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Approved Code No. 504

Registry No. 601—01

**NATIONAL RECOVERY ADMINISTRATION**

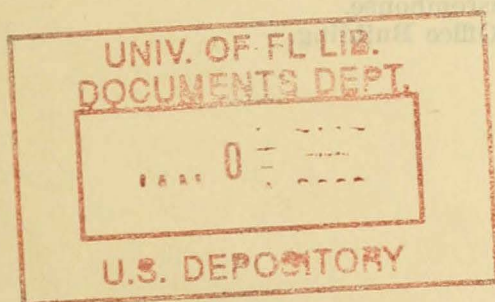
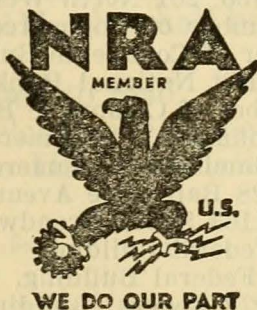
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**CODE OF FAIR COMPETITION**

**FOR THE**

**ANIMAL GLUE INDUSTRY**

**AS APPROVED ON AUGUST 23, 1934**



**UNITED STATES**  
**GOVERNMENT PRINTING OFFICE**  
**WASHINGTON: 1934**

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Approved Code No. 504

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**ERRATA SHEET**  
**CODE OF FAIR COMPETITION**  
**FOR THE**  
**ANIMAL GLUE INDUSTRY**

**As Approved on August 23, 1934**

Article IV, Section 2 (b) in the code as printed reads as follows:  
“ Employees of the classes mentioned in Subsection (e) and (f)  
of Section 1 of Article III who shall be paid not less than at the rate  
of.”

This should be changed to read:

“ Employees of the classes mentioned in Subsections (e) and (f)  
of Section 2 of Article III who shall be paid not less than at the  
rate of.”

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Approved Code No. 504

## CODE OF FAIR COMPETITION

FOR THE

## ANIMAL GLUE INDUSTRY

As Approved on August 23, 1934

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### ORDER

#### APPROVING CODE OF FAIR COMPETITION FOR THE ANIMAL GLUE 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 Animal Glue Industry, and hearing 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 III, Sections 1, 2 (e), (f) and (g) shall remain in force and effect for a period of sixty days beginning with the effective date of this Code and at the termination of said period shall be superseded respectively by the following provisions, unless on or before the termination of such sixty day period, the Code Authority shall amend, or modify the present Sections 1, 2 (e), (f) and (g), or justify the continuation of the same, whereupon, said provisions in their present form or as amended or modified shall become effective upon my approval:

1. No employee shall be permitted to work in excess of forty (40) hours per week or eight (8) hours in any one day, except that employees may be permitted to work forty-eight (48) hours in any calendar week, provided that not less than one and one-third times the normal wage rate shall be paid to employees for all hours worked



in excess of forty (40) in any one calendar week or eight (8) in any one day.

2 (e). Accounting, clerical, office, store, shipping service or inside sales employees, who shall not, however, be permitted to work in excess of forty (40) hours per week, except that in any one week's period in any one month not in excess of forty-eight (48) hours in any calendar week nor in excess of eight (8) hours in any one day to permit billings to be made and inventories to be taken.

2 (f). Employees on automotive or horse-drawn passenger, express, delivery, or freight service, who shall not, however, be permitted to work in excess of forty-five (45) hours per week, nor in excess of nine (9) hours in any one day, except upon receiving compensation of time and one-third for all hours worked in excess of those prescribed.

2 (g). Engineers, and firemen, who shall not, however, be permitted to work in excess of forty-five (45) hours in any one calendar week, nor in excess of nine (9) hours in any one day, unless compensated by payment of time and one-third for all hours worked in excess of those prescribed.

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

Approval recommended.

GEO. L. BERRY,  
*Division Administrator.*

WASHINGTON, D.C.,  
*August 23, 1934.*



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: A Public Hearing on the Code of Fair Competition for the Animal Glue Industry, submitted by the National Association of Glue Manufacturers, Inc., was conducted in Washington on the 4th of April, 1934, in accordance with the provisions of the National Industrial Recovery Act. This Association claims to represent ninety-nine (99%) per cent of the Industry by volume of business.

