

NATIONAL RECOVERY ADMINISTRATION

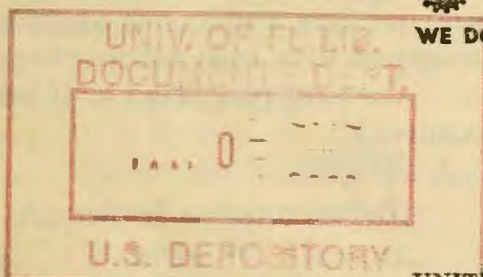
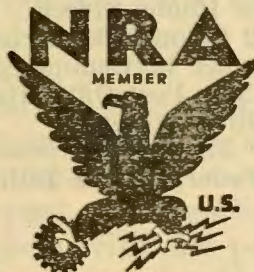
**SUPPLEMENTARY
CODE OF FAIR COMPETITION**

FOR THE

**AUTOMOTIVE SHOP
EQUIPMENT MANUFACTURING
INDUSTRY**

**(A Product Group of the Automotive Parts and
Equipment Manufacturing Industry)**

AS APPROVED ON NOVEMBER 30, 1934



UNITED STATES

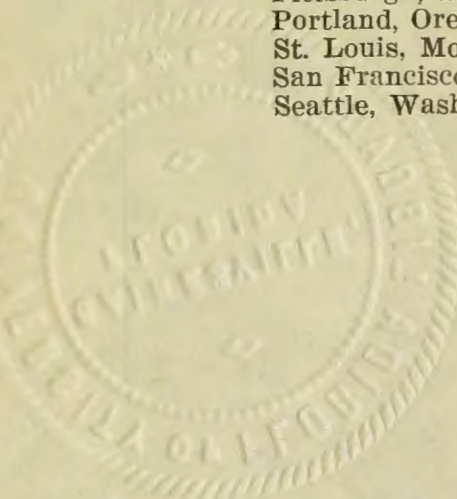
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Approved Code No. 105—Supplement No. 7

SUPPLEMENTARY CODE OF FAIR COMPETITION

FOR THE

AUTOMOTIVE SHOP EQUIPMENT MANUFACTURING INDUSTRY

As Approved on November 30, 1934

ORDER

APPROVING SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE
AUTOMOTIVE SHOP EQUIPMENT MANUFACTURING INDUSTRY

A PRODUCT GROUP OF THE AUTOMOTIVE PARTS AND EQUIPMENT 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 Supplementary Code of Fair Competition for the Automotive Shop Equipment Manufacturing Industry, a Product Group of the Automotive Parts and Equipment Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said Supplementary 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, the National Industrial Recovery Board, pursuant to authority vested in it by Executive Orders of the President, including Executive Order No. 6859, and otherwise, does hereby incorporate by reference said annexed report and does find that said Supplementary Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and does hereby order that said Supplementary Code of Fair Competition be and it is hereby approved.

NATIONAL INDUSTRIAL RECOVERY BOARD,
By W. A. HARRIMAN, *Administrative Officer*.

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D. C.,
November 30, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This Supplementary Code of Fair Competition for the Automotive Shop Equipment Manufacturing Industry, a Product Group of the Automotive Parts and Equipment Manufacturing Industry, was submitted to the Administrator on April 6, 1934, by the Code Authority Committee of Automotive Parts and Equipment Manufacturing Industry, representing approximately 75% of the total volume of sales and 70% of the members of the Industry.

The Hearing was conducted in Washington on June 27, 1934, and the Supplementary Code was revised October 24, 1934, and is submitted in its present form for approval. Every person who requested an appearance was properly heard in accordance with the statutory and regulatory requirements.

While the Product Group is nation-wide in character, it has not experienced any increase in the number of establishments during the past few years.

Article I states the purpose of the Supplementary Code.

Article II accurately defines specific terms employed in the Supplementary Code. This Product Group of the Automotive Parts and Equipment Manufacturing Industry adopts the labor provisions of its Basic Code as approved November 8, 1933.

Article III establishes an Administrative Committee consisting of a member and an alternate elected by the members of each subdivision in accordance with the voting provisions provided in the By-Laws of Automotive Parts and Equipment Manufacturers Inc., and one non-voting member may be appointed by the National Industrial Recovery Board. It also provides machinery for obtaining statistics and the administration of the Code.

