

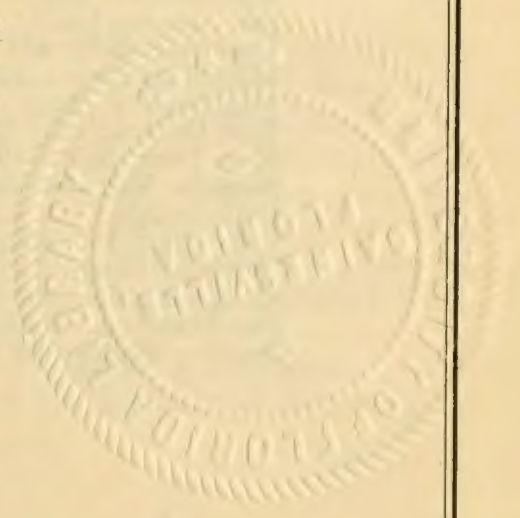
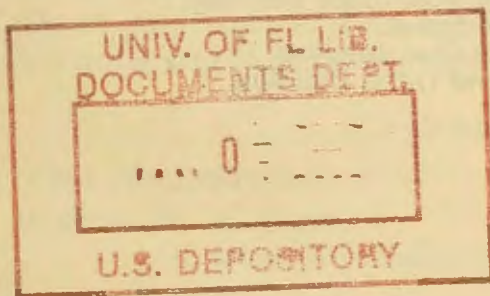
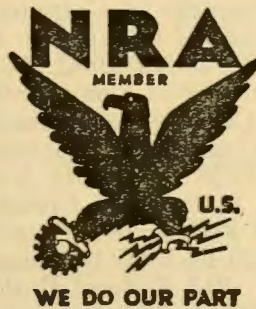
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

WOOD PRESERVING INDUSTRY

AS APPROVED ON JULY 13, 1934



UNITED STATES
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Approved Code No. 481

CODE OF FAIR COMPETITION
FOR THE
WOOD PRESERVING INDUSTRY

As Approved on July 13, 1934

ORDER

**APPROVING CODE OF FAIR COMPETITION FOR THE WOOD PRESERVING
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 a Code of Fair Competition for the Wood Preserving Industry, and hearings having been duly held thereon and the annexed report on said Code, 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 Code complies 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 Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D.C.,
July 13, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Wood Preserving Industry, as revised after a public hearing conducted in Washington, D.C., on April 6, 1934, in accordance with the provisions of Title I of the National Industrial Recovery Act.

PROVISIONS AS TO HOURS AND WAGES

Employees are not permitted normally to work in excess of eight hours per day or forty hours per week. When peaks of production or climatic conditions make necessary longer working periods, forty-eight hours per week is permitted for not to exceed twelve weeks of the year. Employees are not permitted to work more than six days out of any seven.

Hourly limitations do not apply to executives, supervisors, chemists or technical engineers who regularly receive thirty-five dollars or more per week, nor to outside buyers and outside salesmen; nor to employees engaged in emergency work involving breakdowns or the protection of life or property, provided one and one-half times the normal rate is paid for hours worked in excess of forty-four per week or ten per day. Employers shall not permit accounting, clerical or office employees to work in excess of forty hours per week. Watchmen are not permitted to work in excess of fifty-six hours per week.

Minimum hourly rates of pay are established in four regional divisions: (a) forty cents on the Pacific coast, (b) twenty-eight cents in an intermediate zone between northern and southern regions, (c) twenty-five cents in the southern region and (d) thirty-five cents in the balance and geographically larger part of the country. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.

Accounting, clerical, office, service, delivery and sales employees, outside buyers and watchmen shall receive a minimum of either fifteen, fourteen and one-half or fourteen dollars a week depending upon the population of the place of their employment but in no event less than twelve dollars a week. Junior office employees are limited to five percent of the number of office employees, and shall receive not less than the minimum of twelve dollars a week.

A minimum rate of pay is established, regardless of whether an employee is compensated on a time rate, piece work or other basis. Compensation of employees receiving more than the minimum shall be equitably adjusted and reported to the Code Authority but in no event shall rates of pay be reduced. No person under sixteen years of age shall be employed in the Industry nor any person under eighteen years of age in hazardous operations.

ECONOMIC EFFECTS OF THE CODE

This Industry is of considerable significance in the conservation of our forest resources. Through its operations, woods of short natural life are so treated as to have comparable value in various construction uses, with wood of greater value and even with reinforced concrete.

