

NATIONAL RECOVERY ADMINISTRATION

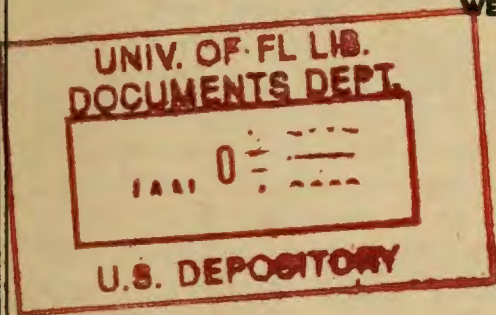
SUPPLEMENTARY  
CODE OF FAIR COMPETITION

FOR THE

STEEL TIRE  
MANUFACTURING INDUSTRY

(A Division of the Machinery and Allied Products Industry)

AS APPROVED ON APRIL 23, 1934

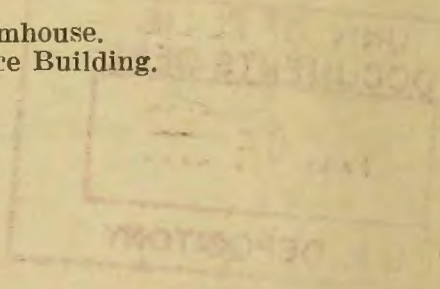
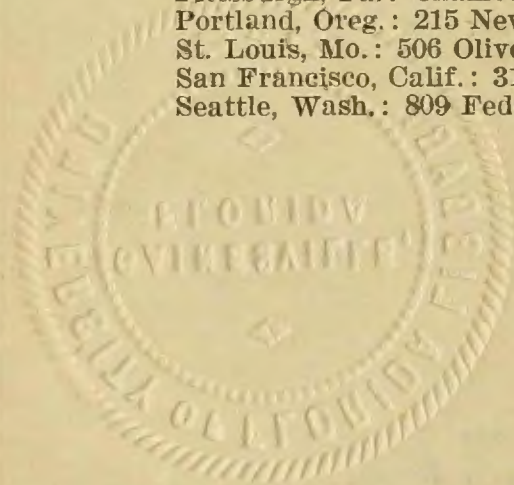


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Approved Code No. 347—Supplement No. 1

**SUPPLEMENTARY CODE OF FAIR COMPETITION**

**FOR THE**

**STEEL TIRE MANUFACTURING INDUSTRY**

**As Approved on April 23, 1934**

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**ORDER**

**SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE STEEL TIRE  
MANUFACTURING INDUSTRY**

**A DIVISION OF THE MACHINERY AND ALLIED PRODUCTS 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 Supplemental Code of Fair Competition for the Steel Tire Manufacturing Subdivision of Machinery and Allied Products Industry, and hearings having been duly held thereon and the annexed report on said Supplemental 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 Supplemental 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 Supplemental Code of Fair Competition be and it is hereby approved on condition that the Steel Tire Manufacturing Association shall amend its Articles of Association and By-Laws to the satisfaction of the Administrator on or before April 27, 1934, as provided in the Executive Order of approval of the Code of Fair Competition for the Machinery and Allied Products Industry as approved on March 17, 1934.

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

Approval recommended:

**A. R. GLANCY,**  
*Division Administrator.*

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



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Supplemental Code of Fair Competition for the Steel Tire Subdivision of the Machinery and Allied Products Industry, Public Hearing having been conducted thereon in Washington, D.C., December 21, 1933, in accordance with the provisions of Title I of the National Industrial Recovery Act.

### GENERAL STATEMENT

The American Steel Tire Manufacturers Association being truly representative of this Subdivision of the Machinery and Allied Products Industry, has submitted a Supplemental Code of Fair Competition to the Basic Code for the Machinery and Allied Products Industry, approved by you March 17, 1934. The Steel Tire Industry is a capital goods industry and is engaged in the business of manufacturing and selling locomotive and railroad car wheel tires, other annular weldless rolled steel sections, and steel tired wheels for railroad, railway and/or industrial use.

### ECONOMIC EFFECT

This Subdivision suffered noticeably from the effects of the depression as follows:

The value of production dropped from \$11,727,000 in 1929 to \$5,080,000 in 1933, or a decrease of 56.7 per cent.

Average employment dropped from 1406 persons in 1929 to 1027 persons in 1933 or a decrease of 26.9 per cent.

Payrolls in 1929 amounted to \$2,372,224 and \$991,518 in 1933, a decrease of 58.1 per cent.

The average weekly earnings for factory workers in 1929 were \$33.87 and \$16.92 in June 1933, a decrease of 50.2 per cent while office employees weekly earnings declined from \$34.43 in 1929 to \$28.43 in 1933, a decrease of 17.4 per cent.