### THE INDUSTRY

The Animal Glue Industry includes the manufacture of glues made from materials of animal origin other than casein. The Industry is divided into the Hide Glue and Bone Glue Divisions, each using a different manufacturing process and competing in marketing problems in few instances. There are about twenty-five concerns in the Industry. Some of the concerns are independent, some are connected with the meat packing or the leather industries. It is estimated that approximately three thousand persons, including sales and office employees, were engaged in the Animal Glue Industry during its busy season of 1929. Annual sales were estimated as about \$20,000,000 in 1928. Sales decreased sharply between 1928 and 1932, but began to improve during early 1933 and increased in the second half of 1933 to nearly 80% of the 1929 dollar volume.

### PROVISIONS OF THE CODE AS TO WAGES AND HOURS

The Code specifies, with certain exceptions, that no employee shall be permitted to work in excess of an average of forty hours per week in any six months' period, nor in excess of forty-eight hours in any one calendar week. Provision is made for payment of time and one-third for all hours worked in excess of eight in any one day or in excess of forty in any one calendar week.

There are excepted from the basic work week employees who receive thirty-five dollars or more per week and who are employed in a technical or professional capacity but not including skilled operating personnel; employees in a managerial, supervisory or executive capacity; supervisors or highly skilled workers in continuous processes where restriction of hours would unavoidably reduce production; outside salesmen. Employees engaged in emergency maintenance and emergency repair work shall receive payment of time and one-third for all hours worked in excess of forty in any one week or eight hours in any day. Watchmen have a maximum work week of fifty-six hours, however, they are not permitted to work more than six days in any seven day period.



Accounting, clerical, office, store, shipping service or inside sales employees are not permitted to work in excess of an average of forty hours per week in any three months' period nor in excess of eight hours per day nor forty-eight hours in any one calendar week. Employees on automotive or horse drawn passenger service shall not be permitted to work in excess of an average of forty-six hours per week in any three months' period, nor in excess of nine hours in any one day nor forty-eight hours in any calendar week.

The Code provides for a minimum wage of forty (40¢) cents per hour; except employees engaged in light or nonhazardous work, such as wrapping, packaging and labeling who shall not be paid less than at the rate of thirty-five (35¢) cents per hour; employees on accounting, clerical, office, store, shipping service or inside employees and employees on automotive or horse-drawn passenger express, delivery or freight service who shall not be paid less than fifteen (\$15.00) dollars per week in any city of over 500,000 population or in the immediate trade area thereof or fourteen (\$14.00) dollars per week in any other part of the United States; messengers, junior clerks and others doing a junior grade of office or clerical work, who shall not exceed five (5%) per cent of total number of employees, who shall receive not less than twelve (\$12.00) dollars per week.

The Code provides that a minimum rate of pay shall apply irrespective of whether an employee is actually compensated on a time rate, piece work or other basis.

The Code further provides that no person under sixteen (16) years of age shall be employed in the Industry, and that no person under eighteen (18) years of age shall be employed in a hazardous occupation.

#### ECONOMIC EFFECTS OF THE CODE

It has been reported that in 1929 the Industry employed 3000 persons, and had annual sales of about \$20,000,000 in 1928. In 1933 the Industry reported but 1500 employees, however, in April 1934 it is estimated that 3000 persons were employed and in the last half of 1933 the sales volume was 80% of that in 1929.

The minimum wage of forty cents per hour is about equal to that of 1929 and considerably above that paid in the Industry before the adoption of the President's Reemployment Agreement.

The Code provisions will reduce the average hours per week by twenty-eight per cent from the 1929 peak.

Since most of the firms are now operating under the Code provisions only a relatively small further increase in employment can be expected, but it is estimated that an increase in payrolls will amount to about ten per cent above the figure for April 1934.

#### FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all of 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 inter-state 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, this Code of Fair Competition for the Animal Glue Industry has been approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

AUGUST 23, 1934.



# CODE OF FAIR COMPETITION FOR THE ANIMAL GLUE INDUSTRY

## ARTICLE I—PURPOSES.

To effect the policies of Title I of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Animal Glue Industry, and shall be the standard of fair competition for such Industry and shall be binding upon every member thereof.

## ARTICLE II—DEFINITIONS

SECTION 1. The term "Animal Glue Industry" as used herein means and includes the manufacture and sale by the manufacturer of glue made from materials of animal origin. There shall be excepted herefrom casein.

SECTION 2. The term "Member of the Industry" includes 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, either directly or indirectly or through a subsidiary or subsidiaries.

SECTION 3. The term "Hide Glue Division" as used herein, means that division of the Industry engaged in the manufacture of glue made from tissues and skins of animal origin, not including, however, glue made from bones.

SECTION 4. The term "Bone Glue Division" as used herein, means that Division of the Industry engaged in the manufacture of glue made from bones.

SECTION 5. The term "Member of the Hide Glue Division" includes any member of the Industry engaged in the Hide Glue Division as hereinabove defined.

SECTION 6. The term "Member of the Bone Glue Division" includes any member of the Industry engaged in the Bone Glue Division as hereinabove defined.

SECTION 7. The term "employer" as used herein includes anyone by whom such employee is compensated or employed.

SECTION 8. The term "employee" as used herein includes any and all persons engaged in the Industry, however compensated, except a member of the Industry.

SECTION 9. The term "President", "Act", and "Administrator" as used herein shall mean respectively the President of the United States, Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.



ARTICLE III <sup>1</sup>—HOURS

## MAXIMUM HOURS

SECTION 1. No employee shall be permitted to work in excess of an average of forty (40) hours per week in any six (6) months' period, nor in excess of forty-eight (48) hours in any one calendar week, except as hereinafter provided. Not less than one and one-third ( $1\frac{1}{3}$ ) times the normal wage rate shall be paid to employees for hours worked in excess of forty (40) hours in any one calendar week or in excess of eight (8) hours in any one day.

## EXCEPTION AS TO HOURS

SECTION 2. The foregoing provisions regarding maximum hours shall not apply to the following:

(a) Employees who receive thirty-five (\$35.00) dollars or more per week and who are employed in a technical or professional capacity (not including skilled operating personnel), employees in a managerial, supervisory, or executive capacity, or highly skilled workers in continuous processes where restriction of hours would unavoidably reduce production.

(b) Outside salesmen.

(c) Employees engaged in emergency maintenance and/or emergency repair work, involving breakdown or protection of life or property, who shall, however, be paid not less than one and one-third ( $1\frac{1}{3}$ ) times the normal wage rate for hours worked in excess of forty (40) hours in any one week or in excess of eight (8) hours in any one day.

(d) Watchmen, who shall not, however, be permitted to work in excess of fifty-six (56) hours in any seven (7) day period, nor more than six (6) days in any such period.

(e) Accounting, clerical, office, store, shipping service or inside sales employees, who shall not, however, be permitted to work in excess of an average of forty (40) hours per week in any three (3) months' period, nor in excess of forty-eight (48) hours in any calendar week, nor in excess of eight (8) hours in any one day.

(f) Employees on automotive or horse-drawn passenger, express, delivery, or freight service, who shall not, however, be permitted to work in excess of an average of forty-six (46) hours per week in any three (3) months' period, nor in excess of forty-eight (48) hours in any calendar week, nor in excess of nine (9) hours in any one day.

(g) Engineers, and firemen, who shall not, however, be permitted to work in excess of forty-eight (48) hours in any one calendar week, nor in excess of eight (8) hours in any one day.

## EMPLOYMENT BY SEVERAL EMPLOYERS

SECTION 3. No employer shall knowingly permit any employee to work for any time which, when totaled with that already performed with another employer or employers exceeds the maximum permitted herein.

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



## STANDARD WEEK

SECTION 4. No employee shall be permitted to work more than six (6) days in any seven (7) day period.

