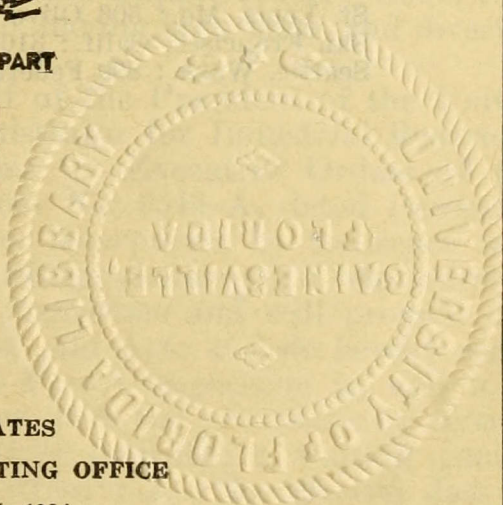
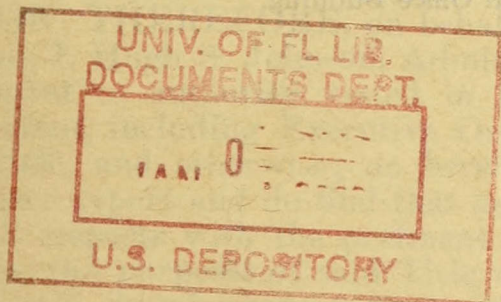
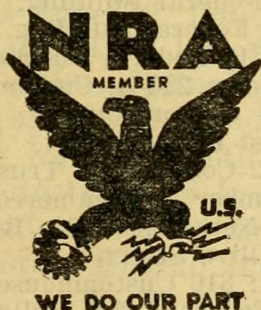


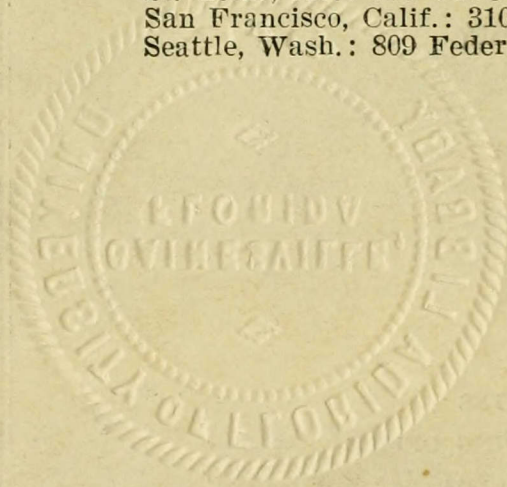
**NATIONAL RECOVERY ADMINISTRATION****SUPPLEMENTARY  
CODE OF FAIR COMPETITION****FOR THE****PORCELAIN ENAMELING  
MANUFACTURING INDUSTRY****(A Division of the Fabricated Metal Products  
Manufacturing and Metal Finishing  
and Metal Coating Industry)****AS APPROVED ON MARCH 31, 1934****UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON: 1934**



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Approved Code No. 84—Supplement No. 13

**SUPPLEMENTARY CODE OF FAIR COMPETITION**  
**FOR THE**  
**PORCELAIN ENAMELING MANUFACTURING**  
**INDUSTRY**

**As Approved on March 31, 1934**

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**ORDER**

**APPROVING SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE**  
**PORCELAIN ENAMELING 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 Porcelain Enameling 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 Article VII, Paragraph (a), insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be and



they are hereby stayed pending my further Order either within a period of sixty days from the effective date of this Supplementary Code or after the completion of a study of open price associations now being conducted by the National Recovery Administration.

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

Approval recommended:

A. R. GLANCY,  
*Division Administrator.*

WASHINGTON, D.C.,  
March 31, 1934.



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Supplementary Code of Fair Competition for the Porcelain Enameling 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., December 20, 1933, in accordance with the provisions of Title I of the National Industrial Recovery Act.

