyquin. It may also be mixed with soy flour or corn meal as a carrier.

(b) *Specifications.* (1) Tagetes (Aztec marigold) meal is free from admixture with other plant material from *Tagetes erecta* L. or from plant material or flowers of any other species of plants.

(2) Tagetes (Aztec marigold) extract shall be prepared from tagetes (Aztec marigold) petals meeting the specifications set forth in subparagraph (1) of this paragraph and shall conform to the following additional specifications:

Melting point	53.5°–55.0° C.
Iodine value	132–145.
Saponification value	175–200.
Acid value	0.60–1.20.
Titer	35.5°–37.0° C.
Unsaponifiable matter	23.0 percent–27.0 percent.
Hexane residue	Not more than 25 p.p.m.

All determinations, except the hexane residue, shall be made on the initial extract of the flower petals (after drying in a vacuum oven at 60° C. for 24 hours) prior to the addition of the oils and ethoxyquin. The hexane determination shall be made on the color additive after the addition of the vegetable oils, hydrogenated vegetable oils, and ethoxyquin.

(c) *Uses and restrictions.* The color additives tagetes (Aztec marigold) meal and extract may be safely used in chicken feed in accordance with the following prescribed conditions:

(1) The color additives are used to enhance the yellow color of chicken skin and eggs.

(2) The quantity of the color additives incorporated in the feed is such that the finished feed:

(i) Is supplemented sufficiently with xanthophyll and associated carotenoids so as to accomplish the intended effect described in subparagraph (1) of this paragraph; and

(ii) Meets the tolerance limitation for ethoxyquin in animal feed prescribed in § 121.202 of this chapter.

(d) *Labeling requirements.* The label of the color additives and any premixes prepared therefrom shall bear, in addition to the information required by § 8.32:

(1) A statement of the concentrations of xanthophyll and ethoxyquin contained therein.

(2) Adequate directions to provide a final product complying with the limitations prescribed in paragraph (c) of this section.

(e) *Exemption from certification.* Certification of this color additive is not necessary for the protection of the public health, and therefore batches thereof are exempt from the certification requirements of section 706(c) of the act.

Any person who will be adversely affected by the foregoing order may at any time within 30 days following the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C., 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Sec. 706 (b)(1), (c)(2), (d), 74 Stat. 399, 402; 21 U.S.C. 376 (b)(1), (c)(2), (d))

Dated: March 21, 1966.

J. K. KIRK,
Assistant Commissioner for Operations.

[F.R. Doc. 66-3287; Filed, Mar. 28, 1966; 8:48 a.m.]

PART 8—COLOR ADDITIVES

Subpart F—Listing of Color Additives for Drug Use Exempt From Certification

PYROPHYLLITE

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 706 (b), (c)(2), (d), 74 Stat. 399, 402; 21 U.S.C. 376 (b), (c)(2), (d)), and under the authority delegated to him by the Secretary of Health, Education, and Welfare (21 CFR 2.120; 31 F.R. 3008), the Commissioner of Food and Drugs, based on a petition (CAP 15) filed by R. T. Vanderbilt Co., Inc., 230 Park Avenue, New York, N.Y., 10017, and other relevant material, finds that pyrophyllite is safe for use as a color additive in or on externally applied drugs under the conditions prescribed in this order, and that certification is not necessary for the protection of the public health. *Therefore, it is ordered,* That Part 8 be amended by adding to Subpart F the following new section:

§ 8.6006 Pyrophyllite.

(a) *Identity.* (1) The color additive pyrophyllite is a naturally occurring mineral substance consisting predominantly of a hydrous aluminum silicate, $Al_2O_3 \cdot 4SiO_2 \cdot H_2O$, intimately mixed with lesser amounts of finely divided silica, SiO_2. Small amounts, usually less than 3 percent, of other silicates, such as potassium aluminum silicate, may be present. Pyrophyllite may be identified and semiquantitatively determined by its characteristic X-ray powder diffraction pattern and by its optical properties.

