

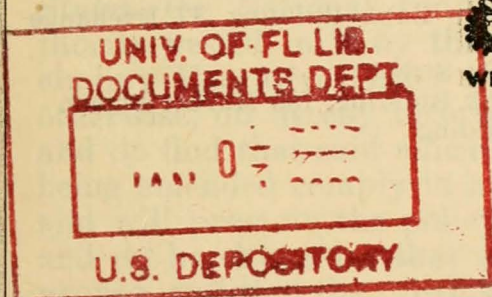
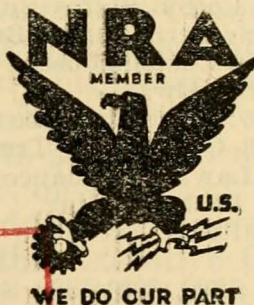
NATIONAL RECOVERY ADMINISTRATION

**AMENDMENT TO
CODE OF FAIR COMPETITION**

FOR THE


**BEAUTY AND BARBER SHOP
MECHANICAL EQUIPMENT
MANUFACTURING INDUSTRY**

AS APPROVED ON APRIL 15, 1935



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AMENDMENT TO CODE OF FAIR COMPETITION
FOR THE
BEAUTY AND BARBER SHOP MECHANICAL
EQUIPMENT MANUFACTURING INDUSTRY

As Approved on April 15, 1935

ORDER

APPROVING AMENDMENT OF CODE OF FAIR COMPETITION FOR THE
BEAUTY AND BARBER SHOP MECHANICAL EQUIPMENT MANUFACTUR-
ING 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 an amendment to the Code of Fair Competition for the Beauty and Barber Shop Mechanical Equipment Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said amendment, 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 the Executive Orders of the President, including Executive Order No. 6859, dated September 27, 1934, and otherwise, do hereby incorporate by reference said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said title of said act; and do hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

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

Approval recommended:

JOHN W. UPP,
Acting Division Administrator.

WASHINGTON, D. C.,
April 15, 1935.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: An application has been duly made, pursuant to and in full compliance with the provisions of the National Industrial Recovery Act, for an amendment to the Code of Fair Competition for the Beauty and Barber Shop Mechanical Equipment Manufacturing Industry, submitted by said Industry through its Code Authority.

On December 4, 1934, a public hearing was held in Washington, D. C. Every person that requested an appearance was properly heard in accordance with the statutory and regulatory requirements. The amendment was revised during the recess and submitted in its present form for approval.

The proposed amendment clarifies the definition of the industry and adds certain standard definitions; it modifies certain labor provisions; it includes several standard administration provisions; it provides for more efficient administration organization; and it adds certain trade practice provisions and clarifies other trade practice provisions.

The Deputy Administrator in his final report on said amendment to said Code having found as herein set forth and also in his memorandum which is incorporated herein by reference and on the basis of all the proceedings in this matter:

It is found that:

(a) The amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest utilization of the present productive capacity of the 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) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7 and Subsection (b) of Section 10 thereof.

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

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

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendment.

For these reasons, therefore, this amendment has been approved.
For the National Industrial Recovery Board:

W. A. HARRIMAN,
Administrative Officer.

APRIL 15, 1935.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE BEAUTY AND BARBER SHOP MECHANICAL EQUIPMENT MANUFACTURING INDUSTRY

Amend the title of the Code to read as follows:

"Code of Fair Competition for the Beauty and Barber Equipment Manufacturing Industry."

Amend Article I to read as follows:

"To effectuate the policy of Title I of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Beauty and Barber Equipment Manufacturing Industry and shall be the standards of fair competition for such Industry and shall be binding upon every member thereof."

Amend the first paragraph of Article II, to read as follows:

"As used herein, the term, 'Industry' shall mean the Industry engaged in the United States, its territories and possessions, in the business of manufacturing for sale and selling by the Manufacturer of permanent waving machines, equipment, accessories also pads, sachets and chemical solution used in the process of permanent waving, hair dryers, scalp steamers, massage machines, electrical eyebrow tweezers, and articles of mechanical equipment and accessories used therewith (excluding chairs and furniture) used exclusively in beauty shops and barber shops, and such other related products as may from time to time be included under the provisions of this Code, and the primary sale thereof under a trade mark, trade name, or brand, or in having such products manufactured for him under his own brand or specifications.

Amend Article II by adding the following paragraphs:

"The term 'office boy' as used herein includes boys over sixteen (16) and under eighteen (18) years of age employed as errand boys and in miscellaneous routine office work, exclusive of stenographic, accounting and clerical work.

