

may clean the entire premises, including portions devoted to nonexempt manufacturing; and warehousemen, messengers, and stock clerks may handle material for all departments, including material used in the nonexempt operations. These employees do not qualify for the exemption except when they are primarily engaged in the sales portion of the business and only incidentally perform clerical, custodial, or messenger service for the other operations. As an enforcement policy, such an employee will not be considered to be engaged in nonexempt activities which render him ineligible for exemption under section 13(a)(2) if, in the particular workweek, an insubstantial amount of his time (20 percent or less) is allocable to the clerical, custodial, or messenger services performed by him which relate to such nonexempt operations of the employer.

## COAL DEALERS

**§ 779.357 May qualify as exempt 13(a)(2) establishments; classification of coal sales.**

(a) *General.* A coal dealer's establishment may qualify as an exempt retail or service establishment under section 13(a)(2) of the Act if it meets all the requirements of that exemption. In determining for purposes of the 13(a)(2) exemption, whether 75 percent of the establishment's sales are recognized as retail in the particular industry, sales of coal to the consumer from a dealer's yard storage, where bulk is broken, are recognized as retail if they meet the requirements for such classification as previously explained in this subpart. It has been determined that the following sales do not meet such requirements and are not so recognized even if made from a dealer's yard storage:

(1) Sales where the delivery is made by railroad car or cargo vessel.

(2) Sales in a carload quantity or more for continuous delivery by truck from a dock, mine or public railroad facility.

(3) *Sales of coal at a wholesale price.* A wholesale price is a price comparable to or lower than the establishment's price in sales described in paragraphs (a)(1) and (2) of this section or in sales to dealers (but not peddlers) for resale. If the establishment makes no such

sales, the wholesale price is the price comparable to or lower than the price prevailing in the immediate area in sales described in paragraphs (a)(1) and (2) of this section or in sales to dealers (but not peddlers) for resale.

(4) Sales of coal for use in the production of a specific product to be sold in which coal is an essential ingredient or the principal raw material, such as sales of coal for the production of coke, coal gas, coal tar, or electricity.

(b) *"Sales for resale."* In determining for purposes of the 13(a)(2) exemption, whether 75 percent of the establishment's sales are not made for resale, "sales for resale" will include sales of coal to other dealers, to peddlers, and sales of coal for use in the production of a specific product to be sold, in which coal is an essential ingredient or the principal raw material, such as sales of coal for the production of coke, coal gas, coal tar, or electricity. This is distinguished from sales of coal for use in the general manufacturing or industrial process such as the use in laundries, bakeries, nurseries, canneries, etc., or for space heating, which are not sales made for resale.

## ICE MANUFACTURERS AND ICE DEALERS

**§ 779.358 May qualify as exempt 13(a)(2) or 13(a)(4) establishments.**

(a) An establishment engaged in selling ice may qualify as an exempt retail or service establishment under section 13(a)(2) of the Act if it meets all the requirements of that exemption. Similarly, an establishment making the ice it sells may qualify as an exempt establishment under section 13(a)(4) of the Act if it meets all the requirements of that exemption.

(b) In determining whether the requirements of the 13(a)(2) exemption that 75 percent of the establishment's sales must not be made for resale and must be recognized as retail sales in the industry are met, sales of ice which meet all the requirements for such classification as previously explained in this subpart will be regarded as retail. The following sales have been determined not to qualify under the applicable tests for recognition as retail:

(1) Sales for resale.