Article IV sets forth the fair trade practices of this Supplementary Code, which have been especially designed to effect fair competition in this Product Group of the Industry.

Article V provides against monopolies and monopolistic practices and provides for the submission of supplementary provisions to this Supplementary Code or amendments thereof, and contains the mandatory provisions contained in Section 10 (b) of Title I of the Act, and states the effective date of the Supplementary Code shall mean the tenth day after it has been approved.

FINDINGS

The Deputy Administrator in his final report to the National Industrial Recovery Board on said Supplementary Code having found as herein set forth and on the basis of all the proceedings in this matter:

The National Industrial Recovery Board finds that:

(a) Said Supplementary 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 sanction 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 Product Group normally employs not more than 50,000 employees; and is not classified by the National Industrial Recovery Board as a major industry.

(c) The Supplementary 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 Product Group is an industrial group truly representative of the aforesaid Industry; and that said Product Group imposes no inequitable restrictions on admission to membership therein.

(d) The Supplementary Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Supplementary 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 Supplementary Code.

For these reasons, therefore, the National Industrial Recovery Board has approved this Supplementary Code.

For the National Industrial Recovery Board:

W. A. HARRIMAN,
Administrative Officer.

NOVEMBER 30, 1934.

SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE AUTOMOTIVE SHOP EQUIPMENT MANUFACTURING INDUSTRY

A PRODUCT GROUP OF THE AUTOMOTIVE PARTS AND EQUIPMENT MANUFACTURING INDUSTRY

ARTICLE I—PURPOSE

Pursuant to the provisions of Article II of the Code of Fair Competition for the Automotive Parts and Equipment Manufacturing Industry, duly approved by the President on November 8, 1933, the following provisions covering fair trade practices and the administration thereof are hereby established as the standards of Fair Competition for the Automotive Shop Equipment Manufacturing Industry, which has been organized into an administrative unit as a Product Group of the Automotive Parts and Equipment Manufacturing Industry, and shall be binding upon every member of said Product Group.

ARTICLE II—DEFINITIONS

The term "Product Group" as used herein is defined to mean the production and/or manufacture of automotive machine tools and automotive apparatus designed for and used in the maintenance and/or repair of a motor, industrial, marine, or aircraft vehicle or internal combustion engine and usually sold for use in reconditioning same, and air compressors of ten (10) horsepower and under for every purpose, excepting electric tools, not exclusively applicable to motor car and internal combustion engine repair and/or reconditioning, greasing equipment, automotive lifts, and automotive jacks, excepting however, the production and/or manufacture of such articles when produced or manufactured by a manufacturer for use exclusively in his own finished product, and provided always that this definition shall not include any products hereinabove described or parts thereof or therefor not designed for and used mainly in the maintenance, repair and/or reconditioning of automotive vehicles and/or automotive internal combustion engines and which are included within the scope of the definition of any other industry as defined in any approved Code of Fair Competition.

The subdivisions of this Product Group are defined as follows:

1. Air Compressors of 10 horsepower and under and tire inflating devices.
2. Car Washers.
3. Brake Service, Chassis Frame, and Wheel Aligning Equipment.
4. Heavy Equipment.
5. Motor Rebuilding Equipment.

The term "Member" or "Member of the Product Group" as used herein includes, but without limitation, any individual, partnership, association, corporation, or other form of enterprise engaged in the production and/or manufacture and/or assembly and/or the sale as a manufacturer of the products of the Product Group (hereinafter termed "Products"), either as an employer or on his or its own behalf.

The term "Group" is defined to mean the Automotive Shop Equipment Manufacturing Group, a "Product Group" as herein defined, at present having its headquarters' office in Detroit, Michigan.

The term "Basic Code" as used herein is defined to mean the Code of Fair Competition for the Automotive Parts and Equipment Manufacturing Industry, as approved by the President on November 8, 1933, and as amended.

The term "Code Authority" as used herein is defined to mean the Code Authority designated in the Code of Fair Competition for the Automotive Parts and Equipment Manufacturing Industry.

ARTICLE III—ADMINISTRATION

(1) The Administrative Committee of the Group shall consist of:

(a) A member and an alternate elected by the members of each subdivision who shall be elected at the annual meeting of the Group in accordance with the voting provisions provided in the by-laws of Automotive Parts and Equipment Manufacturers, Inc. In the absence of the member, the alternate shall have full voting powers.

