

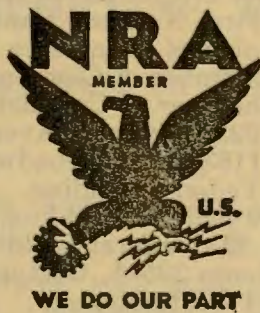
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

IMPORTING TRADE

AS APPROVED ON JULY 20, 1934



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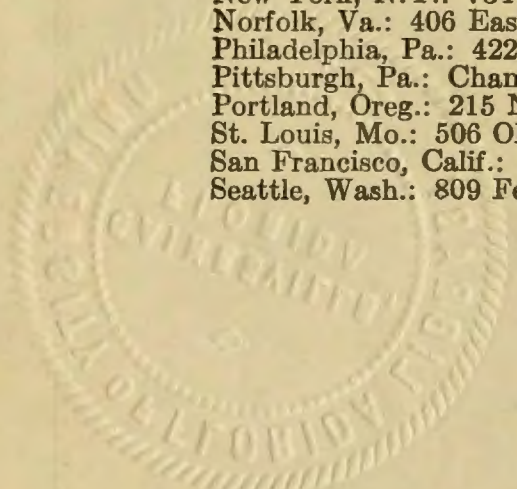
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ERRATA SHEET

CODE OF FAIR COMPETITION

FOR THE

IMPORTING TRADE

As Approved on July 20, 1934

Page 177, Paragraph III, Article II—Definitions: The word “employer” should be “employee.” Following this word, which is printed in italics, a mistake was also made by the omission of the letter “e” in the word “employer”, which should be changed to read “employee.”

Page 184, Section 1, line 4: The word “division” should be “section.”

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CODE OF FAIR COMPETITION

FOR THE

IMPORTING TRADE

As Approved on July 20, 1934

ORDER

CODE OF FAIR COMPETITION FOR THE IMPORTING TRADE

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 Importing Trade and hearings having been 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:

ROBERT L. HOUSTON,
Division Administrator.

WASHINGTON, D.C.,
July 20, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report of the Hearing on the Code of Fair Competition for the Importing Trade, conducted in the Sun Room of the Washington Hotel, April 7, 1934. The Code which is attached, was presented by duly qualified and authorized representatives of the Trade, complying with the statutory requirements, said to represent 75 per cent in number and 75 per cent in volume of sales of the Trade which could be included in this Code.

THE TRADE

According to statistics furnished by members of the Importing Trade, there are approximately 1100 establishments with aggregate annual sales of approximately \$760,000,000. The Trade employs about 23,000 persons. The Code is defined to govern only those importers who are not governed by any other approved Code of Fair Competition, the above statistics referring only to importers who are not now governed by other approved codes.

LABOR PROVISIONS

The Code provides for a work week of 40 hours with certain necessary exceptions among which are: Porters, engineers, firemen, electricians and outside installation and repair men are permitted to work 44 hours per week and watchmen are permitted to work 54 hours per week. Provision is made whereby an employer may work an employee as many as 8 hours in excess of the hours mentioned above, if time and one-third is paid for such additional hours per week.

The rates of pay, with certain exceptions for learners and junior employees, are \$15.00 per week of 40 hours in cities of over 500,000 population, or in the immediate vicinity thereof, and \$14.00 per week of 40 hours in all other places, except in the South, which is defined to read as prescribed, at \$1.00 less than the rate otherwise applicable. Part time employees and employees paid on piece rate basis shall receive a minimum of 40¢ per hour irrespective of their method of compensation, this being a slightly higher hourly minimum than is provided for full time employees.

TRADE PRACTICE PROVISIONS

The Trade Practices proposed in Article VII of the Code are not in any respect objectionable. Most of these Trade Practice Provisions are similar to the Trade Practice Provisions contained in the Code of Fair Competition for the Wholesaling or Distributing

Trade. The provision prohibiting inaccurate labeling, branding and packing of goods is designed particularly to protect both domestic manufacturers and importers from any unfair advantage which might be gained by the misleading appearance of imported goods.

