

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION
FOR THE
RABBIT FUR DYEING
INDUSTRY

AS SUBMITTED ON AUGUST 24, 1933

REGISTRY No. 911—1—03

The Code for the Rabbit Fur Dyeing Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and none of the provisions contained therein are
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry



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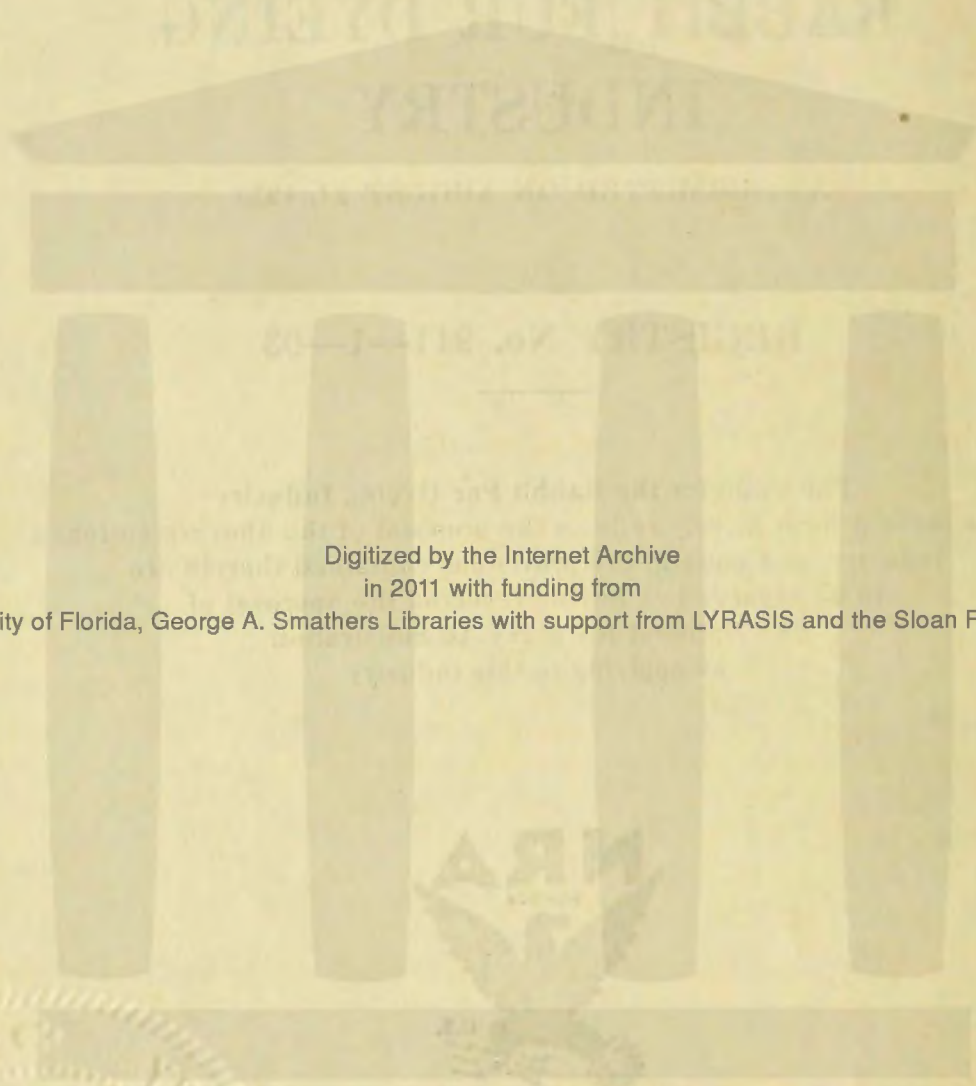
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RABBIT FUR DYEING INDUSTRY

CODE INDEX #911/1/03

To: Maj. Gen. C. C. Williams, National Recovery Administration,
Washington, D.C.

BRIEF OF NATIONAL ASSOCIATION OF RABBIT FUR DYERS, ETC.

INTRODUCTION

The rabbit fur dyeing industry is made up of a number of concerns engaged as service organizations in the bleaching and/or dyeing of rabbit skins (pelts), the work being performed for others on a contract basis. Although the volume of business is substantial, and the number of persons employed in the industry sizeable, the services are performed by a small number of organizations located in the vicinity of New York City and the State of New Jersey.