(2) Color additive mixtures made with pyrophyllite are limited to those listed in this Subpart F as safe and suitable in color additive mixtures for coloring externally applied drugs.

(b) *Specifications.* Pyrophyllite shall conform to the following specifications:

Lead (as Pb), not more than 20 parts per million.
Arsenic (as As), not more than 3 parts per million.

Lead and arsenic shall be determined in the solution obtained by boiling 10 grams of the pyrophyllite for 15 minutes in 50 milliliters of 0.5*N* hydrochloric acid.

(c) *Uses and restrictions.* Pyrophyllite may be safely used in amounts consistent with good manufacturing practice to color drugs that are to be externally applied.

(d) *Labeling requirements.* The labeling of the color additive and any mixtures prepared therefrom intended solely or in part for coloring purposes shall conform to the requirements of § 8.32.

(e) *Exemption from certification.* Certification of this color additive is not necessary for the protection of the public health, and therefore batches thereof are exempt from the certification requirements of section 706(c) of the act.

Any person who will be adversely affected by the foregoing order may at any time within 30 days following the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C., 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Sec. 706 (b), (c) (2), (d), 74 Stat. 399, 402; 21 U.S.C. 376 (b), (c) (2), (d))

Dated: March 21, 1966.

J. K. KIRK,
Assistant Commissioner for Operations.

[F.R. Doc. 66-3288; Filed, Mar. 28, 1966; 8:48 a.m.]

SUBCHAPTER E—REGULATIONS UNDER SPECIFIC ACTS OF CONGRESS OTHER THAN THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

PART 281—ENFORCEMENT OF THE TEA IMPORTATION ACT

Tea Standards 1966–67

Pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the Tea Importation Act (secs. 2, 10, 29 Stat. 607, 41 Stat. 712, 57 Stat. 500; 21 U.S.C. 42, 50), and delegated to the Commissioner of Food and Drugs by the Secretary (21 CFR 2.120; 31 F.R. 3008), the regulations for the enforcement of this act (21 CFR Part 281) are amended by changing § 281.19 (a) to read as follows:

§ 281.19 Tea standards.

(a) Samples for standards of the following teas, prepared, identified, and submitted by the Board of Tea Experts on February 25, 1966, are hereby fixed and established as the standards of purity, quality, and fitness for consumption under the Tea Importation Act for the year beginning May 1, 1966, and ending April 30, 1967:

(1) Formosa oolong.

(2) Ceylon black (all black tea except Formosa and Japan black and congou type).

(3) Formosa black (Formosa and Japan black and congou type).

(4) Japan green.

(5) Canton type (all Canton type teas including scented Canton and Canton oolong types).

These standards apply to tea shipped from abroad on or after May 1, 1966. Tea shipped prior to May 1, 1966, will be governed by the standards that became effective May 1, 1965 (30 F.R. 2438).

* * * * *

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since the amendment is based upon the recommendation of the Board of Tea Experts, which is comprised of tea experts drawn from the Food and Drug Administration and the tea trade, so as to be representative of the trade as a whole.

Effective date. This order shall become effective May 1, 1966.

(Secs. 2, 10, 29 Stat. 607, 41 Stat. 712, 57 Stat. 500; 21 U.S.C. 42, 50)

Dated: March 22, 1966.

JAMES L. GODDARD.

[F.R. Doc. 66-3313; Filed, Mar. 28, 1966; 8:50 a.m.]

Title 28—JUDICIAL ADMINISTRATION

Chapter I—Department of Justice

[Order 356-66]

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

Subpart H—Antitrust Division

ASSIGNING TO ASSISTANT ATTORNEY GENERAL IN CHARGE OF ANTITRUST DIVISION FUNCTION AND AUTHORITY TO DESIGNATE ATTORNEYS TO APPEAR BEFORE GRAND JURIES

Under and by virtue of the authority vested in me by section 161 of the Revised Statutes (5 U.S.C. 22) and section 2 of Reorganization Plan No. 2 of 1950 (64 Stat. 1261), § 0.40(a) of Part 0 of Title 28 of the Code of Federal Regulations (Order No. 271-62) is hereby amended to read as follows:

§ 0.40 General functions.