CODE ADMINISTRATION

The General Importers Code Authority is authorized in Article VI to take any necessary action on the request of any trade, group or individual governed by this Code to represent them in the case of actions filed against them under Title I, Section 3 (e) of the Act by domestic manufacturers and others who desire protection from allegedly lower prices of imported products. This seems to be a very desirable provision in that it will afford importers representation by a body which will be best able to gather and present the necessary facts in support of the importers' position and may make it possible to handle such cases with greater dispatch.

The Administration of the Code is organized in accordance with commodity divisions.

FINDINGS

The 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 trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible use 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 Trade normally employs not more than 50,000 employees and it is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions 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 association is a trade association truly representative of the aforesaid Trade; and that said association imposes no inequitable restrictions on admission to membership therein.

(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 the approval of this Code.

For these reasons, the Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JULY 20, 1934.

CODE OF FAIR COMPETITION FOR THE IMPORTING TRADE

ARTICLE I—PURPOSES

SECTION 1. To effectuate the policies of Title I of the National Industrial Recovery Act, this Code is established as a Code of Fair Competition for the Importing Trade, and its provisions shall be the standards of fair competition for such Trade and shall be binding upon every member thereof.

SECTION 2. To afford the means of effective preparation and proper presentation of all relevant import factors, with reference to the possible application of the special provisions governing imported products, contained in Title I, Section 3 (e) of the Act.

ARTICLE II—DEFINITIONS

Importer.—For the purposes of this Code, an “Importer” shall be defined, but without limitation, as any individual, partnership, corporation, association, or other form of enterprise, or any organized division thereof, principally engaged in importing merchandise, and/or principally engaged in the sale of imported merchandise to manufacturers, wholesalers, retailers, and/or to institutional, commercial, and/or industrial users; provided, however, that this Code shall not govern the importation of merchandise which is solely for the consumption of the Importer, and not for resale. Modifications of, or extensions to this definition, or any part thereof, may be made for specific divisions when embodied in any appropriate Supplemental Code, or when recommended by the appropriate Divisional Code Authority and approved by the Administrator.

The Trade.—The term “Trade” is defined to be the business in which Importers, as above defined, are engaged.

Employer.—The term “employer” as used herein, includes anyone engaged in the Trade in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation.

Employer.—The term “Employer” as used herein, includes anyone by whom such employee is compensated or employed.

Ultimate Consumer.—The term “Ultimate Consumer” as used herein is defined as a purchaser for home and/or personal use, and not for use or consumption in trade or business or by institutions.

Porter.—The term “Porter” as used herein is defined as an employee who, in addition to other maintenance duties, is responsible for opening and closing the establishment by which he is employed.

President, Act, Administrator.—The terms “President”, “Act”, and “Administrator”, as used herein shall mean, respectively, the

President of the United States, Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

Population for the purposes of this Code shall be determined by reference to the latest Federal Census.

ARTICLE III—HOURS

SECTION 1. Maximum Hours and Exceptions shall be as follows:

(A) No member of the Trade shall cause or permit any employee, except an employee in an executive, supervisory, professional, or personal secretarial capacity, who receives a salary or guaranteed minimum of thirty-five dollars (\$35.00) per week or more, and except outside salesmen, to work more than forty (40) hours in any one week, or to work more than six (6) days in any one week (or less, as determined by the Code Authority of any specific Trade with the approval of the Administrator), except as hereafter specified.

(B) No employee, except those exempted in paragraphs (A) and (B) of this Section, shall be permitted to work more than eight (8) hours in any one day, except that an extra hour's work may be worked on any day if one hour be deducted from the normal working hours of any other day of the same week.

(C) Porters, engineers, firemen, electricians, and outside installation and repair men, shall not be permitted to work in excess of forty-four (44) hours nor more than six (6) days in any seven (7) day period.

(D) Watchmen shall not be permitted to work more than nine (9) hours in any one day, nor more than fifty-four (54) hours, nor more than six (6) days in any seven (7) day period.