The dyeing services rendered in connection with *rabbit* skins by reason of the actual cheapness of the rabbit skin as compared with all other furs, creates operating problems distinct and wholly different from those existing in the industry engaged in dyeing higher priced or so-called, "fancy" furs. The requirements of this industry, its labor and production problems as well as the general nature and conduct of its operations are to a great extent foreign to those of the "fancy" dyeing industry. We claim that we are an industry separate and apart from the general fur dyeing industry, particularly insofar as our labor and production problems are concerned, and that we are entitled to a separate code. The industrial reasons for this contention are set forth more fully hereinbelow.

THE ASSOCIATION—ITS ORIGIN AND PURPOSES

The association was recently organized for the sole purpose of aiding the Government in carrying out the provisions of the act. The entire rabbit dyeing industry is made up of a group of eleven concerns, ten of which specialize as service organizations in the dyeing of skins for others on a contract basis, and one concern being engaged in dyeing for its own account exclusively. This concern is engaged in fur dealing, fur dressing and likewise as a fur dyer. Of the ten concerns who are exclusive service organizations, one concern, namely, the Great Norther Fur Dyeing & Dressing Co., Inc., has approximately 20% to 25% of the total rabbit dyeing business. The balance of 75% to 80% is divided among the remaining concerns. This percentage varies, depending upon the color of the skin which is in vogue. Frequently, with the change in styles, the percentage of this one concern is considerably decreased.

The industry in the past few years, similar to many others, has suffered not only from general business conditions, but from man-made practices which have stifled fair competition in the industry and brought about chaotic conditions. By this we mean that by reason of cut-throat tactics, price slashing below cost of production, secret rebates not passed on to the consumer, but granted for the purpose of ruining fair competition, and other similar practices, those engaged in the industry have found it difficult to operate in such a manner so as to permit the payment to labor of a reasonable and fair rate of wage, and still permit some return on capital investment.

It is our hope that under the guidance and with the support of the Administration coupled with the powers granted to it by the Act, we may be able to rehabilitate the industry, and not only give more employment, but give better employment in the sense of wages and hours, and generally aid in national recovery.

With this purpose in mind, all of the eleven organizations engaged in the bleaching and/or dyeing of rabbit skins were gathered together in order to form a representative association, and formulate a code. Each of the eleven concerns were represented. A code was drafted and submitted for their consideration. It was suggested, that in order to effectively carry out the provisions of the code and in order to assist the Administration in its desire that all industries be self-governing in this great enterprise, that an association be organized which would be the medium through which this industry could deal with the government and whose purpose it would be to aid in the enforcement of the code and suggest practical and necessary changes of benefit to the industry. This association was thereupon organized. Of the eleven concerns present, the one concern engaged in dyeing for itself has been temporarily excluded from consideration as a member, for the reason that this concern is undecided as to whether it should become a member of this association made up of service organizations, or whether it should become a member of a manufacturers' association. Of the remaining ten service organizations, nine became members of this association. Their names and addresses are as follows:

Iceland Fur Dyeing Co., Inc., 11 Hope Street, Brooklyn, N.Y.

Grand Fur Dyeing Co., Inc., 1013 Grand Street, Brooklyn, N.Y.

Philip A. Singer & Bro., Inc., 169 Malvern Street, Newark, N.J.

Mendoza Fur Dyeing Works, Inc., 158 West 29th St., New York City.

Diamond Fur Dyeing Co., Inc., 257 West 27th St., New York City.

Hudson Fur Dyeing, Inc., 29 Congress Street, Newark, N.J.

Oakland Fur Dyeing Co., Inc., 3278 Greene Street, Brooklyn, N.Y.

NuWest Fur Dyeing Co., Inc., 555 Park Avenue, Brooklyn, N.Y.

Van-Dye-Way Corporation, 148 West 28th Street, New York City.

The Great Northern Fur Dyeing & Dressing Co., Inc., did not become a member of the Association. Their representative stated that this concern did not care to subscribe to our proposed code for the reason, that in our code we set up a Board of Trustees and made other provisions intended to aid in the enforcement of the code and intended to assure its proper observance by all concerns, which form of supervision they did not approve of.

The estimated total number of persons employed in the rabbit dyeing industry amount to approximately 1,800 to 2,000. Of this

number, approximately 400 are estimated to be employed by the Great Northern Fur Dyeing & Dressing Co., Inc. The remaining number of approximately 1,500 or 1,600 employees are employed by concerns who are members of this association.

