

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR-COMPETITION

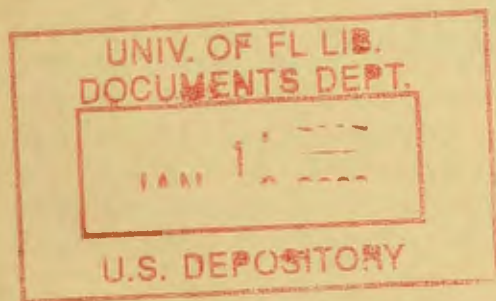
FOR THE

SPECIALTY ACCOUNTING


SUPPLY MANUFACTURING

INDUSTRY

AS APPROVED ON MAY 17, 1934



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1934



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Approved Code No. 432

CODE OF FAIR COMPETITION
FOR THE
SPECIALTY ACCOUNTING SUPPLY MANUFACTURING INDUSTRY

As Approved On May 17, 1934

ORDER

APPROVING CODE OF FAIR COMPETITION
FOR THE

SPECIALTY ACCOUNTING SUPPLY MANUFACTURING 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 Specialty Accounting Supply Manufacturing 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 VII, Section 1, insofar as they prescribe a waiting period between the filing with the designated agency 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 60 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.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

K. M. SIMPSON,
Division Administrator.

WASHINGTON, D.C.,
May 17, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: The proposed Code of Fair Competition for the Specialty Accounting Supply Manufacturing Industry was submitted on August 5, 1933, by the Specialty Accounting Supply Manufacturers Association, an unincorporated membership society, representing over 70 per cent of the known Members of the Industry by number, and 90 per cent by volume. This Association represents the consolidation of the Autographic Register Manufacturers Association, the Continuous Form Printers Association, and the Sales Book Manufacturers Association. The consolidation was a result of the recognition by the manufacturers involved, that many of the problems both manufacturing and marketing were similar and that such an action would serve to expedite the formulation and facilitate the ultimate administration of the provisions of the Code of Fair Competition. At the time of the consolidation each of the individual associations represented approximately 90 per cent of the volume of the known members of the Industry.

After the usual preliminary conferences a Public Hearing was conducted in Washington on January 5, 1934, to which all known Members of the Industry were invited. Every person who requested an appearance was properly heard in conjunction with statutory and regulatory requirements. The Code was revised during the recess of this hearing and was submitted in its present form for approval.

The products of the Industry are divided in three general classes: Autographic Registers, Continuous Form Stationery of different varieties and Sales Books, all of which are used principally in stores and offices in connection with the rendering of sales records, credit memoranda, billing, etc. In the many years of the Industry's existence, much time and energy has been spent in the development of the efficiency of these devices and system.

Statistics submitted by the Association and tabulated in the Division of Research and Planning indicate that sales of industry products by the 22 reporting member concerns in 1929 aggregated in dollar volume \$22,000,000. The figures for the same concerns show that sales had declined for the year 1933 to \$15,000,000, or a drop of roughly 32 per cent. Employment coincidentally declined from 3,500 factory and office workers from June 1929 to 2,810 in September 1933, or a drop of, roughly, 20 per cent.

This latter figure is not directly illustrative of the decrease in the number of employees because of the almost universal adoption of the President's Reemployment Agreement by the Members of the Industry. It is estimated that this action caused an increase of approximately 21 per cent in the number of wage earners over the low for the year 1933. The adoption of the labor provisions as con-

tained in the Code will not, therefore, serve to materially increase reemployment. It is estimated, however, that the increase in hourly rates paid to the workers affected will result in an average increase to male employees of 21.3 per cent and to female employees of 16 per cent.

Employment will further potentially be aided by the Fair Trade Practice provisions incorporated in this Code, which prevent certain unfair methods of competition now existing in the Industry and which, therefore, lay a foundation for the efficient execution of business.

Article I, Purposes, states the purpose of the Code.

Article II, Definitions, accurately defines specific terms applicable to the Specialty Accounting Supply Manufacturing Industry as used in this Code.

Article III, Hours of Labor, establishes a maximum hour limitation of 40 hours per week, but permits certain classes of workers, such as production employees, mechanical workers and artisans, in a period in which a concentrated demand places an unusual or temporary burden upon the Industry, to work 48 hours per week in not more than 6 weeks in 6 months provided that they receive a compensation equal to $1\frac{1}{2}$ times the normal wage rate paid to employees so employed.

