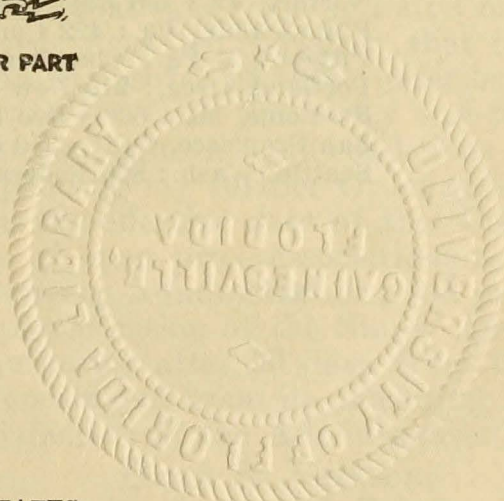
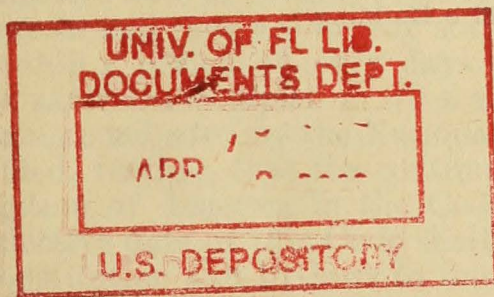
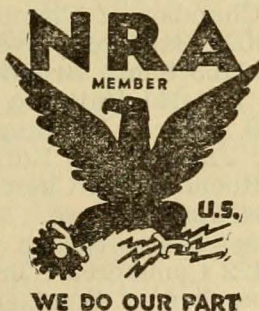


NATIONAL RECOVERY ADMINISTRATION

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CODE OF FAIR COMPETITION  
FOR THE  
MACHINE-APPLIED STAPLE  
AND STAPLING MACHINE  
INDUSTRY

AS APPROVED ON MARCH 10, 1934



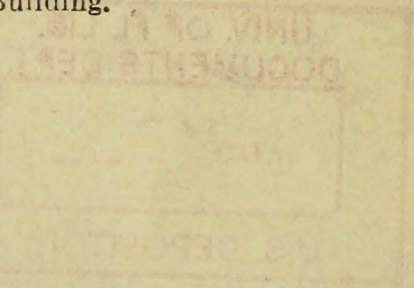
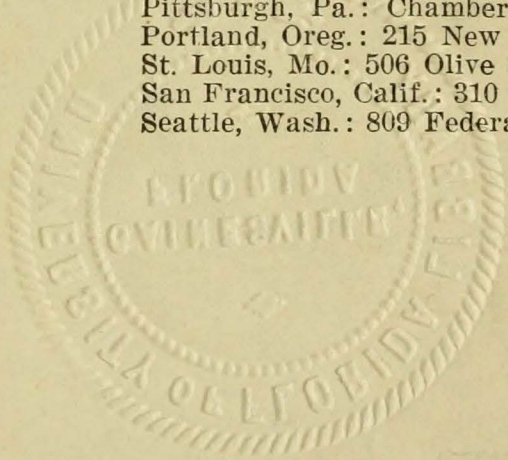
UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1934



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CODE OF FAIR COMPETITION

FOR THE

MACHINE-APPLIED STAPLE AND STAPLING  
MACHINE INDUSTRY

As Approved on March 10, 1934

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ORDER

APPROVING CODE OF FAIR COMPETITION FOR THE MACHINE-APPLIED  
STAPLE AND STAPLING MACHINE 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 Machine-Applied Staple and Stapling Machine 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; provided, however, that the provisions of Article VIII, (Section 2) insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be and they are hereby stayed pending my further Order either within a period of sixty days from the effective date of this Code or after the completion of a study of open price associations now being conducted by the National Recovery Administration; and provided, further, that the continued participation of the Staple Association of America in the Code Authority after 30 days from the effective date of this Code shall be contingent upon its amending its constitution and by-laws to the satisfaction of the Administrator.