Prior to the National Industrial Recovery Act, the standard work-week in the Industry was sixty hours. The actual average of hours worked per week was fifty hours, resulting from various causes. Under the Code this has been reduced to a standard of forty hours, with flexibility obtained by permitting a maximum of forty-eight hours when peaks of demand, weather or other conditions peculiar to the Industry, require these hours.

Employment in 1929 totaled 10,000 workers. This declined in June, 1933, to about 5,500. Under the President's Reemployment Agreement somewhat over 1,000 have been reemployed.

The Code wage rates represent wage increases in the three sections of the country, of from four to sixty-eight percent over unskilled labor rates prevailing in June, 1933. It is estimated that over thirty-five percent of the plant employees will benefit.

As a result of setting up a borderline territory between the distinctly northern and southern sections of the country, some improvement in the competitive situation may be expected, in addition to benefits to labor in this section.

FINDINGS

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

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including 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 among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions 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) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provision of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is truly representative of the aforesaid Industry.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

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

For these reasons, therefore, the Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JULY 13, 1934.

CODE OF FAIR COMPETITION FOR THE WOOD PRESERVING INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Wood Preserving Industry, and shall be the standard of fair competition for this Industry, and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. The term "Wood Preserving Industry" or "industry" as used herein is defined to mean the business of preservatively treating wood by pressure processes on a commercial basis, involving sale of services and/or materials whether as a final process or as a part of a larger or further process.

SECTION 2. The term "pressure processes" as used herein is defined to mean those processes in which pressure is employed to force preservative into wood enclosed in a sealed vessel.

SECTION 3. The term "member of the Industry" as used herein includes any individual, partnership, association, corporation or other entity engaged in the Industry as above defined, either as an employer or on his or its own behalf.

SECTION 4. The term "employee" as used herein includes any and all persons engaged in the Industry in any capacity, receiving compensation for his services, irrespective of the nature or method of payment of such compensation, except a member of the Industry.

SECTION 5. The term "employer" as used herein includes anyone in the Industry by whom any such employee is compensated or employed.

SECTION 6. The terms "President", "Act", and "Administrator" as used herein, mean respectively, the President of the United States, Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

SECTION 7. The terms "population" and "trade areas" as used herein shall be determined by reference to the latest Federal Census.

ARTICLE III—HOURS

SECTION 1. No employee shall be permitted to work in excess of eight (8) hours per day and/or forty (40) hours per week, except as provided in later sections of this article, or as climatic conditions or peaks of production make necessary longer working periods, when additional hours may be worked in any week but not to exceed a total of ninety-six (96) additional hours in any calendar year and

not to exceed forty-eight (48) hours in any week. If, in such periods, any employee works in excess of forty-four (44) hours per week and/or ten (10) hours per day, he shall be compensated for such excess hours at one and one-half times his normal hourly rate.

SECTION 2. The limitations on hours of work contained herein shall not apply to executives, supervisors, chemists, technical engineers regularly receiving thirty-five (35) dollars or more per week nor to outside salesmen and outside buyers; provided, however, that supervisors engaged in manual labor or mechanical operations are not included in this exception.

SECTION 3. Employees engaged in emergency work involving breakdowns or the protection of life or property may be permitted to work in excess of the maximum hours, provided that all hours worked in excess of forty-four (44) in any week and/or ten (10) in any day are paid for by overtime of at least one and one half times the normal hourly rate.

SECTION 4. Watchmen shall not be permitted to work in excess of fifty-six (56) hours in any week, no overtime being required.

SECTION 5. Accounting, clerical and office employees shall not be permitted to work in excess of forty (40) hours in any week, or nine (9) hours in any day. A normal day shall not exceed eight (8) hours.

SECTION 6. No employee shall be permitted to work more than six (6) days in any seven (7) day period.

SECTION 7. No employer shall knowingly permit any employee to work for any time which, when added to the time spent at work for another employer or employers, exceeds the maximum permitted herein.

SECTION 8. Employers shall so administer work in their charge as to provide a maximum practicable continuity of employment for their employees.

ARTICLE IV—WAGES

SECTION 1. No employee, except as herein provided, shall be paid less than:

(a) Forty (40) cents per hour in the Pacific Coast Region, which shall consist of the States of California, Oregon, except Wasco County, and Washington, except Spokane County.

