

NATIONAL RECOVERY ADMINISTRATION

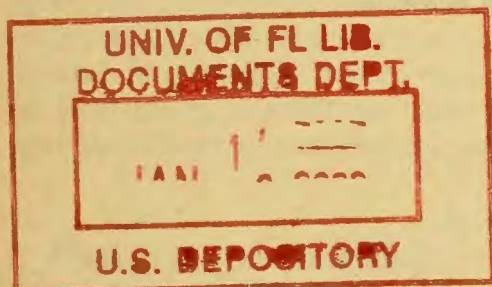
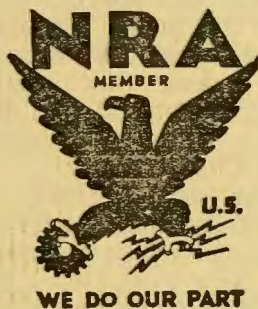
CODE APPENDIX

FOR THE


**FLY SWATTER
MANUFACTURING INDUSTRY**

(A Subdivision of the Fabricated Metal Products
Manufacturing and Metal Finishing
and Metal Coating Industry)

AS APPROVED ON SEPTEMBER 7, 1934



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APPENDIX

FOR THE

FLY SWATTER MANUFACTURING INDUSTRY

As Approved on September 7, 1934

ORDER

APPROVING APPENDIX FOR THE FLY SWATTER MANUFACTURING INDUSTRY

A SUBDIVISION OF THE FABRICATED METAL PRODUCTS MANUFACTURING AND METAL FINISHING AND METAL COATING 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, and in accordance with the provisions of Section 4 of Article IV of the Code of Fair Competition for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, approved November 2, 1933, as amended June 1, 1934, for approval of Appendix No. 1 establishing trade practice provisions for the Fly Swatter Manufacturing Subdivision of said Industry, and Notice of Opportunity to be Heard having been duly publicized, and no objections having been received thereon; and the annexed report on said Appendix No. 1 to 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 Appendix No. 1 to 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 Appendix No. 1 of said Code of Fair Competition be and it is hereby approved; provided, however, that the provisions of Section 8, insofar as they prohibit allowances for advertising, be and they hereby are stayed pending my further order.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D.C.,
September 7, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on Appendix No. 1 to the Code of Fair Competition for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, approved on November 2, 1933, and as amended on June 1, 1934.

GENERAL STATEMENT

The Fly Swatter Manufacturing Industry, being truly representative of this subdivision of the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, has elected to avail itself of the option of operating under the Code for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, as amended on June 1, 1934, with the assistance of additional fair trade practice provisions.

RÉSUMÉ OF THE APPENDIX

Section 1 accurately defines the term "Fly Swatter Manufacturing Subdivision".

Section 2 sets up a governing body consisting of members of the Subdivision.

Section 3 provides for methods of setting up and revising price terms, and provides against actions which cause influences inconsistent with the maintenance of a free and open market.

Section 4 provides against shipments on consignment, except under peculiar circumstances.

Section 5 provides against sales with the privilege of return.

Section 6 provides against sales of commodities other than products of this subdivision for the purpose of influencing a sale of a product of this subdivision at prices below the invoice price plus all incidental costs of such products.

Section 7 provides against the giving of prizes or gifts by any scheme which involves lottery, misrepresentation or fraud.

Section 8 provides against allowances for special sales, special swatters or for advertising.

Section 9 provides against the use of premiums which involve commercial bribery, lottery in any form, misrepresentation, fraud or deception in any form, and discrimination as between customers of the same class or same trade area.

Section 10 provides against the distribution of samples unless charged for at not below regular jobbing prices plus transportation charges.

Section 11 sets up rates of sales discounts for the products of the subdivision, and provides for post-dating of orders shipped during the first quarter of the year.

Section 12 provides against guarantees or protection against market decline.

Section 13 provides against the employment of a salesman or distributor who is employed by or associated with (on a salary or other compensation basis) trade buyers, buying groups or jobbers who deal in fly swatters.

Section 14 states the effective date of the Appendix.

FINDINGS

The Assistant Deputy Administrator in his final report to me on said Appendix No. 1 to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) Said Appendix No. 1 to 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 Appendix No. 1 to said 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 association truly representative of the aforesaid Industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Appendix No. 1 to said Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Appendix No. 1 to said 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 Appendix No. 1 of said Code.

For these reasons, therefore, I have approved this Appendix No. 1 of said Code.

Respectfully,

HUGH S. JOHNSON,
Administrator.

SEPTEMBER 7, 1934.

CODE APPENDIX FOR THE FLY SWATTER MANUFACTURING INDUSTRY

A SUBDIVISION OF THE FABRICATED METAL PRODUCTS MANUFACTURING AND METAL FINISHING AND METAL COATING INDUSTRY

Pursuant to Section 4 of Article IV, as amended on June 1, 1934, of this Code the following are established as additional trade practice provisions and any member of the Fly Swatter Subdivision who directly or indirectly through any officer, employer, agent or representative violates or evades any of these trade practice provisions shall be guilty of violation of this Code:

SECTION 1. The term "Fly Swatter Manufacturing Subdivision" is defined to mean and include the manufacture for sale of fly swatters.

SECTION 2. The members of this subdivision shall set up a governing body consisting of as many members as may be determined by and in a manner satisfactory to the Code Authority or the Administrator.