(b) In addition to the membership as above provided, there may be one additional member, without vote, to be appointed by the National Industrial Recovery Board, to serve without expense to the Product Group for such term as the National Industrial Recovery Board may specify.

(2) The Administrative Committee of the Group is hereby designated to assist the Code Authority and the National Industrial Recovery Board in the administration of the fair trade practice provisions hereinafter set forth and the provisions of the Basic Code, to which these fair trade practices are a supplement.

(3) (a) It being found necessary, in order to support the administration of this Supplementary Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Administrative Committee is authorized:

1. 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 this Supplementary Code;

2. To submit to the National Industrial Recovery Board for its approval, subject to such notice and opportunity to be heard as it may deem necessary, (a) an itemized budget of its estimated expenses for the foregoing purposes, and (b) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Product Group;

3. After such budget and basis of contribution have been approved by the National Industrial Recovery Board, to determine and obtain equitable contribution as above set forth by all members of the Prod-

uct Group, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(b) Each member of the Product Group shall pay his or its equitable contribution to the expenses of the maintenance of the Administrative Committee, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the National Industrial Recovery Board. Only members of the Product Group complying with this Supplementary 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 Administrative Committee 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.

(c) The Administrative Committee 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 National Industrial Recovery Board; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the National Industrial Recovery Board shall have so approved.

(4) (a) The Administrative Committee shall, subject to the approval of the Code Authority and the National Industrial Recovery Board, have the power to adopt by-laws and rules and regulations for its procedure and to obtain from members, through an impartial agency, such information and reports as are required for the administration and enforcement of this Supplementary Code; to cooperate with the National Industrial Recovery Board under such rules and regulations as may be prescribed by it in regulating the use of any N. R. A. insignia, and in hearing and adjusting complaints; to initiate, consider, and recommend to the Code Authority for transmittal to the National Industrial Recovery Board further fair trade practice provisions to govern the members of this Product Group.

(b) If the National Industrial Recovery Board shall determine that any action of the Code Authority and/or the Administrative Committee or any agency thereof may be unfair or unjust or contrary to the public interest, the National Industrial Recovery Board 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 and/or the Administrative Committee or agency thereof pending final action, which shall not be effective unless the National Industrial Recovery Board approves or unless it shall fail to disapprove after thirty days' notice to it of intention to proceed with such action in its original or modified form.

(c) Each trade or industrial association directly or indirectly participating in the selection or activities of the Administrative Committee shall (1) impose no inequitable restrictions on membership, and (2) submit to the National Industrial Recovery Board 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 National

Industrial Recovery Board may deem necessary to effectuate the purposes of the Act.

(d) In order that the Administrative Committee shall at all times be truly representative of the Product Group and in other respects comply with the provisions of the Act, the National Industrial Recovery Board may prescribe such hearings as it may deem proper; and thereafter if it shall find that the Administrative Committee 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 Administrative Committee.

(5) All members of this Product Group shall be bound by the provisions of the Basic Code. For this purpose, all provisions of the Basic Code, are hereby declared to be a part of this Supplementary Code. In case of any conflict between the provisions of this Supplementary Code and the provisions of the Basic Code, the provisions of the latter shall govern. As required by Section 7 (a) of Title I of the National Industrial Recovery Act, Subsections (1), (2) and (3) are specifically incorporated herein by reference, and made a part hereof, with the same effect as if written herein, as the wage, hour and labor provisions of this Supplementary Code.

(6) The Administrative Committee shall cause to be formulated methods of cost finding and accounting capable of use by all members of the Product Group, and shall submit such methods to the National Industrial Recovery Board for review. If approved by the National Industrial Recovery Board, full information concerning such methods shall be made available to all members of the Product Group. Thereafter, each member of the Product Group shall utilize such methods to the extent found practicable. Nothing herein contained shall be construed to permit the Administrative Committee, any agent thereof, or any member of the Product Group to suggest uniform additions, percentages or differentials or other uniform items of cost which are designed to bring about arbitrary uniformity of costs or prices.

(7) The Administrative Committee shall be empowered 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 National Industrial Recovery Board may deem necessary for the purposes recited in Section 3 (a) of the Act to such Federal and State agencies as it 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 National Industrial Recovery Board.

