

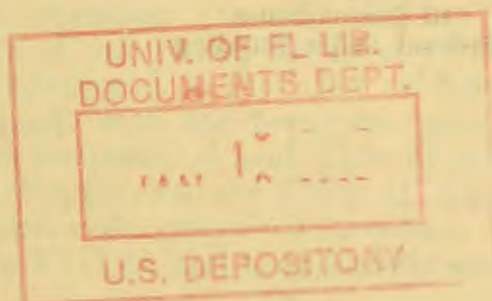
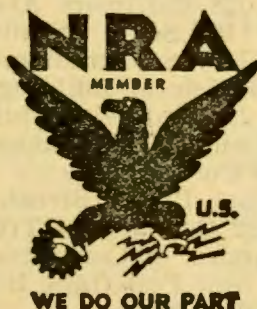
NATIONAL RECOVERY ADMINISTRATION

**SUPPLEMENTARY
CODE OF FAIR COMPETITION**

FOR THE

**PERFORATING
MANUFACTURING INDUSTRY**

AS APPROVED ON AUGUST 31, 1934



**UNITED STATES
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SUPPLEMENTARY CODE OF FAIR COMPETITION
FOR THE
PERFORATING MANUFACTURING INDUSTRY

As Approved on August 31, 1934

ORDER

**APPROVING SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE
PERFORATING MANUFACTURING INDUSTRY**

**A DIVISION OF THE FABRICATED METAL PRODUCTS MANUFACTURING AND
METAL FINISHING AND METAL COATING 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, and in accordance with the provisions of Section 1 of Article VI of the Basic Code for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, approved November 2, 1933, for approval of a Supplementary Code of Fair Competition for the Perforating Manufacturing Industry, and hearing 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, 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 Supplementary 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 Supplementary Code of Fair Competition be and it is hereby approved; provided, however, that the provisions of Rule 12, Article VIII be and they hereby are stayed pending my further Order.

HUGH S. JOHNSON,
Administrator for Industrial Recovery

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D.C.,
August 31, 1934.

REPORT TO THE PRÉSIDENT

The PRÉSIDENT,
The White House.

SIR: This is a report on the Supplementary Code of Fair Competition for the Perforating Manufacturing Industry, a division of the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, the hearing having been conducted thereon in Washington, D.C., April 9, 1934, in accordance with the provisions of Title I of the National Industrial Recovery Act.

GENERAL STATEMENT

The Perforating Manufacturing Industry, being truly representative of this division of the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, has elected to avail itself of the option of submitting a Supplementary Code of Fair Competition, as provided for in Section 1 of Article VI of the Basic Code, for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, approved by you on the second day of November, 1933.

RÉSUMÉ OF THE CODE

Article I states the purpose of the Supplementary Code.

Article II accurately defines specific terms employed in the Supplementary Code.

Article III. This Industry is a division of the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry and the labor provisions of its Basic Code, as approved November 2, 1933, are the labor provisions of this Supplementary Code.

Article IV establishes a Supplementary Code Authority consisting of five (5) members to be elected by the members of the Industry at a meeting called by the Temporary Supplementary Code Authority, and gives the Administrator the authority to appoint one additional member without vote and provides machinery for obtaining statistics and the administration of the Supplementary Code.

Article V provides for the formulation of an accounting system and methods of cost finding and/or estimating.

Article VI provides against selling below allowable cost as determined by a uniform method of costing.

Article VII provides for methods of setting up and revising price lists.

Article VIII sets forth the unfair trade practices of this Supplementary Code which has been especially designed to offset unfair competition in this division of the Industry.

Article IX provides against monopolies and monopolistic practices.

Article X contains the mandatory provisions contained in Sec-

tion 10 (b) and also provides for the submission of proposed amendments to the Supplementary Code.

Article XI recognizes that price increases be limited to actual additional increases in seller's costs.

Article XII states the effective date of this Supplementary Code.

FINDINGS

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

I find 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 purposes 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 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 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 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, I have approved this Supplementary Code.

Respectfully,

HUGH S. JOHNSON,
Administrator.

AUGUST 31, 1934.

SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE PERFORATING MANUFACTURING INDUSTRY

A DIVISION OF THE FABRICATED METAL PRODUCTS MANUFACTURING AND
METAL FINISHING AND METAL COATING INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Supplementary Code of Fair Competition for the Perforating Manufacturing Industry, pursuant to Article VI of the Basic Code of Fair Competition for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry, approved by the President of the United States on the second day of November, 1933, and the provisions of this Supplementary Code shall be the standards of fair competition for such Industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. The term "Industry" as used herein means the manufacture for sale of perforated sheet, strip and/or plate materials. This does not include products made from perforated materials as defined in the Code of Fair Competition for the Warm Air Register Industry as approved on June 28, 1934.