### GENERAL STATEMENT

The Porcelain Enameling 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 the Executive Committee of the Porcelain Enamel Institute, Incorporated, or its successor and two (2) additional members representing the Industry at large, these two members to be elected by the members of the Industry at a meeting called by the Temporary Supplementary Code Committee, 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 an accounting system and methods of cost finding and/or estimating.

Article VI provides for determining the lowest reasonable cost of the products of this Industry.



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

Article VIII sets forth that no provision relating to prices or terms of selling shall apply to export trade.

Article IX sets forth quotation policies for the Industry.

Article X provides against the return of products.

Article XI 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 XII provides against monopolies and monopolistic practices.

Article XIII contains the mandatory provisions contained in Section 10 (b) of the Act and also provides for the submission of proposed amendments to the Supplementary Code.

Article XIV recognizes that price increases be limited to actual addition increase in the seller's costs.

Article XV states the effective date and duration 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 group is an industrial group 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.*

MARCH 31, 1934.



## SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE PORCELAIN ENAMELING MANUFACTURING IN- DUSTRY

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

### ARTICLE I—PURPOSES

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Supplementary Code of Fair Competition for the Porcelain Enameling 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 standard of fair competition for and shall be binding upon every member of the Industry.

### ARTICLE II—DEFINITIONS

The term "Porcelain Enameling Manufacturing Industry", hereafter referred to as the Industry, is defined to mean the manufacture for sale of porcelain enameled products or parts and the rendering of a porcelain enameling service to other manufacturers by the following sub-divisions of the Industry, which are hereby recognized and defined.

(a) *The Jobbing Shop Division*, consisting of members of the Industry rendering a porcelain enameling service to other manufacturers whether such production be a major part, subsidiary or intermediate activity of the employer and includes the fabrication and/or porcelain enameling of parts for assembly in such products as stoves and heaters, refrigerators and coolers, display cases, store fixtures and flat enamel sheets used for store fronts and store wall coverings, and of other forms of production usually referred to as jobbing and contract work.

(b) *The Sign Division*, consisting of members of the Industry manufacturing all porcelain enameled signs, including the manufacture of faces for porcelain enameled illuminated signs.

(c) *The Table Top Division*, consisting of members of the Industry manufacturing porcelain enameled table tops for kitchen tables, kitchen cabinets, breakfast room tables, juvenile tables, hospital bedside tables, laundry tray covers, bathtub covers, wash tub covers, combination sink and drain board covers, roll rim and straight flanged drain boards and all other modifications of the above



such products serving the same or similar purposes and manufactured to sell through the distribution channels through which the above products are marketed.

(d) *The Frit Division*, consisting of members of the Industry compounding and/or smelting chemicals used in the manufacture of porcelain enamels and of glazes and allied materials.

(e) And such related branches or sub-divisions as may from time to time be included under the provisions of this Code by the Administrator after such notice and hearing as he may prescribe. This definition specifically excepts such porcelain enameled products as are subject to codes which have been approved by the President or Administrator or which may be so approved.

The term "member of the Industry" 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 or on its own behalf.

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 under Title I of said Act.

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 on the second day of November, 1933.

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

The term "Executive Committee", as used herein, is defined to mean the Executive Committee of the Institute.

The term "Executive Secretary", as used herein, is defined to mean the impartial agency appointed by the Supplementary Code Authority.

The term "Supervisory Committee", as used herein, is defined to mean the Supervisory Committee consisting of one or more members of the Industry, approved or appointed by the Supplementary Code Authority upon nominations by the members of a sub-division.

The term "Institute" as used herein, is defined to mean the Porcelain Enamel Institute, Incorporated or its successor.

The term "sub-division" as used herein, means a division of the Porcelain Enameling Manufacturing Industry listed and defined above.

### 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 sub-sections (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, the Executive Committee shall constitute a Temporary Supplementary Code Authority until the Supplementary Code Authority is elected.