(E) An employer may work an employee such hours as may be necessary in excess of the hours specified in (A), (B), (C), and (D), of this Section, if time and one-third is paid for all such additional hours per week, but in no case shall any employee, other than cable clerks, shipping document clerks, and inside emergency repair men, be permitted to work more than eight (8) hours per week in excess of his regular hours specified above.

(F) Employers shall so arrange matters that the hours worked by any employee in any one day shall be consecutive with the exception of not more than one hour for lunch.

SECTION 2. *Employment by Several Employers.*—No employer shall knowingly permit any employee to work for any time which, when totaled with that already performed with another employer or employers in this Trade, or in any other trade or industry, exceeds the maximum permitted herein.

ARTICLE IV—WAGES

SECTION 1. No employee, irrespective of his method of compensation, shall be paid less than the following weekly wage:

(A) In cities of five hundred thousand (500,000) population or over, or in the immediate trade area thereof, at the rate of fifteen dollars (\$15.00) per week of forty (40) hours.

(B) In places of less than five hundred thousand (500,000) population, at the rate of fourteen dollars (\$14.00) per week of forty (40) hours.

Provided, however, that in the South the rate may be one dollar (\$1.00) per week less than the rates specified above in this Section.

The term "the South" means the following states: Virginia, West Virginia, Kentucky, Maryland, District of Columbia, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas.

(C) A part-time employee or one paid on an hourly basis, shall be paid not less than forty cents (40¢) per hour. Any employee working less than the regular full time hours per week shall be considered a part-time employee. Employers may establish a regular full time week of less than the hours specified herein for all or part of their employees; provided, however, that the minimum weekly wages established herein shall not be reduced, notwithstanding such reduction of regular full time weekly hours. Employees paid on a piece-rate basis shall receive not less than forty cents (40¢) per hour for each hour during which they are at the service of their employer, irrespective of the piece-rate basis of their compensation.

(D) Junior employees between the ages of 16 and 18 years, inclusive, may for the first six months of their employment be paid at the rate of two dollars (\$2.00) less per week than the minimum wage rate per week otherwise applicable to them; and learners over 18 years of age may, for a period of three months from the date of their employment, be paid at the rate of one dollar (\$1.00) less per week than the minimum wage per week otherwise applicable to them. The number of employees classified and compensated as juniors or learners combined shall not exceed the ratio of one such employee to every ten employees or fraction thereof.

(E) All wages due shall be paid not less than once per month in lawful money or by negotiable check, payable on demand.

SECTION 2. No employee whose normal full time weekly hours as of July 1, 1933, or the date of employment, whichever is later, are reduced by twenty per cent (20%) or less, shall have his or her full time weekly earnings as of July 1, 1933, or the date of employment, whichever is later, reduced. No employee whose normal full time weekly hours as of July 1, 1933, or the date of employment, whichever is later, are reduced by more than twenty per cent (20%), shall have his or her full time weekly earnings as of July 1, 1933, or the date of employment, whichever is later, reduced by more than ten percent (10%).

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. *Minimum Age Requirements.*—No person under 16 years of age shall be employed in the Trade, nor anyone under 18 years of age, at operations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator a list of such hazardous and unhealthful occupations not more than thirty (30) days after such Code Authority is established and approved by the Administrator. 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, empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. *Employee Rights and Employers Duties.*—

(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. *Precedence of Federal and State Laws.*—No provision in this Code shall supersede any Federal or State Law which imposes on employers more stringent requirements as to 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. *Reclassification of Employees.*—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 5. *Posting Code.*—Each employer shall post in conspicuous places accessible to all employees, full copies of the labor provisions of this Code, together with such amendments and modifications as may hereafter be made. Every employer shall comply with the 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 6. *Protection of Complainants.*—No employee shall be dismissed by reason of making a complaint or giving evidence in respect to an alleged violation of this Code.

