

NATIONAL RECOVERY ADMINISTRATION

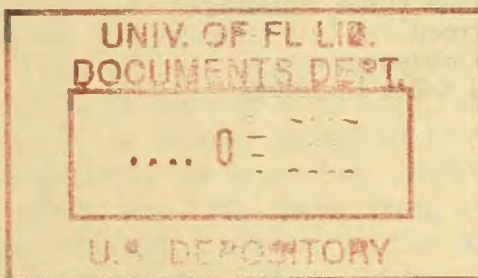
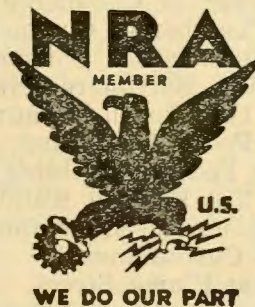
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AMENDMENT TO  
CODE OF FAIR COMPETITION

FOR THE

ALLOY CASTING INDUSTRY

AS APPROVED ON AUGUST 29, 1934



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON: 1934

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Approved Code No. 237—Amendment No. 2

## AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

## ALLOY CASTING INDUSTRY

As Approved on August 29, 1934

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### ORDER

#### APPROVING AMENDMENT TO CODE OF FAIR COMPETITION FOR THE ALLOY CASTING INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to a Code of Fair Competition for the Alloy Casting Industry, and opportunity to be heard thereon having been duly noticed to all interested parties, and the annexed report on said amendment containing findings with respect thereto having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions, and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended, such approval and such amendment to take effect ten (10) days from the date hereof, unless good cause to the contrary is shown to the Administrator before that time and the Administrator issues a subsequent order to that effect.

HUGH S. JOHNSON,  
*Administrator for Industrial Recovery.*

Approval recommended:

BARTON W. MURRAY,  
*Division Administrator.*

WASHINGTON, D.C.,  
*August 29, 1934.*



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on an amendment to the Code of Fair Competition for the Alloy Casting Industry, the Code having been approved by my Order of January 30, 1934.

Notice of opportunity to be heard on this amendment was duly posted to all interested parties providing an opportunity to file objections, and no objections were received during this period.

The Code is amended to provide that willful destructive price cutting is an unfair method of competition and is forbidden and the amendment further provides for the establishment of minimum prices during the period of emergency.

### FINDINGS

The Assistant Deputy Administrator in his final report to me on said amendment to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendment to said code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation sub-section (a) of Section 3, sub-section (a) of Section 7 and sub-section (b) of Section 10 thereof.

(c) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(d) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(e) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendment.

For these reasons, therefore, I have approved this amendment, such amendment to take effect ten (10) days from the date hereof, unless good cause to the contrary is shown and I issue subsequent order to that effect.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

AUGUST 29, 1934.



## AMENDMENT TO CODE OF FAIR COMPETITION FOR THE ALLOY CASTING INDUSTRY

Amend Article VII by adding the following new Section:

SECTION 2. The standards of fair competition for the industry with reference to pricing practices are declared to be as follows:

(a) Wilfully destructive price cutting is an unfair method of competition and is forbidden. Any member of the industry or of any other industry or the customers of either may at any time complain to the Code Authority that any filed price constitutes unfair competition as destructive price cutting, imperiling small enterprise or tending toward monopoly or the impairment of code wages and working conditions. The Code Authority shall within 5 days afford an opportunity to the member filing the price to answer such complaint and shall within 14 days make a ruling or adjustment thereon. If such ruling is not concurred in by either party to the complaint, all papers shall be referred to the Research and Planning Division of N.R.A. which shall render a report and recommendation thereon to the Administrator.

(b) When no declared emergency exists as to any given product, there is to be no fixed minimum basis for prices. It is intended that sound cost estimating methods should be used and that consideration should be given to costs in the determination of pricing policies.

(c) When an emergency exists as to any given product, sale below the stated minimum price of such product, in violation of Section 3 hereof, is forbidden.

SECTION 3. *Emergency Provisions.*—(a) If the Administrator, after investigation shall at any time find both (1) that an emergency has arisen within the industry adversely affecting small enterprises or wages or labor conditions, or tending toward monopoly or other acute conditions which tend to defeat the purposes of the act; and (2) that the determination of the stated minimum price for a specified product within the industry for a limited period is necessary to mitigate the conditions constituting such emergency and to effectuate the purposes of the Act, the Code Authority may cause an impartial agency to investigate costs and to recommend to the Administrator a determination of the stated minimum price of the product affected by the emergency and thereupon the Administrator may proceed to determine such stated minimum price.

(b) When the Administrator shall have determined such stated minimum price for a specified product for a stated period, which price shall be reasonably calculated to mitigate the conditions of such emergency and to effectuate the purposes of the National Industrial Recovery Act, he shall publish such price. Thereafter, during such stated period, no member of the industry shall sell such speci-

fied products at a net realized price below said stated minimum price and any such sale shall be deemed destructive price cutting. From time to time, the Code Authority may recommend review or reconsideration or the Administrator may cause any determinations hereunder to be reviewed or reconsidered and appropriate action taken.

Approved Code No. 237—Amendment No. 2.  
Registry No. 1201-1-02.