ARTICLE IV—TRADE PRACTICES

In addition to the provisions of Section C of Article VI of the Basic Code, the following described acts shall constitute unfair practices and acts of unfair competition:

(1) *Costs and Price Cutting.*—(a) Wilfully destructive price cutting is an unfair method of competition and is forbidden. Any member of the Product Group or of any other industry or the customers of either may at any time complain to the Administrative Committee that any filed and/or offered price constitutes unfair competition as destructive price cutting, imperiling small enterprises or tending toward monopoly or the impairment of code wages and working conditions. The Administrative Committee shall within five (5) days afford an opportunity to the member filing and/or offering the price to answer such complaint and shall within fourteen (14) days make a ruling or adjustment thereon. If such ruling is not concurred in by either party to the complaint, all papers shall be referred to the Research and Planning Division of N. R. A. which shall render a report and recommendation thereon to the National Industrial Recovery Board.

(b) When no declared emergency exists as to any given product, there is to be no fixed minimum basis for prices. It is intended that sound cost estimating methods should be used and that consideration should be given to costs in the determination of pricing policies.

(c) When an emergency exists as to any given product, sale below the stated minimum price of such product, in violation of the provisions of paragraphs (d) and (e) hereof, is forbidden.

(d) If the National Industrial Recovery Board, after investigation shall at any time find both (1) that an emergency has arisen within the Product Group adversely affecting small enterprises or wages or labor conditions, or tending toward monopoly or other acute conditions which tend to defeat the purposes of the Act; and (2) that the determination of the stated minimum price for a specified product of the Product Group for a limited period is necessary to mitigate the conditions constituting such emergency and to effectuate the purposes of the Act, the Administrative Committee may cause an impartial agency to investigate costs and to recommend to the National Industrial Recovery Board a determination of the stated minimum price of the product affected by the emergency and thereupon the National Industrial Recovery Board may proceed to determine such stated minimum price.

(e) When the National Industrial Recovery Board shall have determined such stated minimum price for a specified product for a stated period, which price shall be reasonably calculated to mitigate the conditions of such emergency and to effectuate the purposes of the National Industrial Recovery Act, it shall publish such price. Thereafter, during such stated period, no member of the Product Group shall sell such specified products at a net realized price below said stated minimum price and any such sale shall be deemed destructive price cutting. From time to time, the Administrative Committee may recommend review or reconsideration or the National Industrial Recovery Board may cause any determination hereunder to be reviewed or reconsidered and appropriate action taken.

(2) *Commercial Bribery.*—To give, permit to be given, or directly 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. Commercial bribery provisions 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 herein defined.

(3) *Inducing Breach of Contracts.*—To wilfully induce or attempt to induce the breach of existing contracts between competitors or 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.

(4) *Inaccurate Labeling.*—To list, brand, mark, or pack any products of the Product Group in any manner which is intended to or does deceive or mislead purchasers in some material particular, or the failure to brand such products for the purpose or with the effect of misleading or deceiving purchasers in some material particular, with respect to such products (including but without limitation their brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content, or preparation).

(5) *Inaccurate Advertising.*—To publish advertising (whether printed, radio, display, or of any other nature), which is misleading or inaccurate in any material particular, or in any material way to misrepresent any products (including but without limitation their use, trade-mark, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content, or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

(6) *Approval Selling.*—To sell and/or ship the products of this Product Group on approval.

(7) *Replacing Competitor's Stocks.*—To liquidate, purchase, or accept another member's product from any buyer.

(8) *Catalog Pages.*—To supply catalog pages to customers in excess of their normal requirements for their own salesmen and their inside organization, unless a charge representing the cost of such excess quantities is made to the customer.

(9) *Guarantee of Products.*—To sell the products of this Product Group under any other Guarantee of Product than the following:

“The manufacturer guarantees all parts of the product shipped under this agreement, for the period of time stated in his standard price sheet, against defective material or workmanship (but not against damage caused by accident, abuse, or faulty installation) when the product is installed in accordance with the manufacturer's specifications, and will repair or replace free of charge (f. o. b. factory) all such defective parts if returned to the factory charges prepaid, and if the defect is proven, transportation charges will be paid both ways.”