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

Approval recommended:

W. A. HARRIMAN,  
*Division Administrator.*

WASHINGTON, D.C.,  
*March 10, 1934.*



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Code of Fair Competition for the Machine-Applied Staple and Stapling Machine Industry, the hearing having been conducted thereon in Washington, D.C., on February 16, 1934, in accordance with the provisions of the National Industrial Recovery Act.

### RÉSUMÉ OF CODE AS TO WAGES AND HOURS

This Code provides an 8 hour working day and 40 hour week, except that in peak periods employees may work not to exceed 48 hours for 6 weeks in any 26 weeks' period. These provisions are applicable to all employees except those in a managerial, executive or supervisory capacity, receiving not less than \$35.00 per week; outside salesmen; and watchmen who may be permitted to work not more than 56 hours per week.

The minimum rates of pay provided are 35¢ per hour for employees engaged in packing operations and 40¢ per hour for all other classes of processing employees. With the exception of watchmen, time and one-half will be paid all employees working under the maximum hour clauses for hours worked in excess of 40 hours per week and 8 hours per day.

Clerical employees on a weekly pay basis are to be paid not less than \$15.00.

Equitable adjustments are to be made in all wage rates above the minimum.

Child Labor is prohibited and no person under 18 years of age shall be employed in a hazardous occupation.

### GENERAL STATEMENT

The Machine-Applied Staple and Stapling Machine Industry as defined in the Code includes the manufacture and sale of machine-applied staples and stapling machines. The customers for the lighter type of machines and staples are stationers and stationery distributors, while the heavier type of machines and staples are sold to various manufacturing industries to be used in various fastening operations.

The investment in the Industry is approximately \$1,942,000 and the number of wage earners in normal times is about 800. In normal times, the total annual wages paid by 16 reporting manufacturers out of a total of 26 in the Industry, amounted to approximately \$726,700 to 535 employees.

In 1929, the operations of the Industry were approximately 85% of capacity in machines and 90% of capacity in staples. Figures are not available for the entire Industry as to the value of these articles.



An approximate estimation based on the data of reporting manufacturers, however, would give this figure at about \$1,350,000.

Operations in 1930 for machines were about 74% of capacity and for staples about 80% of capacity; in 1931 about 70% of capacity for machines and about 70% of capacity for staples; in 1932 about 42% of capacity for machines and about 50% of capacity for staples; in 1933 about 50% of capacity for machines and about 67% of capacity for staples.

It is to be noted that the capacity for machine manufacturing has been increased about 14% since 1929 and that the capacity for producing staples has been increased 30% during the same period.

Industry calls attention to the fact that the increase in production of staples in 1933 over 1932 was, in a measure, caused by the differences in exchange rates which tended to prohibit the importation of foreign staples.

I believe that the Code is fair to Industry, to Labor and to the Public, and is in accordance with the intent and purpose of the National Industrial Recovery Act.

#### 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 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 group is an industrial group truly representative of the aforesaid Industry; and that said group 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 approval of said Code.

For these reasons, therefore, I have approved this Code; provided, however, that the provisions of Section 2, Article VIII, insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be and they are hereby stayed pending my further Order either within a period of sixty days from the effective date of this Code or after the completion of a study of open price associations now being conducted by the National Recovery Administration; provided, however, that the continued participation of the Machine-Applied Staple and Stapling Machine Industry in the Code Authority after 30 days from the effective date of this Code shall be contingent upon its amending its constitution and by-laws to the satisfaction of the Administrator.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

MARCH 10, 1934.



# CODE OF FAIR COMPETITION FOR THE MACHINE-APPLIED STAPLE AND STAPLING MACHINE 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 Machine-Applied Staple and Stapling Machine Industry, and shall be the standard of fair competition for such industry and shall be binding upon every member thereof.