SECTION 3. (a) Each member of the subdivision shall file with a confidential and disinterested agent of the governing body or, if none, then with such an agent designated by the Code Authority subject to the disapproval of the Administrator, identified lists of all his prices, discounts, rebates, allowances, and all other terms or conditions of sale including premiums, hereinafter in this Article referred to as price terms which lists shall completely and accurately conform to and represent the individual pricing practices of said member. Such lists shall contain the price terms for all such standard products of the subdivision as are sold or offered for sale by said member and for such non-standard products of said member as shall be designated by the governing body. Said price terms shall in the first instance be filed within twenty days after the date of approval of this provision. Price terms and revised price terms shall become effective immediately upon receipt thereof by said agent. Immediately upon receipt thereof, said agent shall by telegraph or other equally prompt means notify said member of the time of such receipt. Such lists and revisions, together with the effective time thereof, shall upon receipt be immediately and simultaneously distributed to all members of the subdivision and to all of their customers who have applied therefor and have offered to defray the cost actually incurred by the governing body in the preparation and distribution thereof and be available for inspection by any of their customers at the office of such agent. Said lists or revisions or any part thereof shall not be made available to any person until released to all members of the subdivision and their customers, as aforesaid; provided, that prices filed in the first instance shall not be released until the expiration of the aforesaid

twenty-day period after the approval of this provision. The governing body shall maintain a permanent file of all price terms filed as herein provided, and shall not destroy any part of such records except upon written consent of the Administrator. Upon request the governing body shall furnish to the Administrator or any duly designated agent of the Administrator copies of any such lists or revisions of price terms.

(b) When any member of the subdivision has filed any revision, such member shall not file a higher price within forty-eight hours.

(c) No member of the subdivision shall sell or offer to sell any products of the subdivision for which price terms have been filed pursuant to the requirements of this provision, except in accordance with such price terms.

(d) No member of the subdivision shall enter into any agreement, understanding, combination or conspiracy to fix or maintain price terms, nor cause or attempt to cause any member of the subdivision to change his price terms by the use of intimidation, coercion, or any other influence inconsistent with the maintenance of the free and open market which it is the purpose of this provision to create.

SECTION 4. No member of the subdivision shall ship goods on consignment except under circumstances to be defined by the governing body and approved by the Administrator, where peculiar circumstances of the subdivision require the practice.

SECTION 5. No member of the subdivision shall sell or offer to sell any products of the subdivision with the privilege of return, nor accept the return of any products of the subdivision delivered on a bona fide order, provided, however, that the provisions of this section shall not apply to sales or deliveries of goods which are defective, or not in accord with the specifications of the order under which they were sold and delivered, or other conditions where the member of the subdivision is at fault.

SECTION 6. No member of the subdivision shall sell or offer to sell commodities other than products of this subdivision for the purpose of influencing a sale of a product of this subdivision at prices below the invoice price plus all incidental costs of such products. If and when the products of this subdivision are sold in combination with products of other industries, the invoice must clearly show the unit price for each article listed.

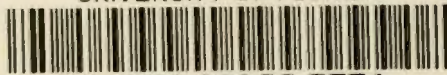
SECTION 7. No member of the subdivision shall offer or give prizes or gifts in connection with the sale or exchange of products of this subdivision or as an inducement thereto, by any scheme which involves lottery, misrepresentation or fraud.

SECTION 8. No member of the subdivision shall make allowances to customers in any form for special sales, or make allowances for special swatters, and special or extraordinary sales events, or make allowances for advertising.

SECTION 9. No member of the subdivision shall use premiums in the following ways:

(a) In any way which will involve commercial bribery in any form.

(b) In a way which involves lottery in any form. The term "lottery" shall be construed to include, but without limitation, any plan or arrangement whereby the premiums offered differ substan-



tially in value from customer to customer of the same class, except as a result of differences in quantities purchased.

(c) In ways which involve misrepresentation, or fraud or deception in any form including, but without limitation, the use of the words "free", "gift", "gratuity" or language of similar import in connection with giving of premiums for the purpose or with the effect of misleading or deceiving customers.

(d) The giving of premiums to any customer when such premiums are not offered to all customers of the same class, in the same trade area.

SECTION 10. No member of the subdivision shall distribute samples to jobbers for the use of their salesmen unless charged for at not below regular jobbing prices plus transportation charges.

SECTION 11. No member of the subdivision shall allow a discount for cash greater than 2% in ten days from date of shipment. Orders received for shipment during January, February and March may be given May 1 dating, provided customer permits shipment at the seller's convenience during the period from January 1 to April 1. A pre-payment discount on such shipments may be allowed at a rate not to exceed 6% per annum.

SECTION 12. No member of the subdivision shall make or give to any purchaser of fly swatters, any guarantee or protection against decline in the market of such products.

SECTION 13. No member of the subdivision shall employ as a salesman, broker, agent or distributor any person who is directly or indirectly employed by or associated with any trade buyer, or group of buyers, or so-called syndicate of wholesale grocers, or other jobbers (any of whom deal in fly swatters), on a salary or any other compensation basis.

SECTION. 14. This Appendix shall become effective ten (10) days after its approval by the Administrator.

Approved Code No. 84—Appendix No. 1.
Registry No. 1122-22.