"The term 'office girl' as used herein includes girls over sixteen (16) and under eighteen (18) years of age engaged in doing the same class of work as is done by office boys.

"The term 'outside salesmen' as used herein includes employees who are engaged wholly in sales work outside the manufacturing establishment.

"The term 'outside service employees' as used herein includes employees engaged wholly in service work outside the manufacturing establishment.

"The term 'watchmen' as used herein includes persons engaged exclusively in watch service and is not to include any person, any part of whose time is devoted to any manufacturing or continuous process operation."

Amend Article V, Section 6, to read as follows:

"Employers shall not re-classify employees or duties of occupations performed by employees, or engage in any other subterfuge so as to defeat the purposes of the Act or the provisions of this Code."

Amend Article V by deleting Section 7, and substitute the following:

"Each employer shall post and keep posted in ten point type or larger the full Labor Provisions of this Code, and the name and address of the nearest official place where Code violations may be reported in English and in such other languages as the employees may need to understand them, in conspicuous places readily accessible to each employee in the normal course of his customary occupations. Every employer shall comply with all rules and regulations relative to the posting of provisions of the Code of Fair Competition which may from time to time be prescribed by the National Industrial Recovery Board."

Amend Article V, Section 8 to read as follows:

"(a) 1. A person may be permitted to engage in homework at the same rate of wages as is paid for the same type of work performed in the factory or other regular place of business if a certificate is obtained from the State authority or other officer designated by the United States Department of Labor, such certificate to be granted in accordance with instructions issued by the United States Department of Labor, provided

(a) Such person is physically incapacitated for work in a factory or other regular place of business and is free from any contagious disease; or

(b) Such person is unable to leave home because his or her services are absolutely essential for attendance on a person who is bed-ridden or an invalid and both such persons are free from any contagious disease.

2. Any employer engaging such a person shall keep such certificate on file and shall file with the Code Authority for the trade or industry or subdivision thereof concerned the name and address of each worker so certificated.

"(b) No manufacturing operations shall be conducted or permitted in any unsanitary or unsafe tenements, private houses, basements, or in any unsanitary or unsafe buildings, nor shall any labor be employed in any manufacturing or assembling operation or in repair work under conditions, or in buildings, that are unsanitary or unsafe. A manual for Standards in Sanitation and Safety shall be submitted by the Code Authority to the National Industrial Recovery Board and shall be recommended by the American Standards Association of the United States or Public Health Service and shall become the minimum standards of this Code."

Amend Article VI, Section 3 (a) to read as follows:

"Each member of the Industry shall sell only upon the basis of open prices."

Amend Article VI by deleting Sections 3 (b) and 3 (c) and substituting the following as Section 3 (b), 3 (c), 3 (d) and 3 (e):

"(b) Each member of the Industry shall file with a confidential and disinterested agent of the Code Authority 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 Article referred to as 'price terms', which lists shall completely and ac-

curately 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 Industry as are sold or offered for sale by said member and for such non-standard products of said member as shall be designated by the Code Authority. Said price terms shall in the first instance be filed within (10) 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 Industry and to all of their customers who have applied therefor and have offered to defray the cost actually incurred by the Code Authority in the preparation and distribution thereof and be available for inspection by any of their customers at the office of such agent. Said lists or revisions or any part thereof shall not be made available to any person until released to all members of the Industry and their customers, as aforesaid; provided, that prices filed in the first instance shall not be released until the expiration of the aforesaid ten (10) day period after the approval of the amendment. The Code Authority 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 Code Authority shall furnish to the National Industrial Recovery Board or any duly designated agent of the National Industrial Recovery Board copies of any lists or revisions of price terms.

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

“(d) No member of the Industry shall sell or offer to sell any products/services of the Industry, for which price terms have been filed pursuant to the provisions of this Article, except in accordance with such price terms.

“(e) No member of the Industry 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 Industry 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 Article to create.

Amend Article VI, Section 3, by inserting the following as subsection (f) :

“On and after May 1, 1935, no member of the Industry shall sell any mechanical equipment, permanent waving supplies or other merchandise, the manufacture or sale of which is governed by this Code, without having first affixed thereto a label supplied by and purchased from the Code Authority. Subject to such rules and regulations as may heretofore have been or may hereafter be issued under Title I of the Act, covering the use of labels under codes of fair competition, the Code Authority shall have the power to create such classes and varieties of labels as it shall deem necessary, and to make

reasonable rules and regulations governing the affixing of such labels to all merchandise sold by members of the Industry. The privilege of using such labels may be withdrawn and the issuance and use thereof may be suspended in respect to any member of the Industry whose operations, after appropriate hearing by the Code Authority and review by the National Industrial Recovery Board, shall have been found to be in violation of the requirements of this Code, and the Code Authority shall have the power to demand of each member of the Industry desiring to obtain and use such labels, such certificates or other evidence of compliance as it may deem appropriate, subject to approval of the National Industrial Recovery Board."