(10) *Advertising and Promotional Schemes.*—To patronize, through allowances or otherwise, advertising or promotional schemes in any form except where the payments therefor are for specific promotion performances which are possible, practicable and capable of being audited. Arrangements for any such services shall be in agreements entirely separate and distinct from sales agreements

between a member and his customer, and shall definitely specify exactly how much shall be paid (in money or credit, goods or services) for such promotional services, exactly what services shall be rendered and the method which will be employed in auditing the performance of such services.

(11) *Consignments*.—(a) To ship stocks of the products of this Product Group to distributors, contractors, manufacturers' agents, and/or others except samples to member's salesmen, on consignment or under the "Floating Credit or Ledger Balance" plan. All existing agreements regarding such shipments shall be terminated within sixty (60) days from the date of approval of this Supplementary Code, with the exception of existing contracts which, by their terms, cannot be terminated by that date, and copies of such contracts shall be filed with the Administrative Committee.

(b) To deliver air compressor or car washer demonstrating samples from sample account to any customer.

(c) To ship merchandise without an order or without the approval or the knowledge of the reseller under the guise of its being supplied as a sample to be examined.

(12) *Price Guaranty*.—To guarantee the products of this Product Group against advance or decline in price.

(13) *Returned Products*.—Obsolescence—To accept for credit the return of products of this Product Group no longer appearing in a member's current price list. Group products still appearing in a member's current price list may be so accepted, provided a charge is made covering full transportation both ways, a reasonable handling charge, a reasonable reconditioning charge, plus a minimum of at least a double covering order, and provided permission is granted by the member to have such products returned.

(14) *Classification of Customers*.—The Code Authority shall cause to be formulated and keep current a classification of all types of customers of the Industry. Such classification shall be subject to the disapproval of the National Industrial Recovery Board and shall contain: (a) A complete list of all of the classes of customers of the Industry, including a class to cover every known type of customer; and (b) definitions or descriptions of the several classes in terms of functions performed, or in other appropriate terms such as purchasers of defined quantities.

After submission to the National Industrial Recovery Board, if there is no disapproval or request for suspension of action within twenty (20) days, full information concerning the classification shall be made available to all members of the Industry. No one shall by intimidation, coercion, or other undue influence cause or attempt to cause the inclusion of any customer in or the exclusion of any customer from any class of customers, or the exclusion of any class of customers from the classification, or the use of uniform or stipulated prices, discount, or differentials and each member of the Industry may at all times classify his own customers in accordance with his own judgment.

(15) *Open Price Filing*.—(a) Each member of the Product Group shall file with a confidential and disinterested agent of the Administrative Committee or, if none, then with such an agent designated

by the National Industrial Recovery Board, identified lists of all of his prices, discounts, rebates, allowances, and all other terms or conditions of sale, hereinafter in this Section (15) 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 Product Group as are sold or offered for sale by said member and for such nonstandard products of said member as shall be designated by the Administrative Committee. Said price terms shall in the first instance be filed within fifteen (15) 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 Product Group and to all of their customers who have applied therefor and have offered to defray the cost actually incurred by the Administrative Committee in the preparation and distribution thereof and be available for inspection by any of their customers at the office of such agent. Such lists or revisions or any part thereof shall not be made available to any person until released to all members of the Product Group and their customers, as aforesaid; provided, that prices filed in the first instance shall not be released until the expiration of the aforesaid 15 day period after the approval of this Supplementary Code. The Administrative Committee 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 National Industrial Recovery Board. Upon request the Administrative Committee shall furnish to the National Industrial Recovery Board or any duly designated agent of the National Industrial Recovery Board copies of any such lists or revisions of price terms.

(b) When any member of the Product Group has filed any revision, such member shall not file a higher price within forty-eight (48) hours.

(c) No member of the Product Group shall sell or offer to sell any products of the Product Group for which price terms have been filed pursuant to the provisions of this Section (15), except in accordance with such price terms.

(d) No member of the Product Group 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 Product Group 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 Section (15) to create.

(16) *Terms of Sale.*—Terms of sale shall not be more favorable than thirty (30) days net, 2% tenth proximo. The Administrative Committee shall proceed to establish, after a survey of the practices now in existence in the various subdivisions of this group, and subject to the approval of the Code Authority and the National Indus-

trial Recovery Board, a plan for deferred payment sales and, when established, no more favorable terms than provided in this plan shall be allowed by any member of the respective subdivisions.