* * * * *

(a) General enforcement, by criminal and civil proceedings, of the Federal antitrust laws and other laws relating to the protection of competition and the prohibition of restraints of trade and monopolization, including conduct of surveys of possible violations of antitrust laws, conduct of grand jury proceedings, designation of attorneys to present evidence to grand juries, issuance and enforcement of civil investigative demands, civil actions to obtain orders and injunctions, civil actions to recover forfeitures or damages for injuries sustained by the United States as a result of antitrust law violations, proceedings to enforce compliance with final judgments in antitrust suits, and negotiation of consent judgments in civil actions; criminal actions to impose penalties including actions for the imposition of penalties for conspiring to defraud the Federal Government by violation of the antitrust laws, participation as amicus curiae in private antitrust litigation; and prosecution or defense of appeals in antitrust proceedings.

* * * * *

(R.S. 161; 5 U.S.C. 22; sec. 2, Reorg. Plan No. 2 of 1950; 3 CFR, 1949-53 Comp.; 64 Stat. 1261)

Dated: March 25, 1966.

NICHOLAS DEB. KATZENBACH,
Attorney General.

[F.R. Doc. 66-3379; Filed, Mar. 28, 1966; 8:52 a.m.]

[Order 355-66]

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

Subpart Q—Bureau of Prisons

AUTHORIZING DIRECTOR OF BUREAU TO EXTEND LIMITS OF PLACE OF CONFINEMENT OF PRISONERS FOR CERTAIN PURPOSES

Under and by virtue of the authority vested in me by section 161 of the Revised Statutes (5 U.S.C. 22) and section 2 of Reorganization Plan No. 2 of 1950 (64 Stat. 1261), § 0.96 of Subpart Q (relating to the duties of the Director of the Bureau of Prisons) of Part 0 of Title 28 of the Code of Federal Regulations (Order No. 271-62) is hereby amended by adding a new paragraph (c-1) immediately after paragraph (c) thereof as follows:

§ 0.96 Delegations.

* * * * *

(c-1) Extending the limits of the place of confinement of prisoners for the purposes specified, and within the limits established, by section 4082 of Title 18 of the United States Code, and otherwise performing the functions of the Attorney General under that section.

* * * * *

(R.S. 161; 5 U.S.C. 22; sec. 2, Reorg. Plan No. 2 of 1950, 3 CFR 1949-53 Comp.)

Dated: March 25, 1966.

NICHOLAS DEB. KATZENBACH,
Attorney General.

[F.R. Doc. 66-3378; Filed, Mar. 28, 1966; 8:52 a.m.]

Title 32A—NATIONAL DEFENSE, APPENDIX

Chapter X—Oil Import Administration, Department of the Interior

[Rev. 4, Amdt. 8]

OI REG. 1—OIL IMPORT REGULATION

Residual Fuel Oil To Be Used as Fuel

1. On and after the effective date of this Amendment 8, none of the provisions of sections 3, 4, 5, and 9 of Oil Import Regulation 1 (Revision 4), as amended, shall be applicable with respect to imports into District I of residual fuel oil to be used as fuel.

2. Sec. 12 of Oil Import Regulation 1 (Revision 4), as amended, is further amended to read as follows:

Sec. 12. Eligibility for and allocations of residual fuel oil to be used as fuel in District I.

(a) To be eligible for an allocation of imports into District I of residual fuel oil to be used as fuel a person must:

(1) Have imported residual fuel oil to be used as fuel into District I during the calendar year 1957; or

(2) Be in the business in District I of selling residual fuel oil to be used as fuel and have under his management and operational control a deep-water terminal located in District I into which there has been delivered residual fuel oil to be used as fuel which he owned at the time of delivery, such delivery being the first delivery of that oil into a deep-water terminal in District I; or

(3) Be in the business in District I of selling residual fuel oil to be used as fuel and have a throughput agreement (warehouse agreement) with a deep-water terminal operator under which agree-