SECTION 2. The terms "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.

SECTION 3. The term "Member of the Industry" as used herein includes but without limitation any individual, partnership, association, corporation or other form of enterprise engaged in the Industry, either as an employer or on his own or its own behalf.

SECTION 4. The term "Basic Code" as used herein is defined to mean the Basic Code of Fair Competition for the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry as approved by the President of the United States on the second day of November, 1933.

SECTION 5. The term "Supplementary Code Authority" as used herein means the agency which is to administer this Supplementary Code as hereinafter provided.

SECTION 6. The term "Association" as used herein is defined to mean the Perforated Metal Manufacturers Association or its successor.

SECTION 7. The term "Federation" as used herein is defined to mean the Fabricated Metal Products Federation or its successor.

SECTION 8. The term "Employee" as used herein includes any and all persons engaged in the Industry, however compensated.

SECTION 9. The term "Employer" as used herein includes anyone by whom such employee is compensated or employed.

ARTICLE III—EMPLOYMENT PROVISIONS

This Industry is a division of the Fabricated Metal Products Manufacturing and Metal Finishing and Metal Coating Industry and without limitation the wage, hour, and labor provisions in Article III of its Basic Code as approved by the President November 2, 1933, including Section 1 of said Article III by which the provisions of subsection (1) (2) and (3) of Section 7 (a) of Title I of the Act are made conditions of this Code, are specifically incorporated herein, and made a part hereof as the wage, hour and labor provisions of this Supplementary Code.

ARTICLE IV—ORGANIZATION AND ADMINISTRATION

SECTION 1. During the period not to exceed sixty (60) days following the effective date of this Supplementary Code, the Supplementary Code Committee of the Industry shall constitute a temporary Supplementary Code Authority until the Supplementary Code Authority is elected. There shall be constituted within the sixty-day period a Supplementary Code Authority consisting of five members to be elected by the members of the Industry, at a meeting called by the Temporary Supplementary Code Authority. The members of the Supplementary Code Authority first elected shall serve until the following annual meeting of the Association, and thereafter members of the Supplementary Code Authority shall be elected by the members of the Industry at a meeting of the members of the Industry to be held at the time and place of each annual meeting of the Association, to serve until the following annual meeting. Fifteen (15) days' advance notice of all meetings to be held hereunder shall be sent by Registered Mail to all members of the Industry whose names may be ascertained by diligent search, and who may vote either in person or by proxy. The members of the Supplementary Code Authority shall be elected in the following manner:

(a) One member who shall be a member of the Association by a majority vote of all members of the Industry present in person or by proxy, each member to have one vote.

(b) One member who shall be a member of the Industry and a non-member of the Association by a majority vote of all the members of the Industry who are not members of the Association, present in person or by proxy, each member to have one vote.

(c) Three (3) members who shall be members of the Association, by a majority vote of all votes cast by all members of the Association, present in person or by proxy, weighted on the basis of

1. One (1) vote for each member of the Association, and

2. Two (2) additional votes for the first ten (10) or fraction thereof of shop employees of each member of the Association, and one (1) additional vote for each ten (10) or fraction thereof of all additional employees, averaged over the previous calendar year as reported to the Supplementary Code Authority, provided, however, that no one member of the Association may cast more than 25% of the total number of votes cast.

If the members of the Industry who are non-members of the Association fail to elect a member of the Supplementary Code Authority as provided in subsection (b) of this Section, then a member of the Industry who is a non-member of the Association shall be elected by a majority vote of all members of the Industry then present in person or by proxy, each member to have one vote.

A vacancy in the membership of the Supplementary Code Authority shall be filled by majority vote of the remaining members of the Supplementary Code Authority, provided, however, that the member of the Supplementary Code Authority who is chosen to fill such vacancy shall be elected from the class of membership in which the vacancy has occurred. In addition thereto the Administrator may appoint one member who shall serve without vote on the Supplementary Code Authority and without expense to the Industry. The member so appointed by the Administrator, together with the Administrator, shall receive notice of and may sit at all meetings of the Supplementary Code Authority.

SECTION 2. Each Trade Association directly or indirectly participating in the selection or activities of the Supplementary Code Authority shall (1) impose no inequitable restrictions on admission to membership, and (2) 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 3. In order that the Supplementary 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 prescribe such Hearings as he may deem proper; and thereafter, if he shall find that the Supplementary Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification of the Supplementary Code Authority.

SECTION 4. 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 Supplementary 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 Supplementary 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 therefor in its own name.