(17) *Lump Sum Bidding*.—To submit bids on any other than a unit price basis whenever lump sum bids are made on Product Group products.

(18) *Export Trade*.—Except as may be subsequently set forth in a specific or supplementary export supplement for this Product Group, the provisions of this Supplementary Code now or hereafter adopted with regard to prices, discounts, deductions, allowances, extras, commissions, or methods and/or terms of sale, are not to apply to direct export sales or to sales in course of export (i. e., sales destined ultimately for export) or to sales of products used in the manufacture of products for export. "Export Trade" shall be as defined in the Export Trade Act adopted April 10, 1918.

ARTICLE V—GENERAL

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

(2) Such of the provisions of this Supplementary Code as are not required to be included herein by the Act may, with the approval of the National Industrial Recovery Board, be amended or eliminated upon proposal by the Product Group or any member thereof if it appear that the public needs are not being served thereby and as changes in circumstances or experience may indicate.

(3) It is contemplated that from time to time supplementary provisions of this Supplementary Code or amendments thereof will, after approval by the Product Group and/or the subdivisions thereof, be submitted by the Administrative Committee through the Code Authority for approval to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the purposes of the Act. Upon approval by the National Industrial Recovery Board after such notice and hearing as it may prescribe, such supplementary provisions or amendments shall become binding as a part of this Supplementary Code.

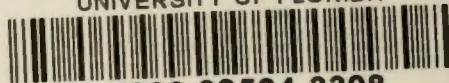
(4) As required by Section 10 (b) of Title I of the National Industrial Recovery Act, this Supplementary Code and all of the provisions thereof are expressly made subject to the right of the President from time to time to cancel or modify any order, approval, license, rule, or regulation issued under said Act.

(5) By assenting to this Supplementary Code no member of this Product Group shall be held to have waived any of his constitutional rights.

(6) Violation by any member of this Product Group of any provisions of this Supplementary Code is an act of unfair competition, and the offender shall be subject to the penalties imposed by the Act.

(7) The "Effective Date" of this Supplementary Code shall be the 10th day after it shall have been approved.

Approved Code No. 105—Supplement No. 7.
Registry No. 1404-55.



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trial Recovery Board, a plan for a future... shall be allowed by any member of the respective subdivisions.

(17) *Anti-Sum Hoarding*.—To prevent this act any... and other laws whenever such laws are made by Product Group products.

(18) *Export Trade*.—Each member of this act... a specific or supplementary code... for this Product Group, the provisions of this Supplementary Code now or hereafter amended with regard to price, discounts, rebates, allowances, tax, commissions or methods and or terms of sale, or to supply to direct export sales or to sales in foreign countries, or to the satisfaction of orders for export, "Export Trade" shall be defined in the Export Trade Act as amended April 19, 1938.

Article V—General

(1) No provision of this Supplementary Code shall be applied as to punish, impede or discriminate practice, or to discriminate, oppress, or discriminate against small enterprises.

(2) Each of the provisions of this Supplementary Code as are not required to be included herein by the Act may, with the approval of the National Industrial Recovery Board, be amended or eliminated upon proposal by the Product Group or any member thereof if it appears that the public needs are not being served thereby and no changes in circumstances or experience may indicate.

(3) It is contemplated that from time to time amendments and additions of this Supplementary Code or amendments thereof will give approval by the Product Group and/or the subdivisions thereof, be submitted by the Administrative Committee through the Code Authority for approval to prevent unfair competition in price and other unfair and destructive competition practices and to effectuate the purposes of the Act. Upon approval by the National Industrial Recovery Board after such notice and hearing as it may prescribe, such amendments, provisions or amendments shall become binding as a part of this Supplementary Code.

(4) As required by Section 16 (b) of Title I of the National Industrial Recovery Act, this Supplementary Code and all of the provisions thereof are expressly made subject to the right of the Board from time to time to cancel or modify any order, approval, license, rule, or regulation issued under said Act.

(5) It is intended that this Supplementary Code as issued by this Product Group shall be held to have waived any of its constitutional rights.

(6) Violation by any member of this Product Group of any provision of this Supplementary Code is an act of unfair competition, and the offender shall be subject to the penalties imposed by the Act.

(7) The "Effective Date" of this Supplementary Code shall be the day after it shall have been approved.