The proposed code which has heretofore been filed with the Administration in behalf of this association has been approved entirely by eight out of the nine members of the association. The nonassenting member, Van-Dye-Way Corporation, has approved of all of the terms of the code, with the exception of the rate of wages. It has stated that it desired to submit a separate schedule of wages to apply solely to its concern for other reasons.

It is our belief, that because of the conditions existing in this industry, that our association is a necessary element in order to properly assure the observance of the code. We feel that this association, made up of small and large concerns representing the industry, will serve many purposes in aiding the Government in the enforcement of the code. All service organizations engaged in the rabbit fur dyeing industry, with the exception of the Great Northern Fur Dyeing & Dressing Co., Inc., have indicated their willingness to file regular reports of labor employed and rate of wage paid with the association, and to keep the association informed with respect to such other matters as may be required from time to time in connection with the enforcement of the code. The Great Northern Fur Dyeing & Dressing Co., Inc., has indicated that it is not agreeable to filing reports with the association of labor employed, hours and rate of wage paid. In keeping with the expressions of the administration towards self-policing and self-government in industry, we submit that the best interests of the industry of labor employed therein and of the Government can be accomplished through our trade association made up of members of the industry who are familiar with the current existing conditions, and who will be quick to recognize any attempted violation of any provisions of the code.

THE INDUSTRY

(A) FURS DRESSED

There is no available accurate statistical record which applies particularly to the rabbit fur dyeing industry. The only records which have been obtained through the Department of Commerce consist of an analysis of establishments "engaged primarily in scraping, currying, bleaching, and dyeing pelts and in dressing hair." This analysis would seem to include not only *rabbit* fur dyers, but also all other fur dyers (fancy furs) as well as concerns engaged in the *dressing* of rabbit furs and of fancy furs.

The summary for the years 1927, 1929, and 1931 above referred to indicates the following:

Year	Wage earners (average for year)	Wages
1927.....	5,540	\$10,360,987
1929.....	5,167	8,596,377
1931.....	5,160	7,968,006

It should be noted that in the entire fur dressing and dyeing industry from 1927 to 1929 the decrease in wage earners was slightly over 6½%, and the decrease in wages over 17%. From 1929 to 1931, there is practically no decrease in wage earners, and yet, there is a further decrease in wages of almost 8% over the same period.

(B) RABBIT INDUSTRY

We are able to furnish only estimated figures with respect to the rabbit fur dyeing industry, in view of the fact that no statistical reports are now available or have heretofore been furnished by concerns engaged in this industry. With the authority of the Act, after the approval of the code for the industry, we will be in a position to demand and procure accurate statistical reports from all concerns for the present time and for years past. The following estimated figures are submitted:

Persons employed (wage earners)	Year	Skins processed	Annual production in dollars	By non-association members	By association members
1,800 to 2,000.....	1933	18,000,000 to 20,000,000.....	\$2,000,000	Percent 20-25	Percent 75-80
About 2,500.....	1929	20,000,000 to 23,000,000.....	2,500,000	-----	-----

Wage earners employed in 1933 (estimated): *Association*, about 1,600; *nonassociation*, about 400.

(C) CHANGES IN INDUSTRY (SELLING PRICES)

That since 1929, although the reduction in production cost has been between 10% to 15%, the selling cost of the articles processed in this industry have been reduced in some instances as much as 50%. Sealine skins which were processed in 1929 at a service charge of from 14¢ to 16¢ are now processed at a service charge of 8¢ to 10¢. Bleached and dyed rabbits which were processed in 1929 at a service charge of from 25¢ to 30¢ are now processed at a service charge of 14¢ to 16¢. Dyed whites which were processed in 1929 at a service charge of from 20¢ to 22¢ are now processed at a service charge of 9¢ to 12¢. French beavers which were processed in 1929 at a service charge of from 22¢ to 25¢ are now processed at a service charge of 12¢ to 15¢.

That from 1929 to the present time, there has been a reduction in the volume of skins processed in the industry of approximately 25%, with the resulting reduction in pay rolls and labor employed.

The selling price of the skins processed has been forced downward in most cases by ruthless, unfair, and cut-throat competition in the industry. It is natural to assume, that in order to carry out a campaign of such competition, the employer must place some of the expense of his campaign on the shoulders of his wage earners, who, in the last analysis, suffer in the rate of wage paid to them. Eventually, this condition has effected other concerns who were obliged to meet the unfair competitive tactics, and who, in turn, had to seek the reduction in their overhead, with the resultant loss to labor in reduction of wages.