Average hours per man per week for factory workers in June, 1933, declined 37.5 per cent from 1929, and average hourly earnings declined 20.4 per cent during the same period. However, an improved demand, partially due to railroad purchase orders made possible by Public Works Administration loans, is indicated for the current year.

The Supplemental Code will increase factory employment about 8.9 per cent.

The effect of the geographical differential in the proposed minimum wage rates will be to establish an average minimum for the Subdivision of 37.6 cents per hour.



## FINDINGS

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

I find that:

(a) Said Supplemental 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 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 Subdivision normally employs not more than 50,000 employees; and is not classified by me as a major industry.

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

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

(e) The Supplemental 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 Supplemental Code.

For these reasons, therefore, I have approved this Supplemental Code; on condition that the American Steel Tire Manufacturers Association shall amend its Articles of Association to the satisfaction of the Administrator on or before April 27, 1934, as provided in the Executive Order of approval of the Code of Fair Competition for the Machinery and Allied Products Industry as approved March 17, 1934.

Respectfully,

HUGH S. JOHNSON,  
*Administrator*

APRIL 23, 1934.



# SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE STEEL TIRE MANUFACTURING INDUSTRY

## A DIVISION OF THE MACHINERY AND ALLIED PRODUCTS INDUSTRY

### ARTICLE I—PURPOSES

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Supplemental National Industrial Recovery Code for the Steel Tire Manufacturing Subdivision of the Machinery and Allied Products Industry, and taken together with the National Industrial Recovery Code of Machinery and Allied Products Industry, to which it is a Supplement, shall be the standard of fair competition for this Subdivision, and shall be binding on each employer therein.

### ARTICLE II—DEFINITIONS

“Applicant ” means the American Steel Tire Manufacturers Association, the address of which is 30 Church Street, New York City, New York, a trade organization, all members of which are engaged in the manufacture for sale of the products of the Steel Tire Manufacturing Subdivision of the Machinery and Allied Products Industry, which organization is truly representative of this Subdivision.

“Industry ” means the Machinery and Allied Products Industry, as defined in its National Industrial Recovery Code as approved by the President, and as such definition may from time to time be amended.

“Subdivision ” means the Steel Tire Manufacturing Subdivision of the Machinery and Allied Products Industry as defined and set forth in Article II of the National Industrial Recovery Code of the Machinery and Allied Products Industry as follows:

“Steel Tire Manufacturing Subdivision means and includes only the business of manufacturing and selling locomotive and railroad car wheel tires, other annular weldless rolled steel sections, and steel tired wheels for railroad, railway and/or industrial use.”

“Code ” means the National Industrial Recovery Code of the Machinery and Allied Products Industry, as approved by the President, and as from time to time amended.

“Person ” means a natural person, a partnership, a corporation, an association, a trust, a trustee, a trustee in bankruptcy, a receiver or other entity.

“Employer ” means any person engaged in this Subdivision of the Industry either on his own behalf or as an employer of labor.

“Employee ” means any one who is employed in the Subdivision by any such employer.

“The Act ” means Title I of the National Industrial Recovery Act.



"The President" means the President of the United States.

"The Administrator" means the Administrator for Industrial Recovery.

"Basic Code Authority" means the Code Authority for the Machinery and Allied Products Industry as constituted in the Code.

"Code Authority" means the Code Authority constituted for this Subdivision as provided by the Code and by this Supplemental Code.

### ARTICLE III—ADOPTION OF EMPLOYMENT PROVISIONS OF CODE

The following Articles of the Code, viz: Article III, "Hours"; Article IV, "Wages" and Article V, "General Labor Provisions", are hereby made a part of this Supplemental Code, with the same effect as if they were written into this Supplemental Code.

### ARTICLE IV—ADOPTION OF OTHER PROVISIONS OF CODE

The following Articles of the Code, viz: Article VI, "Administration" to the extent that it shall be applicable to the administration of this Supplemental Code as such or as it may hereafter be administered as an autonomous Code; Article VIII, "Modification and Termination"; Article IX, "Withdrawal"; Article X, "Monopolies" and Article XI, "Effective Date", are hereby made a part hereof with the same effect as if they were written into this Supplemental Code.

### ARTICLE V<sup>1</sup>—ADMINISTRATION

(a) A Code Authority for this Subdivision is hereby constituted to administer, supervise and facilitate the enforcement of the Code and of this Supplemental Code, in the manner and to the extent provided in the Code and in this Supplemental Code. Such Code Authority shall consist of:

(1) The Board of Directors of American Steel Tire Manufacturers Association, consisting of four members.

(2) One additional member to be elected in any fair manner with the approval of the Administrator, by employers in this Subdivision entitled to vote thereon, as hereinafter provided, who are not members of the Applicant, if so desired by such non-members.