## ARTICLE IV—WAGES

## MINIMUM WAGES

SECTION 1. Except as hereinafter provided, no employee shall be paid less than at the rate of forty (40¢) cents per hour.

## EXCEPTIONS AS TO MINIMUM WAGES

SECTION 2. The foregoing provisions regarding minimum wage rates shall not apply to the following:

(a) Employees engaged in light and nonhazardous work, such as wrapping, packaging and labelling, who shall be paid not less than at the rate of thirty-five (35¢) cents per hour.

(b) Employees of the classes mentioned in Subsections (e) and (f) of Section 1 of Article III, who shall be paid not less than at the rate of

\$15.00 per week in any city of over 500,000 population, or in the immediate trade area of such city, and

\$14.00 per week in any other place.

(c) Messengers, junior clerks, or others doing a junior grade of office or clerical work, who shall be paid not less than at the rate of twelve (\$12.00) dollars per week, but the number of such employees shall not exceed five (5%) per cent of the total number of office employees in any establishment.

## PIECEWORK COMPENSATION—MINIMUM WAGES

SECTION 3. This Article establishes a minimum rate of pay which shall apply, irrespective of whether an employee is actually compensated on a time rate, piecework or other basis.

## WAGES ABOVE MINIMUM

SECTION 4. There shall be an equitable adjustment of all wages above the minimum, and to that end, within thirty (30) days from the approval of this Code, the Code Authority shall submit for the approval of the Administrator a proposal for adjustment in wages above the minimum. Upon approval by the Administrator, after such hearing as he may prescribe, such proposal shall become binding as a part of this Code, provided, however, that in no event shall hourly rates of pay be reduced.

## FEMALE EMPLOYEES

SECTION 5. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.



## HANDICAPPED PERSONS

SECTION 6. 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 all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

## ARTICLE V—GENERAL LABOR AND OTHER PROVISIONS

## CHILD LABOR

SECTION 1. No person under sixteen (16) years of age shall be employed in the Industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator within thirty (30) days from the approval of this Code a list of such operations or occupations. 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 in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

## PROVISIONS FROM THE ACT

SECTION 2. (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.

## EVASION THROUGH SUBTERFUGE

SECTION 3. No employer shall reclassify 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.

## STANDARDS FOR SAFETY AND HEALTH

SECTION 4. Every employer shall provide for the safety and health of employees during the hours and at the places of their employ-



ment. Standards for safety and health shall be submitted by the Code Authority to the Administrator within six (6) months after the effective date of the Code.

#### STATE LAWS

SECTION 5. 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.

#### POSTING

SECTION 6. All employers shall post and keep posted copies of this Code in conspicuous places accessible to all employees. Every member of the Industry shall comply with all rules and regulations relative to the posting of provisions of Codes of Fair Competition which may from time to time be prescribed by the Administrator.

#### DISMISSAL FOR COMPLAINT

SECTION 7. No employee shall be dismissed by reason of making a complaint or giving evidence with respect to a violation of this Code.

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

#### ORGANIZATION AND CONSTITUTION

SECTION 1. To further effectuate the policies of the Act, a Code Authority is hereby established and known as the Code Authority of the Animal Glue Industry. In addition the Industry shall be classified into two Divisions, known as (1) Hide Glue Division, (2) Bone Glue Division, and each such Division shall have its own Divisional Code Authority, composed of the members of the Code Authority representing their respective Divisions, as hereinafter provided.

SECTION 2. The Code Authority shall consist of seven (7) members to be selected as follows: Three (3) members shall be selected from the Hide Glue Division, by the vote of members thereof representing *three-fourths* in number of the members of the Hide Glue Division and representing *three-fourths* of the dollar sales volume for the preceding calendar year of the members of the Hide Glue Division entitled to vote. Three (3) members shall be selected from the members of the Bone Glue Division by the vote of members representing *three-fourths* in number of the members of the Bone Glue Division, and members representing *three-fourths* of the dollar sales volume for the preceding calendar year of the members of the Bone Glue Division entitled to vote. The seventh member of the Code Authority shall be without vote and shall be a person of their own choosing and shall be chosen by the vote of members of the



Industry representing *three-fourths* in number of the members of the Industry, and members representing *three-fourths* in dollar sales volume for the preceding calendar year of the members of the Industry entitled to vote.