There shall be constituted within the sixty (60) day period a Supplementary Code Authority consisting of the Executive Committee and two additional members representing the Industry at large. These two members are to be elected by the members of the Industry at a meeting called by the members of the temporary Supplementary Code Authority upon ten days' notice sent by registered mail to all members of the Industry who may vote either in person or by proxy. The members of the Supplementary Code Authority first elected shall serve until the next annual meeting of the Institute in May, 1934, and thereafter the members of the Supplementary Code Authority shall be elected at each annual meeting of the Institute to serve until the following annual meeting.

The members of the Supplementary Code Authority shall be elected in the following manner:

(a) One member, who shall be a member of the Industry, by fifty-one per cent of all votes cast by all known members of the Industry present in person or by proxy, each member to have one vote.

(b) One member who is not a member of the Institute by fifty-one per cent of all votes cast by all non-members of the Institute present in person or by proxy, each member to have one vote.

(c) Nine members constituting the Executive Committee of the Institute on which each sub-division of the Institute shall be entitled to representation by two members and who shall be elected in accordance with the provisions of the Constitution and By-Laws of the Institute.

A vacancy in the Classes (a) and (b) members of the Supplementary Code Authority may be filled by a fifty-one per cent vote of the remaining members of the Supplementary Code Authority.

A vacancy in the Class (c) members of the Supplementary Code Authority shall be filled by a majority vote of the Executive Committee of the Institute.

Provided, however, that the right to vote, as set forth above, shall be subject to the limitations provided in Section 4 of this Article.

In addition thereto the Administrator may appoint a member of the Supplementary Code Authority who without vote shall serve without expense to the Industry, unless the Supplementary Code Authority agrees to pay such expense. The representative who may be appointed by the Administrator shall be given reasonable notice of and may sit at all meetings of the Code Authority.

SECTION 2. 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 in the method of selection of the Supplementary Code Authority.



SECTION 3. Any 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 4. All members of the Industry are subject to the jurisdiction of the Supplementary Code; shall be entitled to participate in and share the benefits of the activities of the Supplementary Code Authority; shall be entitled to vote in the selection of Class (a) members of the Supplementary Code Authority as provided in Section I of this Article; and shall pay their reasonable share of the expenses of the administration of this Supplementary Code, such reasonable share to be determined by the Supplementary Code Authority, subject to review by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable by the Supplementary Code Authority.

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 willful misfeasance or non-feasance.

SECTION 6. *Sub-division Organization.*—For the purpose of administering this Supplementary Code all members of the Industry shall be classified into the various sub-divisions herein above defined and subject to the control of the Supplementary Code Authority.

SECTION 7. The Supplementary Code Authority shall have all the powers and duties which shall be necessary and proper to enable it to fully administer this Supplementary Code and to effectuate its purposes.

Without limitation to the foregoing or any other powers or duties provided for in this Supplementary Code, the Supplementary Code Authority shall have the following specific duties:

(a) To establish, after due notice and hearing, whether in their opinion any member of the industry has committed a violation of any provision of this Supplementary Code. In case any member of the Industry makes a complaint to the Supplementary Code Authority that any other member of the Industry is not complying with any particular trade practice rule of this Supplementary Code, the Supplementary Code Authority may require the Supervisory Committee of the sub-division affected to make a written report of the facts with its recommendations to the Supplementary Code Authority.

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



(c) To obtain from members of the Industry such information and reports as the Supplementary Code Authority may require for the administration of the Supplementary Code and to provide for submission by members of the Industry of such information and reports as are necessary for the purposes recited in Section 3 (a) of the Act; 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 reports shall be disclosed to any other member of the Industry or to anyone other than the Administrator or his duly authorized representative except as hereinafter provided.

(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 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 this Industry.

(f) To secure from members of the Industry an equitable and proportionate payment of the reasonable expenses of maintaining the Supplementary Code Authority and its activities, based upon volume of business and/or such other factors as the Supplementary Code Authority may prescribe, subject to review by the Administrator.