## ARTICLE II—DEFINITIONS

SECTION 1. The term "Machine-Applied Staple and Stapling Machine Industry" includes the manufacturers and/or national distributors of Machine-Applied Staples and/or Stapling Machines, but does not include the types of Stapling Machines used in the Shoe Industry.

SECTION 2. The term "Member of the Industry" includes but without limitation, any individual, partnership, association, corporation or other form of enterprise engaged in the Industry either as an employer or on his or its own behalf.

SECTION 3. The term "Association" as used herein is defined to mean the Staple Association of America.

SECTION 4. The term "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.

SECTION 5. The term "employee" as used herein includes any and all persons engaged in the Industry, however compensated, except a member of the Industry.

SECTION 6. The term "Employer" as used herein includes anyone by whom any such employee is compensated or employed.

SECTION 7. The term "Plant" means a factory producing machine-applied staples and/or stapling machines in the Industry as herein defined.

SECTION 8. The term "majority vote" shall mean a vote of at least fifty-one (51%) per cent of the members of the Industry, present either in person or by proxy, whose aggregate sales in the preceding year were not less than seventy-five (75%) per cent of the total sales of the Industry. Aggregate sales as herein used shall not include sales made by a parent member to his or its subsidiary national distributor.

SECTION 9. The term "National Distributor" means an individual, firm, corporation, partnership, agency or organization who handles the entire sales for a specific class of trade or trades exclusively and solely for any one manufacturer in the Industry or sells for any one manufacturer the manufacturer's entire output of a specific product, and who operates on a nationwide scale.



## ARTICLE III—WORKING HOURS

SECTION 1. *Maximum Hours.*—No employee shall be permitted to work in excess of forty (40) hours in any one week or in excess of eight (8) hours in any twenty-four (24) hour period, nor more than six (6) days per week, except as herein otherwise provided.

SECTION 2. *Exceptions as to Hours.*—

(a) *Executives and Salesmen.*—The provisions of Section 1 above shall not apply to executives and supervisors who are paid \$35.00 weekly or more, and outside salesmen.

(b) *Emergency Overtime.*—The maximum hours fixed in the foregoing Section 1 shall not apply to any employee on emergency maintenance or emergency repair work involving breakdowns or protection of life or property, or on emergencies occasioned by the necessity for services of specially skilled employees which can not be cared for by the employment of additional men. But in any such special case, at least one and one-half times the normal rate shall be paid for hours worked in excess of the maximum provided in Section 1 above.

(c) *Ordinary Overtime.*—The maximum hours fixed in Section 1 above shall not apply for six (6) weeks in any twenty-six (26) weeks' period, during which overtime shall not exceed eight (8) hours in any one week. In any such case at least one and one-half times the normal rate shall be paid for hours worked in excess of eight (8) hours in any twenty-four (24) hour period, or in excess of forty (40) hours in any seven (7) day period.

(d) *Reporting Overtime.*—All work in excess of the hours provided in Section 1 above shall be reported to the Code Authority in such detail as may be required.

SECTION 3. *Sunday and Holiday Work.*—Not less than one and one-half ( $1\frac{1}{2}$ ) times the regular rate shall be paid for all work performed on Sundays or legal holidays—watchmen excepted.

SECTION 4. The provisions of this Article shall not apply to watchmen who shall be permitted to work not in excess of fifty-six (56) hours per week.

SECTION 5. *Employment by Several Employers.*—No employer shall permit any employee to work for any time which, when totaled with that already performed for another employer or employers, exceeds the maximum permitted herein.

SECTION 6. *Maximum Hours for Working Employers.*—Employers, owners or partners who personally perform manual work or are engaged in mechanical operations shall not exceed the prescribed maximum number of hours.

## ARTICLE IV—WAGES

SECTION 1. (a) No employee engaged in packing operations shall be paid less than the rate of thirty-five (35) cents per hour and all other classes of employees shall be paid not less than forty (40) cents per hour except as hereinafter provided.