SECTION 3. In addition to membership of the Code Authority, as above provided, there may be three (3) members, without vote and without compensation from the Industry, to be appointed by the Administrator and to serve such terms as he may specify.

SECTION 4. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall: (a) Impose no inequitable restrictions on membership, and (b) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

SECTION 5. 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 provide 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 6. If the Administrator shall at any time determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by the Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty (30) days' notice to him of intention to proceed with such action in its original or modified form.

SECTION 7. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent or employee of the Code Authority. Nor shall any member of the Code Authority exercising reasonable diligence in the conduct of his duties hereunder be liable to anyone for any action or omission to act under this Code, except for his own wilful malfeasance or nonfeasance.

#### POWERS AND DUTIES

SECTION 8. Subject to such rules and regulations as may be issued by the Administrator, the Code Authority shall have the following powers and duties, in addition to those authorized by other provisions of this Code.

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

(b) To adopt by-laws and rules and regulations for its procedure and for the administration and enforcement of the Code.



(c) To obtain from members of the Industry such information and reports as are required for the administration of the Code. In addition to information required to be submitted to the Code Authority, members of the Industry subject to this Code shall furnish such statistical information as the Administrator may deem necessary for the purposes recited in Section 3(a) of the Act to such Federal and State agencies as he 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 report shall be disclosed to any other member of the Industry or any other party except to such other Governmental agencies as may be directed by the Administrator.

(d) 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.

(e) 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.

(f) 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 may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

(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 members of the Industry;

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

2. Each member of the Industry shall pay his or its equitable contribution to the expenses of the maintenance of the Code Authority, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Administrator. Only members of the Industry complying with the Code and contributing to the expenses of its administration as hereinabove provided (unless duly exempted from making such contribution) shall be entitled to participate in the selection of members of the Code Authority or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

3. The Code Authority shall neither incur nor pay any obligation substantially in excess of the amount thereof as estimated in its approved budget; and shall in no event exceed the total amount



contained in the approved budget except upon approval of the Administrator; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Administrator shall have so approved.

(g) To recommend to the Administrator any action or measures deemed advisable, including further fair trade practice provisions to govern members of the Industry in their relations with each other or with other Industries; measures for industrial planning, and stabilization of employment; and including modifications of this Code which shall become effective as part hereof upon approval by the Administrator after such notice and hearing as he may specify.

(h) To appoint a Trade Practice Committee which shall meet with the Trade Practice Committees appointed under such other codes as may be related to the Industry for the purpose of formulating fair trade practices to govern the relationships between employers under this Code and under such other Codes to the end that such fair trade practices may be proposed to the Administrator as amendments to this Code and such other Codes.

SECTION 9. The members of each Division of the Industry, namely, (a) Hide and (b) Bone, shall constitute a separate and distinct Divisional Planning and Fair Practice Agency for the respective Division; and each such Agency shall adopt rules and regulations for the procedure and conduct of its members and representatives, subject to the approval of the Administrator.

The Hide Glue Division, and the Bone Glue Division, shall be independent and self-governing in all problems relating exclusively to their respective Division. To this end each Agency shall:

(a) Consider all cases of alleged violations of the trade practice provisions of this Code by a member or members of the particular Division and make such recommendations thereon to the Code Authority as it may deem advisable; and thereupon the Code Authority shall be required to take such action as may be necessary in the interest of the Division affected.

(b) To recommend to the Administrator after such notice and hearing as he may prescribe such other or further provisions concerning unfair methods of competition with respect to its own Division of the Industry; upon the approval thereof by the Administrator, the same shall become part of this Code and binding upon all members of the Division concerned.

