

## Textiles

By JAMES TRAYNOR

**T**HE market was very active during the month of December due to the seasonal buying preceding the Christmas holidays. The New York market continued to be steady, but no new orders to speak of were placed in the States during the month.

Arrivals were about the same as during the month of November except that Japan shipped to the Philippines about three times the quantity shipped during November.

## Legislation, Executive Orders, and Court Decisions

By EWALD E. SELPH

Ross, Selph, Carrascoso & Janda

Memorandum on the

PRATRA-Liggett & Myers Tobacco Company Case

**O**N November 15, 1949, the Philippine Relief and Trade Rehabilitation Administration (otherwise known as PRATRA) ordered Liggett & Myers Tobacco Company—

(a) to stop the sale of Chesterfield, Piedmont, and Cycle cigarettes by the Company's salesmen direct to retail stores in the City of Manila and suburbs, and in the provinces;

(b) to submit to PRATRA'S office not later than November 19, 1949, a report of the distribution made by the Company's salesmen in the City of Manila from October 28 to November 15, 1949, of 995 cases of Chesterfield cigarettes;

(c) not to sell any quantity of cigarettes earmarked for distribution among jobbers in the provinces without the prior approval of PRATRA;

(d) not to sell any cigarettes except upon orders of PRATRA;

(e) to submit to PRATRA weekly, every Monday, a report of all the sales of Chesterfield, Piedmont, and Cycle cigarettes made by the Company to its customers as authorized by PRATRA; and

(f) to deduct cigarette purchases made by PRATRA for its branches in the provinces from cigarettes scheduled for provincial distribution.

PRATRA claimed that it had the power to issue the above orders under the provisions of Section 3, paragraph (e) of Executive Order No. 90 of September 10, 1947, which reads, in part, as follows:

"Sec. 3. The PRATRA shall have the following powers, duties, and functions:

"(e) To undertake the prevention of monopolization, hoarding, injurious speculation, manipulation, private control, and profiteering affecting the supply, distribution, and movement of foods, clothing, fuel, and other articles of prime necessity." (Italics ours.)

The Company was not disposed to follow PRATRA'S orders, and on November 18, 1949, it instituted an action in the Court of First Instance of Manila against PRATRA and its General Manager, Ildefonso Coscolluela, in which the Company seeks to have the court declare null and void Executive Order No. 90 under which PRATRA pretends to act; Republic Act No. 51 which created PRATRA; and the orders given to the Company by PRATRA.

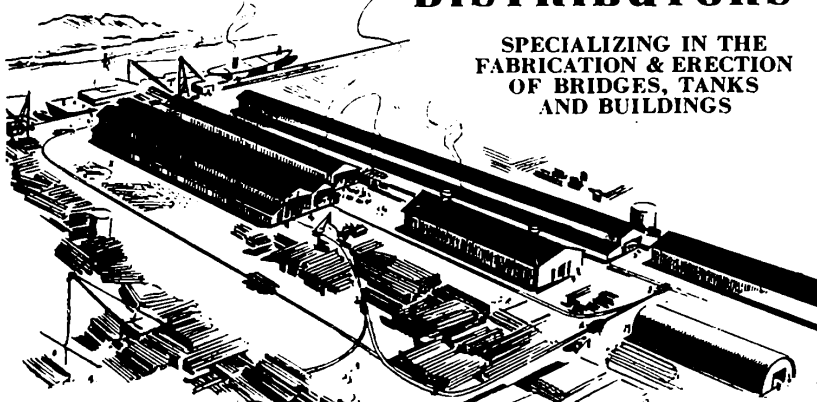
Plaintiff's contention is that Executive Order No. 90 is null and void, the same having been issued under certain powers conferred on the President of the Republic of the Philippines by Republic Act No. 51, which is null and void, this Act constituting an illegal delegation of legislative powers to the President of the Republic of the Philippines, in violation of the Constitution; and that even if Republic Act No. 51 and Executive Order No. 90 are valid, the orders issued by defendant Coscolluela to plaintiff were unreasonable, unwarranted, and illegal, cigarettes not being "articles of prime necessity," as required by the said Executive Order No. 90.

# ATLANTIC, GULF & PACIFIC CO. OF MANILA

FOR 49 YEARS THE GREATEST NAME IN ENGINEERING & CONSTRUCTION

**ENGINEERS  
CONTRACTORS  
MANUFACTURERS  
DISTRIBUTORS**

SPECIALIZING IN THE  
FABRICATION & ERECTION  
OF BRIDGES, TANKS  
AND BUILDINGS



### Distributors for:

Allen-Bradley Company	Johnson Service Com-
American Blower Corp.	pany
Armco International	Lincoln Electric Co.
Corp.	McCray Refrigerator
Armstrong Machine	Co.
Works	Marion Power Shovel
Chain Belt Co. of	Co.
Millwaukee	Mystik Adhesive Prod-
Cherry-Burrell Corp.	ucts
Coffing Holst Com-	Pioneer Engineering
pany	Works, Inc.
Dempster Brothers,	Shepard Elevator Co.
Inc.	Smith Welding Eqpt.
Dodge Manufacturing	Corp.
Co.	Stapples & Pfeiffer
Fairbanks, Morse &	Tube-Turns Inc.
Co., Inc.	Walsh Refractories
Firth Sterling Steel	Corp.
Co.	Western Brass Works
Gardner-Denver Com-	Western Rock Bit
pany	Mfg. Co.
Gar-Bro Mfg. Co.	York Corporation

EXECUTIVE OFFICES • ENGINEERING DIVISION  
STRUCTURAL & MACHINE SHOPS  
Barrio Punta, Santa Ana, Manila  
Tele.: 6-75-31 • 6-75-32 • 6-75-33

MERCHANDISE SALES DIVISION  
Robert Dollar Bldg., Muelle del San Francisco  
& 23rd Street, Port Area, Manila  
Tel. 3-36-61



Wobbly wheels wear out your tires in a hurry and make your car unsafe, too. For both economy and safety, keep your wheels in line. Avoid accidents! Let our factory-trained personnel check-up the wheel alignment and steering of your car!