(g) To cooperate with the Administrator in regulating the use of any NRA insignia solely by those members of the Industry who have assented to, and are complying with, this Supplementary Code.

(h) To recommend to the Administrator further fair trade practice provisions to govern members of the Industry in their relations with each other or with other industries and to recommend to the Administrator measures for industrial planning, including stabilization of employment.

(i) To furnish from time to time to the Basic Code Authority designated in said Basic Code such information as may be required to be furnished under the terms of the Basic Code.

SECTION 8. Any and all information furnished to the Secretary of the Supplementary Code Authority or other person or committee appointed by the Supplementary Code Authority, by a corporate member of the Industry shall be subject to investigation to the extent permitted by the Act for the purpose of verification by a disinterested person or persons mutually agreed upon by the Supplementary Code Authority and the member of the Industry or by a person or persons nominated by the Supplementary Code Authority and approved by the Administrator. The cost of such investigation shall be treated as an expense of administering the Supplementary Code; provided, however, that if upon such investigation any such information shall be shown to have been incorrect in any material respect, such costs shall be paid by the member of the Industry which furnished such information, provided the said member has assented to the Supplementary Code, and specifically to the provisions of this Section.



**SECTION 9.** All individual and private information received by the Executive Secretary, appointee or committee from reports, or as a result of investigation shall be held in strict confidence and not disclosed to any competitor or other persons outside the Secretary's office, without the permission of the member of the Industry involved.

Provided, however, that such information may be disclosed to any authorized governmental agency.

Provided, further, that when necessary in the hearing of a complaint of a violation of this Supplementary Code, information resulting from an investigation pertinent to the particular complaint may be disclosed to the Supplementary Code Authority or its appointee.

Provided, further, that in the event a complaint cannot be adjusted by the Executive Secretary of the Supplementary Code Authority, any confidential information required of any member of the Frit Division, upon request shall be referred to a committee composed of from one to three disinterested experts for decision and recommendation to the Administrator. The names of five experts satisfactory to the members of the Frit Division are to be submitted to the Administrator, from whom he will select from one to three experts to consider the complaint. Any expense of experts shall be paid by the member of the industry so requesting the use of said experts.

Provided, further, that information pertaining to the reporting of prices, terms and conditions may be disclosed to effectuate the purposes of this Supplementary Code.

**SECTION 10.** If the Administrator shall determine that any action of a Code Authority or agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and for the consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty (30) days' notice to him of intention to proceed with such action in the original or modified form.

#### ARTICLE V—ACCOUNTING AND COSTING

The Supplementary Code Authority shall cause to be formulated for each sub-division of the Industry an accounting system and methods of cost finding and/or estimating capable of use by all members of each sub-division of the Industry. After such system and methods have been formulated and approved by the Administrator, full details concerning them shall be made available to all members of each sub-division of the Industry. Thereafter all members shall determine and/or estimate costs in accordance with the principles of such methods.

#### ARTICLE VI—SELLING BELOW ALLOWABLE COST

**SECTION 1.** No member of the Industry shall offer for sale, sell, or exchange any product of the Industry manufactured by him, at a price, or upon terms and conditions, which will result in the purchaser paying for the goods received less than the allowable cost thereof to the seller, determined in accordance with a uniform



method of estimating and costing above described; and provided further, any member of the Industry may sell below his costs in order that he may meet competitive prices filed in accordance with the provisions of Article VII of this Supplementary Code, or to meet competition from products of equivalent design, character, quality, or specifications, manufactured outside the United States.