(b) Twenty-eight (28) cents per hour in that part of West Virginia south and west of the Kanawha and New Rivers; the State of Kentucky; the southern tier of Indiana Counties which border the Ohio River; the Illinois Counties of White, Hamilton, Jefferson, Washington, Randolph and the other counties south of the above mentioned, in the State of Illinois, and in the State of Virginia, except Nansemond and Norfolk Counties.

(c) Twenty-five (25) cents per hour in the States of Texas, Oklahoma, Arkansas, Louisiana, Mississippi, Tennessee, Florida, Alabama, Georgia, South Carolina, North Carolina and in the Virginia Counties of Nansemond and Norfolk.

(d) Thirty-five (35) cents per hour in all other states and parts thereof.

SECTION 2. Minimum rates of pay established shall apply irrespective of whether an employee is compensated on a time rate, piece work, or other basis.

SECTION 3. Equitable adjustment of compensation of employees receiving more than the minimum rates of pay herein prescribed shall be made by all employers who have not heretofore made such adjustments under the National Industrial Recovery Act, and all employers shall within sixty (60) days after approval of this Code, report in full to the Code Authority and the Administrator for approval concerning such adjustments provided, however, that in no event shall present rates of pay be reduced. Such report shall indicate wages before and after adjustment and the dates of adjustment.

SECTION 4. Accounting, clerical, office, service, delivery and sales employees, outside buyers, and watchmen, except office boys and girls, shall be paid not less than fifteen (15) dollars per week in any city of over 500,000 population, or in the immediate trade area of such city; nor less than fourteen and one-half (14½) dollars per week in any city between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than fourteen (14) dollars per week in any city or place of between 2,500 and 250,000 population, or in the immediate trade area thereof; nor less than twelve (12) dollars in places of less than 2,500 population.

Office boys and girls shall be paid at least eighty (80) per cent of the above minimum weekly rates but in no event less than twelve (12) dollars per week; provided that the number of such employees does not exceed five (5) per cent of the total employees in any one office. Each office may have at least one such employee.

SECTION 5. A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage below the minimum established by this Code, if the employer obtains from the state authority designated by the United States Department of Labor, a certificate authorizing his employment at such wage as shall be stated in the certificate, but such employees shall not exceed five per cent of any employer's total number of employees. Each employer shall file with the Code Authority a list of all such persons employed by him.

SECTION 6. Employers shall make payment of all wages due in lawful currency or by negotiable check at regular pay periods, which shall occur at least twice each month. These payments shall be exempt from any deductions for pensions, insurance or sick benefits other than those voluntarily made by employees or required by law. The employer or his agent shall accept no rebates directly or indirectly on any wages.

SECTION 7. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. No person under sixteen (16) years of age shall be employed in the Industry, nor anyone under eighteen (18) years of age at occupations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator for approval within three (3) months after the effective date of this Code a list of all such occupations. In any State, an employer shall be deemed to have complied with this provision if he shall have on file a certificate or permit duly issued by the authority in such State empow-

ered to issue employment or age certificates or permits, showing that the employee is of the required age.

SECTION 2. It is hereby provided that:

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection:

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

SECTION 3. No provision in this Code shall supersede any State or Federal law which imposes on employers more stringent requirements as to the age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions, or insurance, or fire protection, than are imposed by this Code.

SECTION 4. All employers shall post and keep posted official copies of the labor provisions of this Code in conspicuous places accessible to all employees. Every member of the Industry shall comply with all rules and regulations relative to the posting of provisions of Codes of Fair Competition which may from time to time be prescribed by the Administrator.

SECTION 5. No employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge so as to defeat the purposes or provisions of the Act or of this Code.

SECTION 6. Every employer shall provide for the safety and health of employees during the hours and at the places of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator for approval within three (3) months after the effective date of the Code.

SECTION 7. No employee shall be discharged by reason of making a complaint or giving evidence with respect to an alleged violation of this Code.

SECTION 8. No employee now employed at a rate above the minimum shall be discharged and reemployed or replaced at a lower rate for the purpose of evading the provisions of this Code.

SECTION 9. The Code Authority shall make a study of the effects upon the Industry and upon the employees engaged therein, of the wage and hour provisions of the Code, having in view the practicability of (1) reducing the maximum hours permitted, (2) increasing the hourly wage rates, (3) whether Nansemond and Norfolk Counties, Virginia, shall be included in Paragraph (b) of Section 1, Article IV, and (4) whether Spokane County, Washington, and Wasco County, Oregon, shall be excepted from Paragraph (a), Section 1, Article IV. A report on this study together with conclusions and recommendations of the Code Authority shall be submitted to the Administrator for consideration within three (3) months after the effective date of the Code.