Each member of the Industry shall pay his or its equitable contribution to the expenses of the maintenance of the Supplementary

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 Supplementary Code and contributing to the expenses of its administration as hereinabove provided, unless duly exempted from making such contributions, shall be entitled to participate in the selection of members of the Supplementary 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.

The Supplementary Code Authority shall neither incur nor pay any obligations 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.

SECTION 5. Nothing contained in this Supplementary Code shall constitute the members of the Supplementary Code Authority partners for any purpose. Nor shall any member of the Supplementary Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Supplementary Code Authority, nor shall any member of the Supplementary 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 Supplementary Code, except for his own wilful malfeasance or nonfeasance.

SECTION 6. The Supplementary Code Authority shall also from time to time furnish to the Basic Code Authority, designated in said Basic Code, such information as may be required to be furnished under the terms of said Basic Code.

SECTION 7. Subject to such rules and regulations as may be issued by the Administrator, the Supplementary Code Authority shall have the following powers and duties, in addition to those authorized by other provisions of this Supplementary Code.

(a) To insure the execution of the provisions of this Supplementary Code and to 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.

(c) To obtain from members of the Industry such information and reports as are required for the administration of the Supplementary Code. In addition to information required to be submitted to the Supplementary Code Authority, members of the Industry subject to this Supplementary 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 Supplementary 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 Supplementary Code Authority of its duties or responsibilities under this Supplementary 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 Supplementary Code with such other Codes, if any, as may be related to or affect the members of the Industry.

(f) 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 Supplementary Code and under such other codes to the end that such fair trade practices may be proposed to the Administrator as amendments to this Supplementary Code and such other codes.

(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 Supplementary Code which shall become effective as part hereof upon approval by the Administrator after such notice and hearing as he may specify.

SECTION 8. If the Administrator believes that any action of the Supplementary Code Authority or any agency thereof is 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. Further action by such Supplementary Code Authority or Agency regarding the matter complained of may be taken if approved by the Administrator but shall not be taken if disapproved by the Administrator within thirty days of notice to him of intention to proceed with such action.

SECTION 9. To the extent permitted by the Act and subject to such rules and regulations as the Administrator may prescribe, the Supplementary Code Authority shall have power to investigate any complaint filed with it regarding an alleged violation of the Supplementary Code.

ARTICLE V—COST FINDING

The Supplementary Code Authority shall cause to be formulated methods of cost finding and accounting capable of use by all members of the Industry, and shall submit such methods to the Administrator for review. If approved by the Administrator, full information concerning such methods shall be made available to all members of the Industry. Thereafter, each member of the Industry shall utilize such methods to the extent found practicable. Nothing herein contained shall be construed to permit the Supplementary Code Authority, any agent thereof, or any member of the Industry 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.

ARTICLE VI—COSTS AND PRICE CUTTING

SECTION 1. The standards of fair competition for the Industry with reference to pricing practices are declared to be as follows:

(a) Wilfully destructive price cutting is an unfair method of competition and is forbidden. Any member of the Industry or of any other Industry or the customers of either may at any time complain to the Supplementary Code Authority that any filed price constitutes unfair competition as destructive price cutting, imperiling small enterprise or tending toward monopoly or the impairment of code wages and working conditions. The Supplementary Code Authority shall within five (5) days afford an opportunity to the member filing 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 Administrator.

(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 Section 2 hereof, is forbidden.

SECTION 2. *Emergency Provisions.*—(a) If the Administrator, after investigation shall at any time find both (1) that an emergency has arisen within the Industry 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 within the Industry for a limited period is necessary to mitigate the conditions constituting such emergency and to effectuate the purposes of the Act, the Supplementary Code Authority may cause an impartial agency to investigate costs and to recommend to the Administrator a determination of the stated minimum price of the product affected by the emergency and thereupon the Administrator may proceed to determine such stated minimum price.

(b) When the Administrator 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, he shall publish such price. Thereafter, during such stated period, no member of the Industry 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 Supplementary Code Authority may recommend review of reconsideration or the Administrator may cause any determinations hereunder to be reviewed or reconsidered and appropriate action taken.

ARTICLE VII—OPEN PRICE

SECTION 1. Within sixty (60) days after the effective date of this Supplementary Code, the Supplementary Code Authority shall

designate what products of the Industry are to be sold on a price list basis. Each member of the Industry shall file with a confidential and disinterested agent of the Supplementary Code Authority, or, if none, then with such an agent designated by the Administrator, 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 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 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 Supplementary Code Authority. Said price terms shall in the first instance be filed within eighty (80) 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 Supplementary 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 eighty (80) day period after the approval of this Supplementary Code. The Supplementary 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 Administrator. Upon request the Supplementary Code Authority shall furnish to the Administrator or any duly designated agent of the Administrator copies of any such lists or revisions of price terms. The Supplementary Code Authority may, from time to time, designate additional and other products of the Industry to be sold on a price list basis and, beginning ten (10) days after the members of the Industry shall have been notified of such designation and thereafter, the provisions of this Article shall apply to the sale of such products.