Amend Article VI, Section 3 by deleting subsection (d) and substitute in lieu thereof a new subsection (g) to read as follows:

"No member of the Industry shall secretly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount or excess allowance, whether in the form of money or otherwise for the purpose of influencing a sale, nor shall a member secretly or otherwise extend to any customer any special service or privilege not extended to all customers of the same class."

Amend Article VI, Section 6 (a) to read as follows:

"No member of the Industry shall accept from any customer the return of shopworn, damaged or obsolete merchandise unless said customer shall have obtained the written authorization of the member of the Industry to make such return. The member of the Industry shall charge the customer the actual cost of handling all goods returned and, in addition, the necessary cost of reconditioning, repairing or modernizing the goods to put them in a saleable condition. The provisions of this Section shall not apply to any article which is defective material or workmanship, and which upon examination is found to be defective.

Amend Article VI, by deleting Section 7 and substituting therefor a new Section 7, as follows:

"No member of the Industry shall manufacture or sell any permanent wave supplies which do not have plainly printed or embossed upon all pads, sachets, bottles, labels, boxes and containers the name and address of the member of the Industry by whom and for whom such permanent wave supplies are manufactured, provided, however, that any member of the Industry who is engaged in or desires to engage in the making of permanent waving supplies for others may, upon application to the Code Authority, obtain one or more registered numbers, which numbers shall be assigned for the sole and exclusive use of such Member of the Industry, and thereupon may manufacture permanent waving supplies bearing the name and address of any other manufacturer, dealer or shop together with any registered number which has been so assigned to such Member of the Industry by the Code Authority, such number, together with a design or insignia approved by the Code Authority to be in lieu of the name and address of the Member of the Industry actually manufacturing such permanent waving supplies."

Amend Article VI, by adding the following new Section 10:

"Section 10. No member of the Industry shall designate as an "advertising allowance", a "promotion allowance", or by a similar term, any price reduction, discount, bonus, rebate, concession, or

other form of allowance, or any consideration for advertising or promotion services, offered or given by him to any customer.

"No member of the Industry shall offer or give any consideration merely for "pushing", "advertising", or otherwise than for definite and specific advertising or promotion services. Such consideration shall be given only pursuant to a separate written contract therefor, which contract shall specifically and completely set forth the advertising or promotion services (in such manner that their specific character may be understood by other members of the Industry and their customers) to be performed by the recipient of said consideration, the precise consideration to be paid or given therefor by said member, the method of determining performances, and all other terms and conditions relating thereto.

"(a) Immediately upon the making of any such contract for advertising or promotion services by any member of the Trade/Industry, a true copy thereof shall be filed by said member with a confidential and disinterested agent of the Code Authority (as provided for in this Code), or, if none, then with such an agent to be designated by the National Industrial Recovery Board. Said agent shall maintain all copies of such contracts on file until six (6) months after the termination thereof, and shall make the same available at his office for inspection at all reasonable times by all members of the Trade/Industry, and all of their customers and shall distribute a true copy of any such contract to any member of the Industry or any customer who applies therefor and offers to pay the cost actually incurred by the Code Authority in the actual preparation and distribution thereof; provided, that no such inspection or copy shall be permitted or made available to any person until permitted or made available to all members of the Industry and their customers, as aforesaid. Upon request, said agent shall furnish to the National Industrial Recovery Board, or any duly designated agent of said Board, copies of any such contract.

Amend Article VII, Section 7, by inserting the following as Subsection (c):

"Each member of the Industry shall keep accurate and complete records of its transactions in the Industry whenever such records may be required under any of the provisions of this Code, and shall furnish accurate reports based upon such records concerning any of such activities when required by the Code Authority or the National Industrial Recovery Board. If the Code Authority or the National Industrial Recovery Board shall determine that substantial doubt exists as to the accuracy of any report, so much of the pertinent books, records and papers of such members as may be required for the verification of such report may be examined by an impartial agency, agreed upon between the Code Authority, and such member, or in the absence of agreement, appointed by the National Industrial Recovery Board. In no case shall the facts disclosed by such examination be made available in identifiable form to any competitor, whether on the Code Authority or otherwise, or be given any other publication, except such as may be required for the proper administration or enforcement of the provisions of this Code.

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