SECTION 7. *Protection of Employees.*—Every employer shall make reasonable provisions for the safety and health of his employees at the place and during the hours of their employment. Standards of safety and health shall be submitted by the General Importers Code Authority to the Administrator within three (3) months after the effective date of this Code.

ARTICLE VI—CODES, AND THE ADMINISTRATION THEREOF

SECTION 1. *General and Supplemental Codes.*—

(A) To provide an effective procedure for the administration of this Code and all Codes supplemental thereto, the Trade shall be divided into commodity divisions, as hereinafter provided.

(B) Provisions governing importers in all commodity divisions are included in this General Importers Code.

(C) Provisions governing importers in one or more, but not in all commodity divisions, may be embodied in a supplemental code for each division, after hearing before the Administrator and approval thereof.

SECTION 2. *General Importers Code Authority.*—

(A) The creation of a General Importers Code Authority to cooperate with the Administrator in the administration of the provisions of this General Importers Code, is hereby authorized, and the creation of a Divisional Code Authority for each Division of the Trade to cooperate with the Administrator in administering the provisions of its Supplemental Code, is hereby authorized.

(B) The General Importers Code Authority shall be divided into, but not limited to, three major Sections, representing 1. Crude and semi-finished materials, 2. Food products, 3. Manufactured goods ready for re-sale.

(1) Each of the major Sections shall consist of not less than three members, not more than one of whom shall be selected from each qualified trade in that Section. The Administrator, in his discretion, may appoint one or more additional members, without vote, to represent the Administrator.

(2) Until such time as the General Importers Code Authority is elected as herein provided, the Central N.R.A. Committee for Import Trade Codes, which Committee has presented the Code on behalf of the Trade, shall act as the General Importers Code Authority.

(C) The General Importers Code Authority shall have the following duties and powers subject to such rules and regulations as may from time to time be issued by the Administrator, in addition to the other powers herein granted:

(1) To supervise and coordinate the administration of Supplemental Codes by the Divisional Code Authorities; to administer the Code directly to members not having Divisional Code Authorities; and to coordinate the administration between such members and Divisional Code Authorities having jurisdiction over other commodity groups, in order to prevent conflicts of authority and to minimize overlapping of powers.

(2) To hear all matters pertaining to the provisions of the General Importers Code which may be submitted to it by any Importer or Divisional Code Authority; and to attempt to adjust and/or to report the same with recommendations to the Administrator.

(3) To adopt by-laws and rules and regulations for its procedure and for the administration of this Code; to elect officers, and to employ a staff as needed to exercise its functions.

(4) To require from Importers and from Divisional Code Authorities such information and reports as are necessary to effectuate the purposes of this Code, provided, however, except as otherwise provided in the Act, or in this Code, all statistics, data, and information filed or required in accordance with the provisions of this Code shall be confidential, and handled by an impartial agency, and the statistics, data, and information of one member shall not be revealed to another member, including members of the General Importers Code Authority; no such data or information shall be published, except in combination with other similar data, and in such manner as to avoid the disclosure of confidential information.

(5) To use such Trade Associations or 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.

(6) To make investigations as to the functioning or observance of any provisions of the General or Supplemental Codes; provided, however, that the General Importers Code Authority shall not investigate, nor attempt to adjust complaints of violation of the labor provisions of this Code, until so authorized by the Administrator.

(7) To appoint Trade Practice Committees which shall meet with the Trade Practice Committees appointed under such other Codes of Fair Competition as may be related to the import trades, for the purpose of formulating fair trade practices to govern the relationships between employers under this Code and such others, to the end that such fair trade practices may be proposed to the Administrator as amendments to this Code and such other Codes.

(8) To elect a representative to serve on any Coordinating or Advisory Committee which may subsequently be established for the entire wholesale, retail, importing, exporting, and manufacturing branches of any trade or industry, and to cooperate with such committee for the purpose of achieving uniform basic trade practice provisions or with respect to any functions which may be delegated to it by the Administrator.