SECTION 2. When any member of the Industry has filed any revision, such member shall not file a higher price within forty-eight (48) hours.

SECTION 3. 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.

SECTION 4. 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.

ARTICLE VIII—UNFAIR TRADE PRACTICES

In addition to the Unfair Trade Practices covered by Article V (excepting Section A) of the Basic Code as though herein repeated and set forth at length, and for all purposes of this Supplementary Code, the following described acts shall constitute unfair practices. Any member of the Industry who shall directly or indirectly through any officer, employee, agent, or representative use or employ any of such unfair practices shall be guilty of a violation of this Supplementary Code.

RULE 1. *Threats of Litigation.*—No member of the Industry shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to have the effect of harassing competitors or intimidating their customers.

RULE 2. *Extension of Credit Terms.*—No member of the Industry shall give extended time beyond the cash discount net payment period established in filed price lists, or expressed in specific quotations. This shall not prevent any member of the Industry from allowing extended time to any purchaser at the rate of 6% per annum.

RULE 3. *Selling on Consignment.*—No member of the Industry shall ship goods on consignment except under circumstances to be defined by the Supplementary Code Authority and approved by the Administrator, where peculiar circumstances of the Industry require the practice.

RULE 4. *Inducing Breach of Existing Contracts.*—No member of the Industry shall wilfully 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.

RULE 5. *Coercion.*—No member of the Industry shall require that the purchase or lease of any goods be a prerequisite to the purchase or lease of any other goods.

RULE 6. *Giving of Prizes, Premiums or Gifts.*—No member of the Industry shall offer or give prizes, premiums or gifts in connection with the sale of products, or as an inducement thereto, by any scheme which involves lottery, misrepresentation or fraud.

RULE 7. *Espionage of Competitors.*—No member of the Industry shall secure confidential information concerning the business of a competitor by a false or misleading statement or misrepresentation, by a false impersonation of one in authority, by bribery, or by any other unfair method.

RULE 8. *Guarantees against Price Changes.*—No member of the Industry shall make or give, or offer to make or give guarantees of protection in any form against changes in price beyond a period of 30 days, except for such products and under such circumstances as are defined by the Supplementary Code Authority, subject to the approval of the Administrator.

RULE 9. *Commissions.*—No member of the Industry shall permit the splitting of commissions or other compensation received by his employee or agent, with the buyer, for the purpose or with the effect of influencing a sale.

RULE 10. *Combination of Sales.*—No member of the Industry shall, for the purpose of influencing a sale, sell or offer to sell any commodity other than a product of this Industry in combination with any product of this Industry at a price which will yield to the seller less than the total cost to him.

No member of the Industry shall, for the purpose of influencing a sale, sell or offer to sell commodities other than products of this Industry without separately stating the price of such commodities unless such commodities are incorporated as an integral part of a complete unit.

RULE 11. *Contracts.*—No member of the Industry shall make any sale or contract of sale of any product, under any description which does not fully and accurately describe such product in terms customarily used in the Industry.

RULE 12. *Service.*—No member of the Industry shall for the purpose of influencing a sale, render to any prospective or actual purchaser of any product any unusual service, except when fair charge for such service shall be made.¹

RULE 13. *Secret Rebates.*—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, nor shall a member of the Industry secretly offer or extend to any customer any special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

RULE 14. *Individual Labor Cost.*—No member of the Industry who actually performs duties usually performed by an employee engaged in the manufacture and processing of products of the Industry shall fail to charge for such individual labor, and shall include in his cost an amount calculated on a basis of at least the minimum wage provided for in Article III of the Basic Code.

ARTICLE IX—MONOPOLIES

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.

ARTICLE X—MODIFICATIONS

SECTION 1. This Supplementary Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of sub-section (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act.

SECTION 2. This Supplementary Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modifications to be based upon application by the Supplementary Code Authority to the Administrator and such Notice of Hearing as he shall specify and to become effective and be a part of this Supplementary Code on approval by the President.

¹ See paragraph 2 of order approving this Code.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual costs should be delayed, but when made, such increases should be, so far as possible, limited to actual additional increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Supplementary Code shall become effective at 12:01 o'clock A. M. on the tenth day after it is approved by the President.

Approved Code No. 84—Supplement No. 48.
Registry No. 1122-21.



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