(3) The Administrator may in his discretion appoint one additional member (without vote and without expense to the Subdivision).

(b) Code Authority may adopt rules and regulations to govern its procedure and employ such personnel as it may deem necessary.

(c) Any employer in this Subdivision shall be eligible for membership in American Steel Tire Manufacturers Association.

(d) Any employer shall be entitled to vote, subject to the provisions of Section (a) of this Article, at the election of the elective member of Code Authority and at other meetings of employers and share in the benefits of the activities of Code Authority and may

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



participate in any endeavors of Code Authority in the preparation of any amendments or revisions of or additions or supplements to this Supplemental Code by paying or agreeing to pay as and when assessed his or its proper pro rata share of the cost of preparing, submitting and administering this Supplemental Code, as determined by Code Authority. The cost of preparing, submitting and administering this Supplemental Code shall be borne by employers pro rata in the proportions that the amount in dollars of the yearly average net sales of Products of the Subdivision made by the respective employers during the five preceding calendar years bears to the aggregate of the amount in dollars of the yearly average net sales of Products of the Subdivision made by all employers during such five preceding calendar years.

(e) Action by employers at any meeting of employers, except at a meeting called under Section (a) (2) of this Article, shall be by vote of the employers entitled to vote thereat as provided in Section (d) of this Article cast concurrently in each of the two following methods:

1. By one vote of each employer.

2. By vote of employers weighted on the basis of one vote for each \$50,000 of the yearly average net sales of products of the Subdivision of each employer during the preceding five calendar years, as reported to Code Authority, to be computed at the beginning of each calendar year and to apply throughout the then current calendar year. Each employer shall be entitled to at least one such weighted vote.

All questions as to the number of votes which each employer entitled to vote shall be entitled to cast at any meeting of employers shall be determined by Code Authority. At meetings of employers each employer entitled to vote may vote either in person or by proxy in writing duly executed by such employer and filed with the Secretary of the meeting. Except as otherwise provided in this Supplementary Code any action taken at any meeting of employers shall be by the concurring vote of employers entitled to cast at least a majority of all the votes, computed in each of the two methods hereinabove provided that might be cast at the meeting if all the employers entitled to vote were present thereat.

(f) If formal complaint is made to Code Authority that provisions of this Supplemental Code have been violated by any employer, the Code Authority may cause such investigation or audit to be made, to the extent permitted by the Act, as may be deemed necessary.

## ARTICLE VI—UNFAIR PRACTICES

No member of the Industry shall 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 hereinabove defined.



## ARTICLE VII—MODIFICATIONS

(a) As provided by Section 10 (b) of the Act, the President may from time to time cancel or modify any order, approval, license, rule or regulation issued under Title I of the Act.

(b) The provisions of this Supplemental Code, other than those required by the Act to be included therein, may, with the approval of the Administrator, be from time to time, amended, revised, added to or supplemented. Any amendments or revisions of or additions or supplements to this Supplemental Code proposed by Code Authority and adopted at a meeting of employers by the concurring affirmative vote of employers entitled to cast at least two-thirds of all the votes that might be cast at a meeting of employers if all the employers then entitled to vote, computed in each of the two methods in Section (e) of Article V hereof provided were present thereat shall be in full force and effect upon approval by the Administrator.

## ARTICLE VIII—WITHDRAWAL

As provided by Article IX of the Code, upon thirty (30) days' notice to Basic Code Authority and to the Administrator, this Subdivision may, at a meeting of employers, by the concurring affirmative vote of employers entitled to cast at least two-thirds of all the votes computed in each of the two methods in Section (e) of Article V hereof provided that might be cast at such meeting if all the employers then entitled to vote were present thereat, withdraw from the jurisdiction of Basic Code Authority. Thereafter this Supplemental Code, together with the provisions of the Code, except such portions of Articles I, II, VI and VII thereof as are not pertinent thereto, as determined by the Code Authority and the Administrator, shall become the Code governing this Subdivision and the Code Authority shall, for this Subdivision, become the sole Code Authority and shall perform all the functions thereof with respect to such Code.

## ARTICLE IX—MONOPOLIES

Applicant imposes and shall impose no inequitable restrictions on membership therein. The Supplemental Code presented by it is not designed to promote monopoly and shall not be construed or applied so as to oppress or eliminate small enterprises or discriminate against them and is designed to effectuate the policy of the Act.

## ARTICLE X—EFFECTIVE DATE

This Supplemental Code shall become effective and binding on all employers engaged in the Subdivision on the eleventh (11th) day after its approval by the Administrator.

Approved Code No. 347—Supplement No. 1.  
Registry No. 1414-09.























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