## WHEEL ALIGNMENT AND STEERING CHECK-UP TO FORD FACTORY SPECIFICATIONS

Includes \* caster \* toe in and toe out

**P14.00 ONLY**

EXTRA CHARGES FOR PARTS & MATERIALS

ADDITIONAL CHARGE FOR LABOR FOR REPLACEMENT OF ANY PARTS IF NECESSARY

SERVICE DEPARTMENT

DAY AND NIGHT SERVICE



**MANILA TRADING & SUPPLY CO.**

20<sup>TH</sup> STREET • PORT AREA

TEL. 3-34-51

At the time that the Company's complaint was filed, the Company prayed for the issuance of a writ of preliminary injunction against PRATRA, its officers, directors, agents, employees, and representatives, restraining them during the pendency of the case from enforcing the above orders given by PRATRA to the Company, and from in any manner interfering with the conduct of the Company's business.

ON December 19, 1949, "without prejudging the merit of the principal action," the court denied the Company's petition for a writ of preliminary injunction because, in the opinion of the trial judge, "there is no sufficient ground for the issuance of a writ of preliminary injunction." His Honor was of the opinion that the orders given by PRATRA to the Company were mere "directives," and that the defendants had no intention of enforcing them by "acts of coercion."

The Company's complaint alleged that it believed that PRATRA would attempt to seize the Company's stock of Chesterfield, Piedmont, and Cycle cigarettes, but the trial judge was of the opinion that PRATRA had not actually threatened to seize the Company's stock of cigarettes, and that there was no necessity for a preliminary injunction pending trial on the merits of PRATRA'S authority to tell an importer how to conduct his business.

Manila, December 29, 1949

## Executive Order No. 297

AMENDING EXECUTIVE ORDER NO. 295, DATED NOVEMBER 29, 1949

By virtue of the powers vested in me by Republic Act No. 330, entitled "AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ESTABLISH A SYSTEM OF IMPORT CONTROL BY REGULATING IMPORTS OF NON-ESSENTIAL AND LUXURY ARTICLES, CREATING AN IMPORT CONTROL BOARD, AUTHORIZING THE ISSUANCE OF RULES AND REGULATIONS TO CARRY INTO EFFECT SUCH CONTROL AND PENALIZING VIOLATIONS OF THIS ACT," I, ELPIDIO QUIRINO, President of the Philippines, do hereby order:

SECTION 1. Appendices A and B of Executive Order No. 295 are hereby amended as follows: Insert "except oranges and apples" after "all fresh and frozen fruits" in Item No. 17.1 and after Item 17.3 insert 17.4 orange and apples with a percentage cut of 30%; Item 20.1 from 90% to 60%; Item 20.3 from 90% to 60%; Item 20.4 Coffee (Ground or as candy) from 90% to 50%; insert in Item 21.2 the words "corned beef and" between "except" and "those"; Item 21.3 delete the word "hams" and insert "except hams" after the words "and the like"; change the cut in Item 21.6 from 80% to 70%; insert Item 21.8 Corned beef with a percentage cut of 50%; insert Item 21.9 Hams with a percentage cut of 60%; delete Item 22.5; insert the words "and salmon" after "except sardines" in Item 23.1; insert "and salmon" after "Sardines" in Item 23.4 and change percentage cut to ceiling instead of 50%; insert "Quaker Oats" between the words "except" and "those" in Item 24.3; delete "wheat flour" and insert "Quaker Oats" in Item 24.8 with a percentage cut of 30%; insert the words "plastic raincoats, garments" between "belts" and "novelties" in Item 25.6; delete "cardboards (any weight) and boxes" and in lieu thereof insert "chipboard (From No. 40 to No. 70)" in Item 27.3; delete from Item 27.4 the words "Wallboards and"; insert Item 27.5 Bond, writing and tablet paper, any weight, white or colored — 80%; change Item 29.3 to read "wall and floor tiles except white glazed tiles"; reduce the percentage cut of Item 33.3 Matches from 95% to 60%; delete the word "prohibited" and insert 90% in lieu thereof in Item 33.7; insert Item 33.38 Wallboards — 95%; insert Item 33.39 Gas or kerosene refrigerators — 50%; and insert Item 33.40 Commercial hydrochloric acid (Muriatic acid) — 95%.

SEC. 2. Articles or materials included in Appendix A which are necessary for the operation of locally established industries, as determined by the Import Control Board, shall not be subject to the percentage reductions fixed in Appendix B, but the manufacturer shall apply for import permits therefor.

SEC. 3. This Order shall take effect on December 1, 1949 except the control on new items added herein which shall take effect upon the promulgation of this Order.

Done in the City of Baguio, this 24th day of December, in the year of Our Lord, nineteen hundred and forty-nine, and of the independence of the Philippines, the fourth.

(SGD.) ELPIDIO QUIRINO  
President of the Philippines