(b) Any clerical employee shall be paid at a rate not less than fifteen (\$15.00) dollars per week; provided, however, that office boys and girls and messengers shall be paid at a rate not less than eighty



(80%) percent of the minimum salary herein provided, and provided further, that the number of such office boys and girls and messengers so paid by any employer shall constitute not more than five (5%) percent of the total number of his employees, but in any case, such employer shall be entitled to employ one such employee.

SECTION 2. *Piece Rates*.—This Article establishes a minimum compensation, irrespective of whether an employee is actually paid on a time rate, on a piece rate, or other basis.

SECTION 3. *Females*.—Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees; and where they displace men they shall receive the same rate of earnings as the men they displace. The Code Authority shall within ninety days after the effective date of this Code file with the Administrator a description of all occupations in the Industry in which both men and women are employed.

SECTION 4. *Handicapped Persons*.—An individual 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 wages and for such hours as shall be stated in the certificate; provided, however, that the total number of such employees shall not exceed more than five (5%) percent of the total number of employees. Each employer shall file with the Code Authority a list of all such persons employed by him.

SECTION 5. 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, and all employers shall within thirty (30) days after approval of this Code, report in full to the Code Authority concerning such adjustments whether made prior to or subsequent to such approval, provided, however, that in no event shall hourly rates of pay be reduced.

## ARTICLE V—ADDITIONAL LABOR PROVISIONS

SECTION 1. As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is hereby provided:

“That 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; that 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 that 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 2. No person under 16 years of age shall be employed in the Industry, nor any one under 18 years of age at operations or occupations hazardous in nature or detrimental to health. The Code



Authority shall submit to the Administrator within 90 days after the effective date, a list of 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 empowered to issue employment or age certificates or permits, showing that the employee is of the required age.

SECTION 3. Within each State this Code shall not supersede any laws of such State imposing more stringent requirements on employers regulating the age of employees, wages, hours of work, or health, fire, or general working conditions than under this Code.

SECTION 4. Employers shall not reclassify employees or duties of occupations performed by employees or engage in any other subterfuge so as to defeat the purposes of the Act.

SECTION 5. Each employer shall post in conspicuous places full copies of this Code.

## ARTICLE VI—ORGANIZATION, POWERS AND DUTIES OF THE CODE AUTHORITY

### ORGANIZATION AND CONSTITUTION

SECTION 1. A Code Authority is hereby established to administer this Code. Said Code Authority shall consist of five (5) members to be elected by the members of the Industry in meeting assembled, by a majority vote as defined in Article II, Section 8. In addition to the membership of said Code Authority as above provided, the Administrator may appoint not to exceed three (3) members.

SECTION 2. 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 3. There shall be no inequitable restrictions imposed on membership in the Association, and the Association shall 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.<sup>1</sup>

SECTION 4. Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and assisting with their reasonable share of the expenses of its administration. Such reasonable share of the expenses of administration shall be determined by the Code Authority, subject to review by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable.

<sup>1</sup> See paragraph 2 of order approving this Code.



SECTION 5. Nothing contained 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, officer, agent, or employee 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 action or omission to act under the Code, except for his own wilful misfeasance or non-feasance.

#### ARTICLE VII—POWERS AND DUTIES OF CODE AUTHORITY

SECTION 1. The Code Authority shall have the following further duties and powers to the extent permitted by the Act:

SECTION 2. The Code Authority may adopt by-laws and rules and regulations for the conduct of its business and for the administration of this Code.

SECTION 3. The Code Authority shall appoint a manager, who subject to the disapproval of the Industry and/or the Administrator, shall (a) attempt to determine within the Industry as to whether any member has or has not adhered to the provisions of this Code; (b) act as the Industry's representative in all dealings with the Government; (c) conduct any investigation or survey within this Industry that might be of general benefit to this Industry; (d) collect all data, information, statistics and records necessary that the policy of the Act may be effectuated. The manager shall be in no way engaged in the Industry or connected with any member thereof.