This Article further establishes a maximum hourly limitation for office and salaried workers of 40 hours per week averaged over a period of 5 weeks.

Watchmen are permitted to work 56 hours in one week provided that they receive at least 1 day's rest in every 7 day period.

Employees engaged in executive, managerial or supervisory capacity, receiving not less than \$35 per week, and those engaged in emergency repairs and maintenance are not subject to hourly limitations provided that the latter receive compensation equal to $1\frac{1}{2}$ times the normal rate for all hours worked in excess of 40 per week and 8 per day.

Article IV, Wages, establishes a minimum wage for male employees of 40 cents per hour and for female employees of 35 cents per hour for all except clerical and office employees who shall receive not less than \$15 per week. This Article provides further that learners and office boys and girls shall not be paid less than 80 per cent of respective minimum wages, at the same time limiting the number of such employees to 5 per cent of their respective divisions. Provision is made for the employment of handicapped persons and for the adjustment of wages above the minimum.

Article V, General Labor Provisions, provides that no employer shall employ any person under 18 years of age except in clerical, office, sales, service, technical, and engineering departments; and in no event shall any employer employ any person under 16 years of age.

This Article also sets forth the mandatory provisions respecting the rights of employees to organize and bargain collectively, provides for matters for preventing the reclassification of employees to defeat the purpose of the Code, establishes standards for safety and health and provides for the observance of State laws and the posting of complete copies of labor provisions of the Code.

Article VI, Administration, establishes a Code Authority of 7 members to be selected by a fair method of election and provides for not more than 3 additional members without vote to be appointed by the Administrator for such terms as he may specify. This Article also sets forth the powers and duties of the Code Authority.

Article VII, Marketing and Trade Practice Rules, sets forth the trade practices for the Industry, including an open price association.

Article VIII, Export Trade, provides that no provision relating to terms of selling, shipping, or marketing shall apply to export trade or sales of shipments for export trade or transactions in the foreign commerce of the United States.

Article IX, Modification, makes all the provisions of the Code expressly subject to the right of the President to cancel or modify any order, approval, license, rule or regulation issued under Subsection (b) of Section 10 of the Act.

Article X, Monopolies, provides that no provision of the Code shall be so applied as to permit monopolies or monopolistic practices or to eliminate, oppress or discriminate against small enterprises.

Article XI, Price Increases, provides that the increase in selling prices shall be limited, in so far as possible, to actual increases in seller's costs.

Article XII, Effective Date, states that the Code shall become effective 10 days after the approval by the President.

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 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 association is an industrial association truly representative of the aforesaid Industry, 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 approval of said Code.

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

Respectfully,

HUGH S. JOHNSON,
Administrator.

MAY 17, 1934.

CODE OF FAIR COMPETITION FOR THE SPECIALTY ACCOUNTING SUPPLY MANUFACTURING INDUSTRY

ARTICLE I—PURPOSES

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 Specialty Accounting Supply Manufacturing Industry, and its provisions shall be the standards of fair competition for such Industry and binding upon every member thereof.

ARTICLE II—DEFINITIONS

Wherever used in this Code or in any supplement appertaining thereto, the terms enumerated in this Article shall have the meanings herein defined.

SECTION 1. The term "Act" means Title I of the National Industrial Recovery Act.

SECTION 2. The term "President" means the President of the United States of America.

SECTION 3. The term "Administrator" means the Administrator for Industrial Recovery.

SECTION 4. The term "Specialty Accounting Supply Manufacturing Industry" or "Industry" as used herein includes the manufacture and original sale, directly or indirectly, of industry products by a Member of the Industry or his agent which includes without limitation any person or corporation occupying a subsidiary or controlling relationship, or one of common, mutual or joint ownership or control to a Member of the Industry.

(a) The term "Industry Products" as used herein means the following products and devices:

1. Autographic and/or credit registers and/or supplies therefor which, for the purpose of this Code, are defined to mean such machines and/or devices and/or supplies therefor as are used in making handwritten records of various transactions.

2. Continuous Form Stationery which for the purpose of this Code is defined to mean multiple sets of "business forms" with or without carbons, attached and/or folded, for use in billing machines, typewriters, and other office equipment.

