

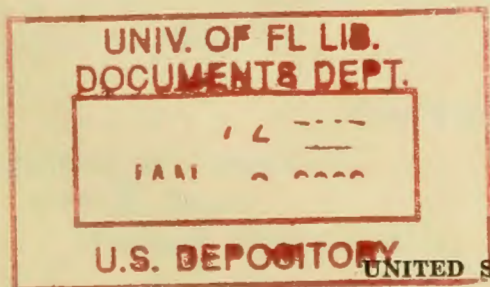
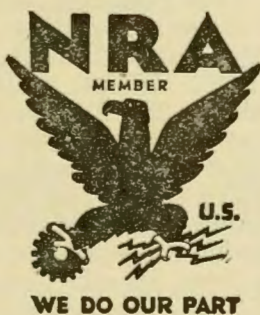
NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION


FOR THE

LUGGAGE AND FANCY
LEATHER GOODS INDUSTRY

AS APPROVED ON MARCH 10, 1934



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Approved Code No. 42—Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

LUGGAGE AND FANCY LEATHER GOODS
INDUSTRY

As Approved on March 10, 1934

ORDER

APPROVING AMENDMENTS OF CODE OF FAIR COMPETITION FOR THE
LUGGAGE AND FANCY LEATHER GOODS 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 amendments to a Code of Fair Competition for the Luggage and Fancy Leather Goods Industry, and hearings having been duly held thereon and the annexed report on said amendments, 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 amendments and the Code as constituted after being amended comply 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 amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

GEO. L. BERRY,
Division Administrator.

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

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Amendments to the Code of Fair Competition for the Luggage and Fancy Leather Goods Industry, and on the hearing conducted thereon in Washington, D.C., January 31, 1934, in accordance with the provisions of Title I of the National Industrial Recovery Act.

GENERAL STATEMENT

The Luggage and Fancy Leather Goods Industry, through the Executive Code Committee, its code authority, has availed itself of provisions in Article VIII of the Code of Fair Competition for the Luggage and Fancy Leather Goods Industry approved by you on the third day of October, 1933, which recites in part:

"It is contemplated that from time to time supplementary provisions to this code or additional codes will be submitted for the approval of the President to prevent unfair competition in prices and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act-consistent with the provisions hereof."

RÉSUMÉ OF MODIFICATIONS

1. A clarification of Article I, definitely outlining products of manufacturers coming under the provisions of the code.

2. Provision for the affixing of stamp or label bearing the NRA insignia, together with a registration number assigned to the manufacturer, on all merchandise manufactured by members of the brief case, hand luggage, sample case, sample trunk and trunk division of the industry; also the provisions that such insignia may be suspended or withdrawn from any member by the Executive Code Committee upon approval of the Administrator of such action when a substantial violation of any provision of the code is established. Provision is also made for the Executive Code Committee to establish appropriate machinery for the issuance of such registration number.

3. Provides more equitable discounts and datings in keeping with the established practices of the industry.

4. Provides for granting of legitimate trade discounts and the filing with the secretary of the code authority printed price lists and detailed schedules of the trade discounts by such manufacturers granting them.

5. Provides permission for manufacturers to extend more equitable trade terms to customers in the cotton states in order to comply with the harvest time in such states.

6. Provides for an anticipation discount at the rate of six percent (6%) per annum.

7. Limits the time when customers may return articles for credit or exchange.

8. Provides for the appointing of three (3) members of the Imitation and Leather Novelties Manufacturing group to the Executive Code Committee.

9. Provides for one (1) member of the Dog Furnishings and Leather Specialties Manufacturing group to be appointed to the Executive Code Committee.

10. Makes uniform the phraseology as to the code authority in the code.

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

I find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by including and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of the industries, by avoiding undue restrictions 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) The Code as amended 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.

(c) The Code empowers the Code Authority to present the aforesaid amendment on behalf of the industry as a whole.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are 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 amendments.

Respectfully,

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

MARCH 10, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE LUGGAGE AND FANCY LEATHER GOODS INDUSTRY

In accordance with the procedure specified in Article VIII, Section 8, of the Code of Fair Competition for the Luggage and Fancy Leather Goods Industry, the Executive Code Committee, being the Planning and Fair Practice Agency for the Industry, submits herewith the following amendments or modifications to the Code.