ARTICLE VI—ADMINISTRATION

SECTION 1. To further effectuate the policies of the Act, a Code Authority is hereby constituted to cooperate with the Administrator in the administration of this Code. This Code Authority shall consist of members who shall be elected in the following manner and hold office for one year:

(a) One (1) member to be elected by each company of the Industry having 150,000 cubic feet of treating cylinder capacity or more.

(b) Four (4) members to be elected by the remaining companies of the Industry on a cubic capacity basis,—one (1) vote for each cubic foot of treating cylinder capacity.

(c) Two (2) members to be elected by all of the companies of the Industry on the basis of one (1) vote for each company of the Industry.

SECTION 2. With respect to election and representation on the Code Authority each company, together with its owned and/or controlled subsidiaries or affiliates, shall be treated as one entity. Only one representative of such company or entity shall be eligible to membership on the Code Authority at one time. Each such company or entity shall have only one (1) vote when voting as a company as provided in Section 1 of this Article. Companies or entities as used herein are to be considered in relation to the definition of and be synonymous with the term "member of the Industry" in Article II of this Code.

SECTION 3. Treating cylinder capacity for each company or entity as defined in the preceding Section 2 shall be figured within the thirty (30) days immediately preceding an election. This capacity shall be calculated by the following mathematical formula: 3.1416 times inside radius squared times inside length of cylinder.

SECTION 4. A quorum of the Code Authority shall consist of six (6) of the eight (8) members thereof, which latter number of members represents the Industry as it is now constituted.

SECTION 5. At any meeting of the Code Authority if a quorum of six (6) is present, they may act and vote on any matter properly before them, provided the vote is unanimous.

SECTION 6. If objection to any matter or action is raised by a member of the Code Authority, then the entire Code Authority must be polled and the affirmative vote of seven (7) out of the total membership of eight (8) will be necessary to pass any motion.

SECTION 7. In the event of a vacancy in the Code Authority, the remaining members, subject to Sections 5 and 6 on voting, shall fill such vacancy from the group in which the vacancy occurs before any further business is transacted.

SECTION 8. A temporary Code Authority is hereby set up and shall consist of the individuals who were named in a resolution at a meeting in Chicago on August 21, 1933, to represent the Industry in the negotiations with the National Recovery Administration and to negotiate for the Industry this Code; said resolution was amended by a unanimous vote in a resolution adopted at Washington, D.C., by the Committee acting for the Industry on April 23, 1934. This temporary Code Authority shall serve for a period of ninety (90)

days after the effective date of this Code, and until its successors are elected in the manner above provided.

SECTION 9. In addition to membership on both the temporary and permanent Code Authorities as herein provided, there may be three (3) members, without vote and without cost to the Industry, to be known as Administration members, to be appointed by the Administrator to serve for such terms as he may specify.

SECTION 10. The temporary Code Authority shall act as an agency for holding the election of the permanent Code Authority. It shall cause notice to be sent to all members of the Industry who are registered with it or whose names and addresses can be ascertained by reasonable inquiry, by registered mail ten (10) days preceding the date of the election. Votes shall be cast in the manner above prescribed and votes may be cast either in person, by proxy, or by letter ballot.

SECTION 11. Nominations may be made through a nominating committee appointed by the Code Authority, but members of the Industry shall have the right to make nominations from the floor, or vote for any individuals of their choice, by specifying their names in the written proxies or in the letter ballots. Nominations when made shall be made in accord with Section 1, paragraphs (a), (b) and (c) of this Article.

SECTION 12. Any industrial association or group directly or indirectly participating in the selection or activities of the Code Authority shall (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, bylaws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

SECTION 13. In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may prescribe such hearings as he may deem proper; and thereafter, if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the act, may require an appropriate modification in the method of selection of the Code Authority.

SECTION 14. Nothing in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member of the Code Authority. Nor shall any member of the Code Authority exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any act or omission to act under this Code, except for his own wilful misfeasance or nonfeasance.

SECTION 15. Any interested party shall have the right of complaint to the Code Authority or proper agency and a prompt hearing and decision thereon. Any interested party shall have the right to appeal to the Administrator, under such rules and regulations as the Administrator shall prescribe, with respect to any decision, rule, regulation, order, or finding made by the Code Authority.

SECTION 16. If the Administrator shall determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action, which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty (30) days' notice to him of intention to proceed with such action in its original or modified form.