3. Sales Books, which for the purpose of this Code as used herein, are defined to mean bound books of sales checks or tickets for making original handwritten records of sales transactions.

SECTION 5. 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 6. The term "Employee" means and includes anyone 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 7. The term "Employer" means and includes anyone by whom any such employee is employed or compensated.

SECTION 8. The term "Learner" as used herein means an employee without previous experience engaged to become competent on one or more operations, but who shall not be so classified after ninety (90) days employment.

SECTION 9. The term "Association" as used herein shall mean the Specialty Accounting Supply Manufacturing Association, an unincorporated membership society with its principal office in the City of Chicago, State of Illinois.

SECTION 10. The term "Secretary" as used herein means the secretary of the Association.

SECTION 11. The term "Board of Directors" as used herein means the Board of Directors of the Association elected in accordance with the terms of the By-Laws of the above-mentioned association.

ARTICLE III—HOURS OF LABOR

SECTION 1. *Maximum Hours.*—On and after the effective date of this Code, no employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any twenty-four (24) hour period except as herein otherwise provided. A normal day shall not exceed eight (8) hours.

SECTION 2. *Hours for Clerical and Office Employees.*—No person employed in clerical or office work shall be permitted to work in excess of forty (40) hours, averaged over a five (5) week period. A normal day shall not exceed eight (8) hours.

SECTION 3. *Exceptions as to Hours.*—The limitation as to hours of labor as specified in Sections 1, 2 and 4 of this Article III shall not apply to the following:

(a) To employees engaged in emergency maintenance or emergency repair work, involving breakdown or protection of life or property; provided that in such special cases not less than one and one-half ($1\frac{1}{2}$) times the normal wage rate for any employees so employed shall be paid for all hours worked in excess of forty (40) hours in any one week or eight (8) hours in any one day.

(b) To persons engaged in a managerial, executive or supervisory capacity, who receive not less than thirty-five (\$35.00) dollars per week, and to outside salesmen.

(c) To watchmen who may be permitted to work fifty-six (56) hours in any one-week period, provided that such employees shall have at least one (1) day of rest in each seven (7) day period.

(d) To employees engaged in the preparation, care, and maintenance of machinery and production facilities, stock and shipping clerks, and truckmen engaged in outside delivery and pick-up service who may be permitted a tolerance of ten (10%) per cent additional hours over the maximum hours in any one week provided that not less than one and one-half ($1\frac{1}{2}$) times the normal rate shall be paid for all hours worked in excess of forty (40) hours per week, or eight (8) hours per day.

(e) To production employees, mechanical workers, or artisans who, during any period in which a concentrated demand upon any division of the Industry shall place an unusual or temporary burden for production work upon its facilities or to meet seasonal or peak requirements or production emergencies may be permitted to work not more than forty-eight (48) hours per week, in not more than six (6) weeks in six (6) months, provided, that not less than time and one-half the normal rate be paid to any employee so employed for hours worked in excess of forty (40) hours per week, or eight (8) hours per day.

SECTION 4. *Standard Week*.—No employee shall be permitted to work more than six (6) days in any seven-day period.

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

ARTICLE IV—WAGES

SECTION 1. *Minimum Wages*.—On and after the effective date of this Code, except as herein otherwise specified, no male employee shall be paid in any pay period less than forty (40¢) cents per hour, and no female employee less than thirty-five (35¢) cents per hour. The minimum rates herein provided shall be construed as hiring rates applying to unskilled labor. Other classes of labor shall be compensated at rates above such minimum. Wages in effect prior to the date of approval of this Code, above the minimum specified, shall in no case be reduced.

(a) Learners shall be paid not less than eighty (80%) per cent of the respective minimums set forth in this Section, provided that the number of learners so paid shall constitute not more than five (5%) per cent of the total number of employees of any one employer, but in any case each employer shall be entitled to at least two such employees.

SECTION 2. *Clerical and Office Employees*.—No accounting, clerical, sales, or service employee working on a weekly basis in any office shall be paid less than at the rate of 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%) per cent of such minimum; and provided further that the number of such boys and girls and messengers so paid shall constitute not more than five (5%) per cent of the total number of such employees of any office of any one employer, but in any case each employer shall be entitled to at least one such employee.

SECTION 3. *Piercework Compensation*.—Minimum Wages. This Article establishes a minimum rate of pay for any pay period which shall apply, irrespective of whether an employee is actually compensated on a time-rate, piecework, or other basis.