SECTION 4. In order that the Administrator may be informed of the extent of observance of the provisions of this Code and of the extent to which the declared policy of the Act is being effectuated in the Industry as herein defined, the Code Authority shall make such reports as the Administrator may require, and each employer shall make such sworn or unsworn reports to the Manager, periodically, as the Code Authority may direct, on wages, hours of labor, conditions of employment, number of employees, production, shipments, sales, stocks, prices, and other matters pertinent to the purposes of this Code as the Code Authority may require. No individual reports shall be disclosed to any other member of the industry or any other party except to such governmental agencies as may be designated by the Administrator.

SECTION 5. In addition to information required 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 the Act to such Federal and State 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.

SECTION 6. The Code Authority may 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 others to the end that such fair trade



practices may be proposed to the Administrator as amendments to this Code and such other Codes.

SECTION 7. Any and all information furnished to the Manager or the Code Authority shall be confidential and shall not be divulged to any member except in summary, but shall be available to the Administrator upon request.

SECTION 8. The Code Authority may from time to time appoint such sub-committees or designate such agencies, and may delegate to any of them such of its powers and duties, as it shall deem necessary or proper in order to effectuate the provisions and purposes of this Code.

SECTION 9. The Code Authority shall study the effect of the provisions of this Code on the industry and consider proposals for amendments or modifications and make recommendations thereon from time to time to the Administrator which amendments or modifications shall be effective as part of the Code upon approval by the Administrator after such notice and hearing as he may specify.

SECTION 10. Upon complaint of any member or upon its own initiative, the Code Authority shall investigate alleged violations of this Code under such rules and regulations as the Administrator may prescribe.

SECTION 11. 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 the 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 12. The Code Authority shall cooperate with the Administrator in regulating the use of any NRA insignia solely by those members of the Industry who have assented to, and are complying with, this Code.

#### ARTICLE VIII—TRADE PROVISIONS

SECTION 1. When the Code Authority determines that an emergency exists in this Industry and that the cause thereof is destructive price cutting such as to render ineffective or seriously endanger the maintenance of the provisions of this Code, the Code Authority may cause to be determined the lowest reasonable cost of the products of this Industry, such determination to be subject to such notice and hearing as the Administrator may require. The Administrator may approve, disapprove, or modify the determination. Thereafter, during the period of the emergency, it shall be an unfair trade practice for any member of the Industry to sell or offer to sell any products of the Industry for which the lowest reasonable cost has been determined at such prices or such terms or conditions of sale that the buyer will pay less therefor than the lowest reasonable cost of such products. When it appears that conditions have changed, the Code Authority upon its own initiative or upon the request of any interested party, shall cause the determination to be reviewed.



SECTION 2. The Code Authority shall require that for any product of the Industry and for any class of customer, it having been the general recognized practice to sell such product to such customer on the basis of printed matter, price lists and fixed terms of payment which are distributed to the trade, each manufacturer and distributor of such product shall within ten (10) days after notice from the Code Authority file with the Code Authority a net price list individually prepared by him showing his current prices and terms of payment and the Code Authority shall immediately and simultaneously send copies thereof to all known manufacturers and national distributors of such specified products. Revised price lists may be filed from time to time thereafter with the manager by any manufacturer and national distributor of such product to be shipped and to become effective upon the date specified therein, but such revised price lists shall be filed with the manager ten (10) days in advance of the effective date unless the Code Authority shall authorize a shorter period. Copies of revised price lists with notice of the effective date specified shall immediately and simultaneously be sent to all known manufacturers and national distributors of such product who therewith may file, if they so desire, comparable revisions of their price lists which shall become effective upon the date when the revised price list first filed shall go into effect. The respective price lists for each class of trade shall be available at all reasonable times to the bona fide members of each class of trade served by the Industry, provided, however, that consumers' prices shall be open to the public.<sup>2</sup>

SECTION 3. Each member shall send the Manager two (2) copies each of his price lists, discount schedules, and catalogs and as many additional copies as he may require for distribution to other members.