(9) To take any necessary action on formal request of any trade, group, or individual governed by this Code to protect them from actions filed under Title I, Section 3 (e) of the Act, or to represent them in any negotiations relevant to the Importing Trade, entered into with any Department of the Government, or with domestic producers, manufacturers or associations of the same, expenses incurred thereby to be for account of the parties directly interested.

(10) To present to the Administrator reports and recommendations based on conditions in the Trade, which will tend to effectuate the purposes of the Act, such recommendations upon approval of the Administrator to become operative as a part of this Code; provided, however, that any Importer affected thereby, shall have the right to be heard by the General Importers Code Authority and the Administrator.

(11) To recommend to the Administrator any modification of this Code, either on its own initiative, or on request by any branch of the Trade.

(12) To establish from time to time as necessary, coordinating committees to investigate matters arising between various Divisions of the Trade, which committees may make recommendations to the General Importers Code Authority, as a result of such investigation.

(13) To submit to the Code Authority members representing a particular major Trade Section, as established in Sub-section (B) of this Section, matters concerning Importers in such major Trade Section, for investigation and recommendation to the General Importers Code Authority as a whole.

(14) To exercise all general powers necessary to assist the Administrator.

SECTION 3. *Divisional Code Authorities.*—Each Divisional Code Authority shall consist of not less than three nor more than fifteen members, selected by the members of the Division of the Trade for

which its Supplemental Code has been approved, in accordance with a fair method to be provided in the Supplemental Code of each Division.

(A) The Administrator, in his discretion, may appoint one or more additional members, to any Divisional Code Authority, without vote, to represent the Administrator.

(B) Each Divisional Code Authority shall have the following duties or powers:

1. To administer for its own Division of the Trade its Supplemental Code and the General Code, subject to the supervision of the General Importers Code Authority and the Administrator.

First, with respect to the provisions of the General Code which govern all Divisions of the Trade, each Divisional Code Authority subject to the approval or request of the General Importers Code Authority:

(1) Shall require from Importers in the Division which it represents such reports as are necessary to effectuate the purposes of the General Importers Code; subject, however, to similar requirements as to non-disclosure of confidential information as is provided in Section 2 (C) (4) of this Article; and

(2) May upon its own initiative or complaint of any Importer in such Division, make investigations as to the functioning and observance of any provision of the General Importers Code and may hear and attempt to adjust such complaints; provided, however, that Divisional Code Authorities shall not investigate, nor attempt to adjust complaints of violation of the labor provisions of this Code until so authorized by the Administrator; and provided further, that any Importer who may be affected by the action or handling of matters pertaining to any provision of the General Importers Code by his Divisional Code Authority, shall have the right to have such matters submitted to and considered by the General Importers Code Authority for its action as provided in Section 2 (C) of this Article.

Second. With respect to the specific provisions of the Supplemental Codes which govern one or more, but not all, Divisions of the Trade, each Divisional Code Authority, subject to the approval or consent of the Administrator;

(1) Shall require from Importers in its Division such reports as are necessary to effectuate the purposes of its Supplemental Code; subject, however, to similar requirements as to non-disclosure of confidential information as is provided in Section 2 (C) (4) of this Article; and

(2) May, upon its own initiative or complaint of any Importer in such Division, make investigation as to the functioning and observance of any provision of its Supplemental Code, and may hear and attempt to adjust such complaints; provided, however, that Divisional Code Authorities shall not investigate nor attempt to adjust complaints of violation of the labor provisions of this Code until so authorized by the Administrator, and provided further,

(a) In the event that a Divisional Code Authority should report any matter referred to in the "Second" part of the above paragraph to the Administrator which affected any provision of the General Importers Code, the Administrator may if he desires, refer such matters to the General Importers Code Authority for handling as

if such matters had been directly submitted to the General Importers Code Authority by such Divisional Code Authority, as provided in the "First" part of the above paragraph.

SECTION 4. *Qualification*.—Any trade or group of trades may qualify to elect a representative on the General Importers Code Authority by submitting evidence of compliance with such minimum requirements as to number of members, number of employees, volume of turnover, invested capital, or otherwise, as may be determined by the Administrator.