SECTION 17. Subject to such rules and regulations as may be issued by the Administrator, the Code Authority shall have the following powers and duties, in addition to those authorized by other provisions of this Code:

(a) To insure the execution of the provisions of this Code and to provide for the compliance of the Industry with the provisions of the Act.

(b) To adopt bylaws and rules and regulations for its procedure.

(c) To obtain from members of the Industry such information and reports as are required for the administration of the Code. In addition to information to be submitted to the Code Authority, all or any of the persons subject to this Code, shall furnish such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of said Act to such Government agencies as the Administrator may designate; nor shall anything in this Code relieve any person of any existing obligation to furnish reports to Government agencies.

(d) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(e) To make recommendations to the Administrator for the coordination of the administration of this Code with such other Codes, if any, as may be related to or affect members of the Industry.

SECTION 18. It being found necessary to support the administration of this Code, and to maintain the standards of fair competition established by this Code and to effectuate the policy of the Act, the Code Authority is authorized, subject to the approval of the Administrator, to incur such reasonable obligations as are necessary and proper for the foregoing purposes and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code; and to submit to the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary, (1) an itemized budget of its estimated expenses for the foregoing purposes, and, (2) an equitable basis on which the funds necessary to support such budget shall be contributed by members of the Industry. After such budget and basis of contribution have been approved by the Administrator, the Code Authority shall determine the amount of such contributions and secure the same as above set forth, and to that end, if necessary, may institute legal proceedings therefor in its own name. The Code Authority shall neither incur nor pay any

obligation in excess of the amount thereof as estimated in its approved budget, except upon approval of the Administrator; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Administrator shall have so approved.

SECTION 19. Only members of the Industry complying with the Code and contributing to the expenses of its administration, as provided in Section 18 hereof, shall be entitled to participate in the selection of the members of the Code Authority or to receive the benefit of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

SECTION 20. Each member of the Industry shall pay his or its equitable contribution to the expenses of maintaining the Code Authority pro rated according to treating cylinder capacity.

SECTION 21. The Code Authority is authorized to recommend to the Administrator any action or measures deemed advisable, including further fair trade practice provisions to govern members of the Industry in their relations with each other or with other trades or industries; measures for industrial planning, and stabilization of employment; and including modifications of this Code which shall become effective as part hereof upon approval by the Administrator after such notice and hearing as he may specify.

SECTION 22. The Code Authority is authorized to appoint a Trade Practice Committee which shall meet with the Trade Practice Committees appointed under such other codes as may be related to the Industry for the purpose of formulating fair trade practices to govern the relationships between production and distribution employers under this Code and under such other Codes to the end that such fair trade practices may be proposed to the Administrator as amendments to this Code and such other Codes.

ARTICLE VII—COSTS AND PRICES

SECTION 1. The Code Authority shall cause to be formulated methods of cost finding and accounting capable of use by all members of the Industry, and shall submit such methods to the Administrator for review. If approved by the Administrator, full information concerning such methods shall be made available to all members of the Industry. Thereafter, each member of the Industry shall utilize such methods to the extent found practicable. Nothing herein contained shall be construed to permit the Code Authority, any agent thereof, or any member of the Industry to suggest uniform additions, percentages or differentials or other uniform items of costs which are designed to bring about arbitrary uniformity of costs or prices.

ARTICLE VIII—TRADE PRACTICE RULES

It shall constitute an act of unfair competition for a member of the Industry to:

(a) Secretly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount or excess allowance, whether in the form of money or otherwise, nor shall a member of the Industry secretly offer or extend to any customer any special

service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

(b) Disseminate any false or misleading information relative to any product or price for any product, within the Industry, of any member of the Industry, or the credit standing or ability of any member thereof to perform any work or manufacture or produce any such product, or to the conditions of employment among the employees of any member thereof.

(c) Give, permit to be given, or offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

ARTICLE IX—MONOPOLIES

SECTION 1. No provision of this Code shall be interpreted or applied in such manner as to promote or permit monopolies or monopolistic practices; permit or encourage unfair competition; eliminate or oppress small enterprises or discriminate against them.

ARTICLE X—MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

SECTION 2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modification to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on approval of the President.

ARTICLE XI—GENERAL

SECTION 1. Violation by any member of this Industry of any of the provisions of this Code or any approved amendment hereof is an unfair method of competition.

ARTICLE XII—EFFECTIVE DATE

SECTION 1. This Code shall become effective on the third Monday after its approval by the President.

Approved Code No. 481.
Registry 326-02.