This condition has likewise held back capital investment, which would ordinarily be required in additional productive machinery and maintenance, and which in turn would have resulted in greater employment.

It is our sincere belief, that with the elimination of some of the practices now existing in the industry, and the removal of competitive prices based upon the labor costs of producers and the supervision of all concerns afforded by the Act, there will be considerable increase in business, and certainly a considerable increase in the number of persons employed as well as in the rate of wage paid to them.

LABOR BENEFITS OF CODE

1. Rate of Wage:

The minimum rate of wage proposed in our code will result in an increase of approximately 35% of the present minimum rate. At the present time, male help is being employed in the industry at a minimum rate as low as 32¢ an hour, the greater average being about 40¢ per hour. The rate fixed in the proposed code of 50¢ per hour is a decided improvement.

At the present time, female help is being employed at a minimum rate as low as 20¢ an hour, the greater average being about 28¢ per hour. The increase to 35¢ per hour is a decided improvement.

2. Maximum Hours:

The maximum number of hours provided for in the code is likewise of considerable benefit to labor. In seasonal times it has been customary in this industry to employ wage earners, particularly male help, for time and overtime, amounting in some cases as high as 13 or 14 hours a day. At the present time, the average number of hours of male help is between 44 and 48 hours a week not including overtime. The reduction of hours specified in the code to a 40-hour week non-seasonal, and 46-hour week seasonal, plus the limitation of overtime to a total of only 120 hours during the entire year, will necessitate the employment of a considerable number of additional male help. We estimate that the limitation on the maximum hours fixed in the code will result in an increase in employment during peak periods of approximately 20%, and an increase during nonseasonal periods of slightly less than this percentage.

Applying the maximum-hour provision of the code as effecting females, we estimate that the provisions of the code will require an increase of at least 10% in the employment of female help.

SEASONAL AND OVERTIME EMPLOYMENT

In this industry, seasonal employment is a necessary evil. The particular requirements of the industry are such, that concerns engaged in the marketing of our products, namely, our customers, are unable to determine even a month ahead the kind of colors or styles which will be desirable. Accordingly, no merchandise is sent to the dyers for processing for long periods in advance. In fact, it is customary for merchandise to be sent to the dyers by our customers practically at the last moment when they have orders for the resale of the skins. It, therefore, follows that in seasonal times, the dyers will have a rush of work which must be processed and delivered within

a week or two. This necessitates double shifts and overtime on the part of the employees. We have reduced the number of overtime hours considerably by the maximum provisions of the Code. We believe, that to reduce it any further, would create a great hardship.

In the processing of rabbit skins, the dyeing process itself requires a period of from three to four days. Immediately after the dyeing, there is an additional process which requires about two or three days, and which consists of the drying and a careful cleaning of the skin. Once the dyeing process on the skin is commenced, it is essential that the full process of dyeing, drying, and cleaning be completed, without any interruption. In fact, a delay of a few hours in commencing the drying and cleaning process, after the dyeing operation, is very often injurious to the skin, and will render it unmarketable. For this reason during seasonal periods particularly overtime work is absolutely necessary in order that the process, once commenced, may be completed. Accordingly, it is submitted, that limitation of overtime to 120 hours, spread over the period of a year, is necessary for the industry in addition to the maximum hours provided for seasonal periods. This overtime is actually in the sense of emergency time, without which the industry would suffer great injury.

DISTINCTIONS BETWEEN RABBIT DYEING INDUSTRY AND FANCY DYEING INDUSTRY

The rabbit industry is now recognized as an industry dealing with the type of fur skin which for practical purposes has become a necessity with the middle class of purchasing public, which are in the majority. The rabbit skin, by various processes and treatments, is made serviceable, economical, and of a price where it can compete successfully with the average-priced cloth coat, still giving the wearer the added service and benefit of warmth, durability, and style.

The distinguishing features of the dyed rabbit skin is that the cost of the process applied to the dressed skin is very great in proportion to the value of the skin itself. The service charge on the rabbit skin is a substantial item of the cost as will be seen from the figures hereinbelow set forth. On the other hand, with respect to all other fur skins which are dyed, the service charge is usually a very minor part of the cost of the article. For example, the value of the average rabbit skin which comes to the dyer in a dressed state is in the neighborhood of 20¢ to 25¢ (this includes a dressing charge of approximately 7¢ per skin). The service charge in connection with the dyeing of the skin is now in the neighborhood of 8¢ to 18¢, dependent upon the finished product desired.