1. It is proposed that the first paragraph of Article I be amended to read as follows:

"Industry as used herein includes all persons engaged in the manufacture of

"(a) Brief cases, hand luggage, sample cases and sample trunks, and trunks;

"(b) Fancy and small leather goods and leather novelties, whether made of leather or imitation leather, including traveling toilet kits, bill folds, purses not permanently attached to hand bags, coin purses, kiddy bags and purses made of imitation leather retailing for 25 cents or less, card cases, vanity cases, cigar and cigarette cases, tobacco pouches, toy holsters, leather picture frames, souvenir novelties and such novelties to adorn the home or person, and leather and imitation leather handles, camera cases, straps for trunks, luggage, skates, cameras, and tires, name tags, pistol holsters, vacuum bottle cases, baby carriage straps and safety belts, gun cases, leather and imitation leather dog furnishings."

2. Add a new section known as Section 7 to Article V, reading as follows:

"All members of the brief case, hand luggage, sample case and sample trunk, and trunk division of the Industry shall stamp or label all merchandise manufactured and sold with an NRA insignia bearing a registration number assigned to such member by the Executive Code Committee, which number shall be that member's individual identification number, but the privilege of using such insignia may be suspended or withdrawn from any member by the Executive Code Committee, upon approval of the Administrator of such action, when a violation of any provision of the Code is established.

"The Executive Code Committee shall establish appropriate machinery for the issuance of such registration number in accordance with the foregoing provision."

3. It is proposed that Article VI, Section 12, paragraph (b) be amended to read as follows:

(b) "In the fancy and small leather goods division of the industry, terms to the chain and variety stores, wholesalers and mail order houses shall not exceed 2% ten days, with the privilege of giving E.O.M. (end of month) dating. To all other purchasers terms shall not exceed 3% ten days, with the privilege of giving E.O.M. (end of month) dating, and from said purchasers manufacturers

in the fancy and small leather goods division shall be permitted to accept one order to a customer, shipped after August 1st, dated December 1st, with maximum terms 3% ten days, E.O.M. (end of month), and also one order to a wholesaler, shipped after August 1st, dated December 1st, with maximum terms 2% ten days, E.O.M. (end of month)."

4. Add a new subsection (c) to Section 12, Article VI, as follows:

"In the fancy and small leather goods division of the Industry, the granting of a legitimate trade discount when such a discount is not in lieu of cash discount shall be permitted. A trade discount shall be considered legitimate only when it is a uniform trade discount given to legitimate wholesalers, or based on consumer price of product. Any manufacturer granting such trade discounts must file with the Secretary of the Code Authority his printed price list and detailed schedule of trade discounts, specifying to whom and under what conditions these trade discounts are available."

5. Add a new subsection (d) to Section 12, Article VI, as follows:

"Terms may be extended on one shipment per year to a customer, in the states of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Oklahoma and Texas, made during April, May, June or July, so that the account is due net October 1st."

6. It is proposed that the first paragraph of Section 12, Article VI, be amended to read as follows:

"The giving of any discount contrary to the following trade practices is unfair competition, except an anticipation discount at the rate of 6% per annum and except in contracts for the export trade."

7. Add a new section 14 in Article VI, reading as follows:

"It is unfair competition for a manufacturer to accept articles for credit or exchange, the manufacture of which is subject to the provisions of this Code, except when such returns are made within seven days after the receipt of shipment by the customer; provided that this section shall not apply to credit on account of defects of manufacture and/or materials, or delay in shipment."

8. Add a new subsection (f) to Section 1, Article VIII, reading as follows:

"Three members of the Board of Directors of the National Association of Imitation and Leather Novelties Manufacturers, Inc., to be appointed by the President of the National Association of Imitation and Leather Novelties Manufacturers, Inc."

9. Add a new subsection (g) to Section 1, Article VIII, reading as follows:

"One member of the Board of Directors of the Dog Furnishings and Leather Specialties Manufacturers Association to be appointed by the President of the Dog Furnishings and Leather Specialties Manufacturers Association."

10. It is proposed in Article VIII, Section 1, preceding the words "is set up" be amended to insert the words "is hereby constituted the code authority of this industry and".

Approved Code No. 42—Amendment No. 1.
Registry No. 907-1-01.