SECTION 5. *Elections*.—Members of the General Importers Code Authority shall be elected with regard for the major Sections established in Section 2 (B) of this Article, and all members of the Trade in each Division who assent to the terms and agree to bear their share of the cost of administration of the General Importers Code and any applicable Supplemental Codes thereto, shall have the right to vote for the Code Authority members representing their respective major Trade Sections.

(A) The Central N.R.A. Committee for Import Trade Codes shall submit to the Administrator for approval a fair and equitable method for choosing nominees, and for conducting such election.

(B) The General Importers Code Authority shall establish in its By-Laws provisions relating to the terms of office of its members, and election of successors to the General Importers Code Authority or of any individual member thereof, whether to fill an unexpired term or for a new term of office; provided, however, that such provisions may be disapproved by the Administrator upon review.

SECTION 6. *Administrative Interpretations*.—The Administrator may from time to time, after consultation with the General Importers Code Authority or with any Divisional Code Authority, or on his own initiative, issue such administrative interpretations of the various provisions of this Code, or of any of the Supplemental Codes thereto, as are necessary to effectuate their purposes, and such interpretations shall become operative as a part of this Code or such Supplemental Codes.

SECTION 7. *Non-Liability*.—Nothing contained in this Code shall constitute the members of the General Importers Code Authority or Divisional Code Authorities partners for any purpose nor shall any member of any of such Code Authorities (General or Divisional) be liable in any manner to anyone for any act of any other member, officer, agent or employee of any such Code Authorities nor shall any member of any such Code Authorities, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own willful malfeasance or nonfeasance.

SECTION 8. *Undue Hardships Imposed by Codes*.—Where the operation of the provisions of this Code or any Supplemental Code hereto, imposes an unusual or undue hardship, any Importer may make application for relief to the Administrator who, after such public notice and hearing as he may deem necessary, may grant such exceptions to, or modifications of, the provisions of this Code or of any Supplemental Code hereto, as the case might be, as may be consistent with the Act.

SECTION 9. *Obligations of Trade Associations.*—

(A) Each Trade Association directly or indirectly participating in the selection or activities of the General Importers Code Authority and/or Divisional Code Authorities or their agencies, shall: (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, 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.

(B) In order that the General Importers Code Authority and Divisional Code Authorities and their Agencies shall at all times be truly representative of the Import Trade, and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter, if he shall find that the General Importers Code Authority or any Divisional Code Authority or any of their agencies 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 any such Code Authority or Agency.

SECTION 10. *Payment of Cost of Administration.*—

(A) It being found necessary, in order to support the administration of this Code, and to maintain the standards of fair competition established herein, and to effectuate the policy of the Act, the General Importers Code Authority is authorized:

(1) 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 shall be held in trust for the purposes of this Code.

(2) 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 upon which the funds necessary to support such budget shall be contributed by Importers;

(3) After such budget and basis of contribution have been approved by the Administrator, to determine and obtain equitable contribution as above set forth by all such Importers, and to that end, if necessary, to institute legal proceedings therefor in its own name;

(B) Each Importer shall pay his or its equitable contribution to the expenses of the maintenance of the General Importers Code Authority, as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Administrator. Only importers complying with the Code and contributing to the expenses of its administration as hereinabove provided, unless exempted by Administrative Order from any obligation to pay such assessments, shall be entitled to participate in the selection of members of the General Importers Code Authority or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

(C) The General Importers 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 ex-

penditures in excess of prior budget estimates except those which the Administrator shall have so approved.

(D) Divisional Code Authorities when established under supplemental codes shall have the powers set forth in subsections (A), (B) and (C) of this Section, subject to the limitations contained therein, in order to support the administration of their particular Supplemental Codes, the General Code as applied to their specific division of the Trade, and to effectuate the policy of the Act.