It therefore appears that the dyeing service charge in some cases is as high as 70% of the cost of the dressed skin. It is evident that service charge for dyeing of rabbit skins is almost as great as the initial cost of the raw skin itself.

Comparing the service charge on rabbits with the service charge for dyeing of other skins, we submit, the following: So-called "fancy" fur skins which are dyed, run in values from as low as \$1.00 per skin to as high as \$175.00 per skin. The labor cost in dyeing these skins is really an insignificant item in taking the entire cost. In most cases the cost of dyeing the skins is in the neighborhood of 5% to 10% of the total cost of the article, for example, wolf skins which cost in the

neighborhood of \$8.00 to \$10.00 a skin involve a dyeing charge of \$1.00 or less; white foxes which are worth from \$35.00 to \$40.00 a skin require a service charge of about \$2.00; squirrels which are worth from 50¢ to 60¢ a skin require a service charge of about 10¢; weasels which are worth from \$2.00 to \$3.00 a skin require a service charge of about 15¢.

Because of the difference in the service charge in the dyeing services rendered by our industry and the fancy fur dyers, the two industries have at all times been considered distinct and separate, particularly in their labor problems. The fancy fur dyers always paid a higher rate of wage than that customarily paid by us, for two reasons. The first is the fact that in the fancy-dyeing industry, the labor required is of a more skilled nature; more hand work is required; the article is a more expensive skin, requiring careful handling and treatment. The rabbit skin requires less skilled labor due to the fact that more machinery is employed, and the skin is so much cheaper. The second reason for the differential in wages is, that where a higher price skin is involved, a difference of a few cents an hour in the labor charge can easily be absorbed in the price of the article.

Furthermore, this industry must compete with the importation of dressed and dyed rabbit skins from France, Germany, and Belgium. At the present time, it can fairly compete with the foreign markets for the reason that the service charge for dyeing and dressing in this country, plus the cost of the skin, is about the same or slightly less than the cost of importing the rabbit skin inclusive of the duty. An increase in the labor cost, in excess of the amount suggested in the proposed code filed by us, would give to the import market an unfair advantage over the domestic product by reason of the higher cost of the domestic article. Such an increase would benefit the foreign markets to the exclusion and detriment of the domestic industry. All benefits to labor contemplated by the code would be lost in such event, due to the reduction or decrease in production which would necessarily follow, unless the tariff duties on the imported skins would be proportionately increased.

The rabbit skin cannot absorb any greater increase in labor cost than that provided for in our proposed code. This conclusion has been arrived at after careful consideration and discussion, which was engaged in by representatives of all concerns involved in this industry. Any greater increase would be prohibitive, and would only result in decreased consumption which would result in decreased employment.

In addition to the labor difference above set forth, the rabbit-dyeing industry requires a greater overhead for plant, machinery, and dyestuffs. In treating the rabbit skins, machinery is required for processes which are unnecessary to the fancy fur dyeing industry. For instance, some of the processes used which are foreign to the other industry are sheering, unhairing, and brushing, in addition to the usual dyeing and cleaning processes which are used by both industries. Special machinery and equipment is required in the rabbit industry, in order that the skin may receive the various treatments referred to. The rabbit dyers, because of the necessity of additional machinery, have an increased overhead usually requiring three times as much space for the same volume of gross business as that of the fancy dyers. There is likewise the consideration of additional power, electric current, mechanical labor, repairs, machine maintenance, and capital

investment which are not involved in the operation of the fancy dyers' business.

For all of these reasons, this industry has always been recognized as unique and distinct from that of the fancy dyers. The products of this industry are handled by different dealers, and these products have different markets.

We therefore submit that the proposed code heretofore filed by us on behalf of the rabbit fur-dyeing industry be considered and adopted separate and apart from any other fur-dyeing code.

In conclusion may we state that in submitting the proposed code for the rabbit-dyeing industry, we have endeavored to include provisions which will be of mutual benefit to those employed in the industry, as well as to the individual concerns engaged therein. It is our earnest desire to lend our aid and cooperation in the national attempt to rehabilitate all industries, and to encourage reemployment. We pledge our support to the President and to the Administration in the enforcement of the Act.

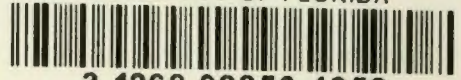
Dated New York, August 15, 1933.

Respectfully submitted.

NATIONAL ASSOCIATION OF RABBIT FUR DYERS, INC.,
By MEYER GELLEN, *Secretary*.



UNIVERSITY OF FLORIDA



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