SECTION 4. *Female Employees*.—Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees. When female employees displace male employees they shall be paid the same wage rate as the male employees they have displaced. The Code Authority shall, within ninety (90) days after the effective date of this Code, file with the

Administrator a list of all occupations in the Industry in which both men and women are employed.

SECTION 5. Equitable adjustments in all pay schedules shall be made within thirty (30) days after the effective date of this Code by any employer who has not heretofore made such adjustments under the National Industrial Recovery Act. In no event, however, shall hourly rates be reduced. Within sixty (60) days after the effective date of this Code, each Member of the Industry shall make to the Code Authority a report of such adjustment whether made prior or subsequent to the date of approval of this Code.

SECTION 6. *Handicapped Persons.*—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 wages and for such hours as shall be stated in the Certificate. Each employer shall file monthly with the Code Authority a list of such persons employed by him, showing the wages paid to, and the maximum hours of work of such employees.

SECTION 7. *Payment of Wages.*—Each employer shall make payment of all wages in lawful currency or by negotiable check therefor, payable on demand. These wages shall be exempt from any payments other than those voluntarily ordered paid by the wage earner, or required by law. Wages shall be paid at no greater interval than one-half month, and salaries at no greater interval than one month. No employer shall withhold wages, except as otherwise provided by law.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. *Child Labor.*—On and after the effective date of this Code, no person under 18 years of age shall be employed in the Industry except in clerical, office, sales, service, technical and engineering departments, and no person under 16 years of age shall be employed in any capacity. In any state an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly signed by the Authority of such state empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. *Provisions of the Act.*—(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. *Reclassification of Employees.*—No employer shall re-classify employees or duties of occupations performed, or engage in any other subterfuge for the purpose of defeating the purposes or provisions of the Act or of this Code.

SECTION 4. *Standards for Safety and Health.*—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 for safety and health for this Industry shall be submitted by the Code Authority to the Administrator within six months after the approval of this Code.

SECTION 5. *State Laws.*—No provision in this Code shall supersede any State or Federal 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 6. *Posting.*—All employers shall keep posted complete copies of the Labor Provisions (Articles III, IV, and V) of this Code, and all Amendments thereto, in conspicuous places accessible to employees.

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

SECTION 1. *Organization and Constitution.*—A Code Authority to administer this Code is hereby constituted which shall consist of seven voting members. Six of such members shall be selected from the Board of Directors; the other voting member shall be elected by the members of the Industry not members of the Association. The election of all members to the Code Authority shall be by a fair and equitable method of election to be approved by the Administrator. In the event that the selection of the non-member of the Association is not made within thirty (30) days of the effective date of this Code, such member may be selected by the Administrator.

SECTION 2. In addition to the above membership there may be not more than three (3) additional members without vote and without expense to the Industry, to be appointed by the Administrator to serve for such terms as he may specify.

SECTION 3. Each trade or industrial association 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, by-laws, rules and 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 4. 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 5. (1) It being found necessary to support the Administration of this Code, in order to effectuate the policy of the Act and to maintain the standards of fair competition established hereunder, the Code Authority is authorized:

(a) To incur such reasonable obligations as are necessary and proper for the foregoing purposes and to meet such obligations out of funds which shall be held in trust for the purposes of the Code and raised as hereinafter provided:

(b) 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 all members of the Industry entitled to the benefits accruing from the maintenance of such standards, and the administration thereof:

(c) After such budget and basis of contribution have been approved by the Administrator, to determine and collect equitable contributions as above set forth, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(d) After such approval by the Administrator non-payment by a Member of the Industry, of his or its equitable share of the costs of code administration, shall constitute a code violation.

(2) Each Member of the Industry shall be liable for his or its equitable contribution to the expenses of the maintenance of the Code Authority as hereinabove provided. Only Members of the Industry complying with the Code and making such contribution shall be entitled to participate in the selection of the members of the Code Authority or to receive the benefits of its voluntary activities or to make use of any N.R.A. insignia.

SECTION 6. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any members 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 this Code, except for his own willful misfeasance or nonfeasance.