SECTION 11. *Information for Government Agencies.*—In addition to the information required to be submitted to the General Importers Code Authority and the Divisional Code Authorities or their agencies, all or any of the persons subject to this Code shall furnish such statistical information and reports as the Administrator may deem necessary for the purposes recited in Title I, Sections 3 (a) and 3 (e) of the Act, to such Federal and/or State Agencies as the Administrator may designate; but nothing in this Code shall relieve any person of any existing or future obligation to furnish reports to Government Agencies. No individual report shall be disclosed to any other Importer or any other party except to such other governmental agencies as may be directed by the Administrator.

SECTION 12. *Review of Acts of Code Authorities.*—If the Administrator shall determine that any action of a Code Authority (General or Divisional) 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 days' notice to him of intention to proceed with such action in its original or modified form.

SECTION 13. *Expense of Administration Members.*—Salaries and expenses of Administration Members of the General Importers Code Authority and the Divisional Code Authorities shall not be imposed upon, but may be assumed by the Trade in unusual cases warranting such action.

SECTION 14. *Industrial Relations Committee.*—

(A) There shall be created for the General Importing Trade a National Industrial Relations Committee, and for each division thereof which obtains an approved Supplemental Code, a Divisional Industrial Relations Committee, each such committee to be composed of three (3) persons who shall be selected as follows:

(1) A representative of the employers to be appointed, in the case of the National Industrial Relations Committee, by the General Importers' Code Authority, and, in the case of each Divisional Industrial Relations Committee, by the appropriate Divisional Code Authority, which bodies are hereby specifically empowered to make such appointments.

(2) A representative of the employees to be nominated by the Labor Advisory Board of the National Recovery Administration and appointed by the Administrator.

(3) An impartial chairman to be selected by the two (2) members already appointed, or, in case they disagree, by the Administrator.

(B) Members of these committees shall hold office for six (6) months from the date of their appointments, and re-appointments shall be made or vacancies shall be filled in the same manner as provided in Sub-section (A) of this section.

(C) Each Industrial Relations Committee shall have the duty of dealing with complaints and disputes relating to labor, in accordance with rules and regulations issued by the Administrator. They shall have all such general powers necessary to facilitate the performance of said duty, as may be conferred upon them by and under rules and regulations issued by the Administrator, and each special powers as may be expressly conferred by the Administrator.

(D) Upon approval of the Administrator, local Industrial Relations Committees may be appointed under the General Importers Code or any supplement thereof, in order to facilitate the investigation and conciliation of complaints and disputes relating to labor. Such local Industrial Relations Committees shall report all cases handled by them to the appropriate National or Divisional Industrial Relations Committees which may modify or reverse any action taken by local Industrial Relations Committees so reporting to them. Local Industrial Relations Committees shall each consist of three (3) members to be appointed in the same manner as provided in Sub-section (A) of this section.

ARTICLE VII—UNFAIR TRADE PRACTICES

SECTION 1. *Inaccurate Labelling.*—No Importer shall brand, mark or pack any goods in any manner which is intended to, or does, deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content, or preparation of such goods; nor shall any Importer sell or offer for sale any imported merchandise labeled, marked, stamped or branded in any manner which misleads or tends to mislead the purchaser; nor shall any Importer knowingly imitate, or sell or offer for sale any imported merchandise bearing a device which shall imitate, a trademark, trade name, slogan, or any other mark of identification of a product of domestic manufacture, when such domestic marks, names or slogans have been in actual use prior to their use in the case of imported goods, if such device has the capacity to mislead a purchaser or prospective purchaser.

SECTION 2. *Inaccurate Advertising.*—No Importer shall publish advertising (whether printed, radio, display, or of any other nature), which is misleading or inaccurate in any material particular, nor shall any member in any way misrepresent any goods (including, but without limitation, their use, trade mark, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

SECTION 3. *False Billing.*—No Importer shall knowingly withhold from or insert in any quotation or invoice, any statement which makes it inaccurate in any material particular.