SECTION 4. (a) All containers used by the Members of the Industry for packing machine-applied staples shall be identified by the name of the manufacturer or the distributor who makes or sells the staples. The name of the manufacturer or distributor shall be imprinted or stamped on the container or on the label which shall be securely attached to the container. The name of the manufacturer or distributor shall appear on the container or label in clear, easily read type of a size not less than 12 point.

(b) Containers or labels may be imprinted for the customers of the manufacturer or distributors which may carry the name and/or trade mark of the customer and may, if the customer so desires, carry the name and/or the trade mark of the manufacturer making the staples or the distributor making the sale, but such labels may not carry the name of any other manufacturer or the name of any other manufacturer's product, or the name of any other distributor, or other distributor's product.

## ARTICLE IX—UNFAIR TRADE PRACTICES

*General Definition.*—For all purposes of the Code, the acts described in this Article shall constitute unfair practices. Any member of the Industry who shall directly, or indirectly through any officer, employee, agent or representative, knowingly use, employ, or permit

<sup>2</sup> See paragraph 2 of order approving this Code.



to be employed any of such unfair practices shall be guilty of a violation of the Code.

SECTION 1. No goods sold shall be invoiced at other than the true selling prices.

SECTION 2. No member of this Industry shall disseminate false or misleading information relative to competitors' products, selling prices, credit standing, ability to perform service, or labor conditions among competitors' employees.

SECTION 3. No member shall imitate or simulate any trade mark, trade name, numerals with or without letters, package, brand, or label of a competitor in such degree as to deceive or have the tendency to deceive customers.

SECTION 4. No member of this Industry shall circulate, not in good faith, but for the purpose of harassing and intimidating customers, threats of suits for the infringement of patents or trade marks among customers of a competitor.

SECTION 5. No member of this Industry shall induce or attempt to induce the breach or abandonment of any contract between another member of the Industry and his customer.

SECTION 6. No member of the Industry shall give, permit to be given, or directly 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. Commercial bribery provisions 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.

SECTION 7. No member of the Industry shall use advertising or selling methods or credit terms which have the capacity or tendency to mislead the customer or prospective customer.

SECTION 8. No member of the Industry shall use the name of any other member of the Industry or the name of any product made by any other member of the Industry on his containers or in his advertisements.

SECTION 9. No member shall violate directly or indirectly, the provisions of this Article by cooperating with, or using a distributor for the purpose of evasion.

## ARTICLE X—EXPORT SALES

SECTION 1. The provisions of this Code concerning sales shall not apply to export sales of any product, or to sales of any product destined ultimately for export. The term "export" shall include shipments to foreign countries and to the territories and possessions of the United States.

## ARTICLE XI—MONOPOLIES

SECTION 1. No provision in this Code shall be interpreted or applied in such a manner as to (a) permit monopolies or monopolistic practices, (b) permit or encourage unfair competition, (c) eliminate, discriminate against, or oppress small enterprises.



## ARTICLE XII—VIOLATIONS

Violation of any provisions of this Code or any false statement or report made to the Administrator, or the Code Authority after decision thereon by the Administrator, shall constitute an unfair method of competition and the offender shall be subject to the penalties provided by the Act.

## ARTICLE XIII—MODIFICATIONS

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 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 modifications to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on the approval of the President.

## ARTICLE XIV—SEGREGATION OF INDUSTRY

If any member of the Machine-Applied Staple and Stapling Machine Industry is also a member of any other Industry, the provisions of this Code shall apply to and affect only that part of his business to which this Code applies.

## ARTICLE XV—EFFECTIVE DATE

This Code shall be effective as the Code of Fair Competition for the Machine-Applied Staple and Stapling Machine Industry on the second Monday after its approval by the President.

Approved Code No. 327.

Registry No. 1399-41.







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