SECTION 7. *Powers and Duties.*—Subject to such rules and regulations as may be issued by the Administrator, the Code Authority shall have the following further powers and duties, the exercise of which shall be reported to the Administrator and shall be subject to his right, on review, to disapprove, after such hearing as he may prescribe, any action taken by the Code Authority. If the Administrator shall determine at any time that any action of the Code Authority or any agency thereof is 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.

(a) To make investigations as to the functioning and observance of any of the provisions of this Code at its own instance or upon the complaint of any person affected and to report the result thereof to the Administrator. To receive complaints of violations of this Code or disputes arising thereunder, make investigations thereof, provide hearings thereon, adjust such complaints and make such decisions as are necessary thereon and to bring to the attention of the Administrator for prosecution unadjusted complaints of violations.

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

(c) To adopt By-laws and Rules and Regulations for its procedure and for the administration and enforcement of the Code. The Code Authority shall promptly furnish to the Administrator true copies of the By-laws, Rules, and Regulations adopted pursuant to this paragraph.

(d) To obtain from Members of the Industry through a confidential agency (for the purposes of this paragraph the Secretary) such statistical information and reports as are required for the administration of the Code and to provide for submission by Members of the Industry of such statistical information and reports as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act, which information and reports shall be submitted by Members of the Industry to such Federal and/or State agencies as the Administrator may designate; provided, that nothing in this Code shall relieve any Member of the Industry of any existing obligations to furnish reports to any Government agency. No individual statistical reports shall be disclosed to any other Member of the Industry or any other party except to such Governmental agencies as may be directed by the Administrator.

(e) 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.

(f) 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 the Industry.

(g) To cooperate with the Administrator in regulating the use of any NRA insignia solely by those Members of the Industry who are complying with this Code and are making equitable contributions to the expenses of the Code Authority.

(h) To recommend to the Administrator further fair trade practice provisions to govern Members of the Industry in their relations with each other or with other industries, and concerning control of production through voluntary agreement and to recommend to the Administrator measures for industrial planning, including stabilization of employment.

(i) To formulate an accounting system and methods of cost finding and/or estimating capable of use by all Members of the Industry. After such system and methods have been formulated and approved by the Administrator full details concerning them shall be made available to all members. Thereafter all members shall determine and/or estimate costs in accordance with the principles of such methods.

(j) To prescribe from time to time the form and arrangement of a schedule to be used by Members of Industry for filing prices and terms or conditions of sale for industry products, and to determine the classification of industry products to be included therein; however, any Member of the Industry shall not be prevented from including in his price lists any industry products manufactured and sold by him. Neither the form and arrangement prescribed, nor the method of classification of industry products shall be used directly or indirectly to fix prices, indicate higher price levels, or forecast price trends.

ARTICLE VII—MARKETING AND TRADE PRACTICE RULES

SECTION 1. *Price Schedules.*—(a) Each Member of the Industry within thirty (30) days after the effective date of this Code shall file with the Code Authority as many copies as the Code Authority may require of schedules containing price lists and terms or conditions of sale at which such member is offering those industry products for sale, for which the Code Authority has required a schedule of prices and terms or conditions of sale to be submitted pursuant to paragraph (j), Section 7 of Article VI.

(b) The original schedules filed in accordance with the above paragraph (a) shall become effective on the date of filing thereof with the Code Authority.

(c) The Code Authority forthwith on such original filing shall notify all known Members of the Industry of the contents thereof.

(d) Any Member of the Industry desiring to change any price or prices and/or terms or conditions of sale shall notify the Code Authority of such intention by filing a revised schedule, which shall become effective ten (10) days thereafter. The revised schedule so filed with the Code Authority shall be immediately distributed among the known Members of the Industry who thereupon may file, if they so desire, revisions of their schedules to meet such revisions in the revised schedule first filed, and which shall become effective upon the date the revised schedule first filed becomes effective. In the event that any Member of Industry shall not receive sufficient notice of the filing by any other Member of Industry of revisions in such other Member of Industry's price or prices and/or terms or conditions of sale as will enable him to meet such revisions of such other member on the effective date thereof, then if such member shall file with the Code Authority such revisions of his price or prices and/or terms or conditions of sale as may be required to meet the revisions filed with such other member, within 48 hours after the receipt of notice thereof, the revision so filed by such member may become effective on the same date as the revisions of such other member, or if they be already effective may become effective immediately.

(e) Published or filed prices shall include terms of payment, length of bookings or contracts and f.o.b. point, or points, of origin and such other provisions as may be necessary to fully inform the trade of all conditions of sale.