(c) With the approval of the Administrator thereto, after such notice and hearing as he may prescribe, to make such amendments, modifications and/or additions to this Code as shall apply to its own particular Division of the Industry and as shall not lessen or impair the rights, powers or duties conferred by this Code upon the Code Authority and/or other Divisions of the Industry.

(d) To propose to the Code Authority amendments and/or modifications of this Code, but no such amendments and/or modifications shall be presented by such Code Authority for consideration by or approval of the proper authority without first having been approved by *three-fourths* of the members of each of the respective Divisions of the Industry, and without having been concurred in by members



of such respective Division representing *three-fourths* of the dollar sales volume of such respective Divisions for the preceding calendar year.

## ARTICLE VII—UNFAIR METHODS OF COMPETITION

SECTION 1. The following practices constitute unfair methods of competition and shall constitute a violation of this Code:

(a) To procure, by fraud, misrepresentation or other unfair means, any information concerning the business of such member which is properly regarded by it as a trade secret or confidential within its organization other than information relating to a violation of any provision of the Code.

(b) To give, permit to be given, or offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. This 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.

(c) To promise or arrange reciprocity of any kind for the purpose of influencing a sale.

(d) To imitate, or simulate any design, style, mark or brand used by any other member of the Industry in a manner which is intended to or does deceive or mislead purchasers or prospective purchasers.

(e) To disseminate, publish, or circulate any false or misleading information relative to any product or price for any product of any member of the Industry, or the credit standing or ability of any member thereof, or the performance of any work or manufacture or production of any product, or the conditions of employment among the employees of any member thereof.

(f) Wilfully to induce or attempt to induce the breach of existing contracts between competitors and their customers by any false or deceptive means, or interfere with or obstruct the performance of any such contractual duties or services by any such means, with the purpose and effect of hampering, injuring or embarrassing competitors in their business.

(g) To make or give to any purchaser of any product any guarantee or protection in any form against decline in the market price of such product.

(h) To give free samples in excess of five (5) pounds of any one grade.

(i) To deliver the products thereof on consignment except to an affiliated company of such member. An affiliated company shall mean a company in which a member of the Industry has a voting control through the record or equitable title of the voting stock thereof, or has control of such company in any other manner.

(j) To make false statements or reports, written or oral, required pursuant to any of the provisions of this Code or required by the Administrator.



(k) Knowingly to withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

#### TRADE TERMS

SECTION 2. (a) All invoices covering domestic sales by members of the Industry shall be due and payable within thirty (30) days from the date of invoice, provided, however, that there shall be twenty (20) days free time for shipments from the Atlantic ports to Pacific ports or vice versa made by a member directly to a bona fide purchaser, and five (5) days free time for shipments made from Eastern territory to the Mississippi Valley Section or vice versa.

(b) The discount which may be allowed for cash shall not exceed two (2%) per cent for payment within ten (10) days from date of invoice, or for payment in cash or invoices dated from the first to the fifteenth of any month, inclusive, and paid on or before the 25th of each month, or for invoices dated from the sixteenth to the end of any month, inclusive, and which are paid on or before the tenth of the succeeding month.

#### ARTICLE VIII—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.

SECTION 2. Any member of the Industry may propose an amendment to this Code to the Code Authority or to the Administrator. Each amendment proposed to the Code Authority shall be submitted to a meeting of the Code Authority, and if the Code Authority shall approve thereof the amendment so proposed shall be submitted to the members of the Division or Divisions of the Industry affected thereby and eligible to vote. If at such meeting, the members of the Industry representing *three-fourths* of the members of such Division or Divisions and concurred in by members of such respective Division or Divisions representing *three-fourths* of the dollar sales volume of such respective Division or Divisions for the preceding calendar year, shall vote in favor of the adoption of such amendments, such amendments shall be submitted by the Code Authority to the Administrator for approval.

#### ARTICLE IX—MONOPOLIES

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

#### ARTICLE X—EFFECTIVE DATE

This Code shall become effective on the second Monday after its approval by the President.

Approved Code No. 504.  
Registry No. 601-01.











UNIVERSITY OF FLORIDA



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