SECTION 4. *Commercial Bribery.*—No Importer shall directly or indirectly give or permit to be given, or offer to give, money or any-

thing of value to agents, employees, or representatives of customers or prospective customers, with or without knowledge of their employers or principals, as an inducement to influence their employers or principals, to purchase or contract to purchase from the makers of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors. This Section 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 herein defined.

SECTION 5. *Interference with Another's Contracts.*—No Importer shall attempt to induce the breach of an existing contract between a competitor and his customer or source of supply; nor shall any such Importer interfere with or obstruct the performance of such contractual duties or services.

SECTION 6. *Rebates and Concessions.*—No Importer shall permit the payment or allowance of rebates, refunds, commissions, credits, unearned or special discounts, whether in the form of money or otherwise, or the extension to certain purchasers of special services or privileges, not extended to all purchasers of the same class on like terms and conditions.

SECTION 7. *Giving of Prizes, Premiums, or Gifts.*—No Importer shall offer or give prizes, premiums, or gifts in connection with the sale of products, or as an inducement thereto, by any scheme which involves lottery, misrepresentation, or fraud.

SECTION 8. *Defamation.*—No Importer shall defame competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or by the false disparagement of the grade or quality of their goods.

SECTION 9. *Threats of Litigation.*—No Importer shall publish or circularize threats of suits for infringement of patents or trade marks or any other legal proceedings not in good faith, with the tendency or effect of harassing competitors or intimidating their customers. Failure to prosecute in due course shall be evidence that such threat is unwarranted or unjustified.

SECTION 10. *Espionage of Competitors.*—No Importer shall secure, or attempt to secure, confidential information from any source concerning the business of a competitor by a false or misleading statement or representation, by a false impersonation of one in authority, by bribery, or by any other unfair method.

SECTION 11. *Subterfuge.*—It shall be an unfair trade practice for any Importer to employ subterfuge, to avoid or attempt to avoid the provisions of this Code, or any Supplemental Code hereto, or the purposes and intent of the National Industrial Recovery Act, which are to increase employment, provide better wages, promote fair competitive methods, better business conditions, and promote the public welfare.

SECTION 12. *Other Unfair Trade Practices.*—Subject to administrative approval after hearing there may be established, in any Supplemental Code, trade practice rules covering such other subjects as conditions in such specific Division may require. Any violation of these provisions shall be an unfair trade practice.

ARTICLE VIII—APPLICATION OF CODE

SECTION 1. Any import trade, by majority vote of its members may make application to the Administrator to operate under any other approved Code of Fair Competition which covers its trade, and upon approval of the Administrator shall become subject to such other approved Code and shall no longer be governed by this General Importers Code with respect to such of their activities as shall be covered by the Code to which they shall be so transferred.

SECTION 2. Every Importer, except those who on the effective date of this Code are governed, or hereafter become governed, as to all or part of their activities, by any other Code of Fair Competition under the administration of the National Recovery Administration or the Agricultural Adjustment Administration, shall be bound by all of the provisions of this General Importers Code and by all of the provisions of each and every Supplemental Code applicable to him, when such General Importers Code and/or such Supplemental Code or Codes shall have been approved, with respect to all of his activities which are not covered by another approved code, except those Importers, who file with the Administrator applications for exemption to this Code or any portion thereof, which after due consideration by the Administrator are sustained.

ARTICLE IX—MODIFICATION

SECTION 1. This General Importers Code and the Supplemental Codes hereto, and all provisions thereof, are expressly made subject to the right of the President, in accordance with the provisions of Sub-section (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 these Codes or any conditions imposed by him upon his approval thereof.

SECTION 2. This General Importers Code and the Supplemental Codes hereto, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modifications to be based upon application by Importers, the General Importers Code Authority or by any Divisional Code Authority to the Administrator and such notice and hearing as he may prescribe, and to become effective on approval of the Administrator.

ARTICLE X—MONOPOLIES, ETC.

No provision of this Code, nor of any Supplemental Codes hereto, shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—EFFECTIVE DATE

This Code shall become effective on the tenth day after approval.

Approved Code No. 487.
Registry No. 1713-53.



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