(f) Original schedules and all revisions thereof shall be made available to the public.¹

SECTION 2. *Trade Practice Rules.*—The following trade practices are declared to constitute methods of unfair competition between Members of the Industry, and no Member of the Industry shall use or engage in any of them, directly or indirectly, through any officer, agent or employee. Engaging in any one of such trade practices or of any other practices which hereafter may be declared to be unfair methods of competition by the Code Authority, approved by the Administrator after such hearing or hearings as he may prescribe, shall be deemed a violation of this Code.

(a) Failing to file schedules or changes therein, as required by Section 1 of this Article.

(b) Selling or participating in any sale of any industry product by a Member of the Industry at any price other than that set forth in his then currently effective schedule or upon any terms or conditions contrary to those contained in such schedule.

(c) Permitting, directly or indirectly, the consummation of any sale made with the intent, or having the effect, of violating the provisions of the Act or the Trade Practices of this Code.

(d) Pricing and/or selling industry products by any Member of the Industry at a price below his or its cost as determined pursuant to paragraph (i), Section 7 of Article VI; provided, however, that a member may meet the price of a competitor whose price does not violate the Code; and provided further that a member may make such sales as necessary to dispose of distress merchandise and/or products not up to specification. Full information concerning such sales shall be reported to the Code Authority and to all Members of the Industry.

(e) Paying or allowing rebates, refunds, commissions, credits, or unearned 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.

(f) Prepaying freight charges with the intent or with the effect of granting discriminatory credit allowance.

(g) Predating or postdating any invoice or sales contract except to conform to a bona fide agreement entered into on the predate.

(h) Marking falsely any product of the Industry or intentionally misrepresenting analysis of content, size or weight; or the making of, causing, or permitting to be made, or publishing of any false, misleading, or deceptive statement by way of advertisement, invoice, or otherwise concerning the size, quality, quantity, character, nature, preparation, or origin of any industry product.

(i) Deviating from the published and previously established specification, for the purpose of influencing a customer or prospective customer.

¹ See paragraph 2 of order approving this Code.

(j) Defaming competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representation, or by false disparagement of the grade or quality of their goods.

(k) Using in written or oral form, unless authorized, trade-marks, trade names, or slogans used by a competitor.

(l) Inducing or attempting to induce the breach of an existing oral or written contract between a competitor and his customer or source of supply, or interfering with or obstructing the performance of such contractual duties or services.

(m) Aiding or abetting any person, firm, association or corporation, directly or indirectly, in any practice which would tend to defeat the provisions of the Act and of this Code.

(n) Repudiating contracts entered into in good faith when the purpose of such repudiation is to create for such member an unfair price advantage.

(o) Giving, permitting to be given, or directly offering 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 commercial bribery 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 VIII—EXPORT TRADE

No provision of this Code relating to prices, terms of selling, shipping, or marketing shall apply to export trade or sales or shipment for export trade, or transactions in the foreign commerce of the United States.

ARTICLE IX—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 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. Such of the provisions of this Code as are not required to be included therein by the Act may with the approval of the Administrator be amended as provided in Section 3 hereof in such manner as may be indicated by the needs of the public, by changes in circumstances, or by experience; all of the provisions of this Code, unless so modified or eliminated, shall remain in effect until June 16, 1935.

SECTION 3. An Amendment may be proposed by any interested party, either to the Code Authority or directly by or to the Administrator. All proposed Amendments shall be referred to the Code Authority, who shall give Members of the Industry an opportunity

to be heard thereon; and thereafter the Code Authority shall make such recommendations thereon as is deemed proper, provided, however, that when approved by the Administrator, as necessary to effectuate the policies of the Act, after such notice and hearing as he may prescribe, any proposed Amendment shall thereupon become effective as a part of the Code.

SECTION 4. The Code Authority may make recommendations for modifications of this Code to the Administrator which shall become effective as a part of this Code upon approval by the Administrator after such notice and hearing as he may prescribe.

ARTICLE X—MONOPOLIES

No provision of this Code shall be so applied as to promote monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual cost should be delayed, but when made such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Code shall be in effect beginning ten (10) days after its approval by the President.

Approved Code No. 432.
Registry No. 501-1-04.



UNIVERSITY OF FLORIDA



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