SECTION 2. When the Supplementary Code Authority determines that an emergency exists in this Industry and that the cause thereof is destructive price-cutting such as to render ineffective or seriously endanger the maintenance of the provisions of this Supplementary Code, the Supplementary Code Authority may cause to be determined the lowest reasonable cost of the products of this industry, such determination to be subject to such notice and hearing as the Administrator may require. The Administrator may approve, disapprove, or modify the determination. Thereafter, during the period of the emergency, it shall be an unfair trade practice for any member of the industry to sell or offer to sell any products of the industry for which the lowest reasonable cost has been determined at such prices or upon terms or conditions of sale that the buyer will pay less therefor than the lowest reasonable cost of such products.

When it appears that conditions have changed, the Code Authority, upon its own initiative or upon the request of any interested party, shall cause the determination to be reviewed.

SECTION 3. Dropped lines, or seconds, or inventories which must be converted into cash to meet emergency needs may be disposed of by any member of the Industry, at any price and on any terms and conditions, but only if such member of the Industry, not less than ten (10) days before such disposal, has filed with the Supplementary Code Authority, a statement in writing setting forth the fact of, and reasons for, such proposed disposal.

#### ARTICLE VII—PRICE LISTS

(a) If and when the Supplementary Code Authority determines that in any branch or subdivision of the Industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets, and fixed terms of sale and payment, each manufacturer of such product shall, within ten (10) days after notice of such determination, publish and file with the Supplementary Code Authority a net price list, or a price list and discount sheet, as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of sale and payment, and the Supplementary Code Authority shall immediately send copies thereof to all known members of the industry who manufacture such specified products. Such price lists shall be available to all interested buyers at the office of the Executive Secretary.

Revised price lists and/or discount sheets and/or all other conditions of sale may be published and filed from time to time thereafter with the Supplementary Code Authority by any member of the Industry who manufactures such product, to become effective five (5) days after receipt thereof by the Supplementary Code Authority. Copies of such revised price lists and/or discount sheets and/or all other conditions of sale with notice of the effective date specified,



shall be immediately sent to all known members of the Industry who manufacture such product, who are cooperating in this Supplementary Code, and shall be available to all interested buyers at the office of the Executive Secretary, and any member of this Industry may file if he so desires, to become effective upon the date when the revised price list and/or discount sheet and/or all other conditions of sale first filed shall go into effect, revisions of his price lists, and/or discount sheets and/or all other conditions of sale, establishing prices or prices and discounts not lower or conditions of sale not more favorable than those established in the revised price lists and/or discount sheets and/or all other conditions of sale first filed.<sup>1</sup>

(b) Subject to the approval of the Administrator, if and when the Supplementary Code Authority shall determine that in any branch or subdivision of the Industry, not now selling its product on the basis of price lists, with or without discount sheets, with fixed terms of sale and payment, the distribution or marketing conditions in said branch or subdivision are the same as, or similar to, the distribution and marketing conditions in a branch or subdivision of the Industry where the use of price lists, with or without discount sheets and other fixed conditions of sale, is well recognized, and that where the use of price lists, with or without discount sheets, with other fixed conditions of sale should be put into effect in such branch or subdivision, then each member of the Industry manufacturing the product or products of such branch or subdivision shall within twenty (20) days after notice of such determination, and administrative approval publish and file with the Supplementary Code Authority net price lists or price lists and discount sheets, containing all other fixed conditions of sale, and such price lists and/or discount sheets and/or other fixed conditions of sale, may be thereafter revised in the manner hereinabove provided; provided, however, that the Supplementary Code Authority shall make no determination to place any product of the industry (not now on a price list basis) on a price list basis as provided in this paragraph (b) of Article VII, unless the members of the subdivision affected shall by two-thirds affirmatively vote consent that such determination be made.

(c) No member of the Industry shall sell, directly or indirectly, by any means whatsoever, any product of the Industry covered by provisions of this Article VII at a price or at discounts, or on other conditions of sale different from those provided in his own current net price lists, or price lists and discount sheets. Provided, however, that no member of the Industry shall be required to file with the Supplementary Code Authority prices at which products are sold to his own employees not for resale.

(d) Net price lists or price lists and discount sheets of all new products or additions to the line shall become effective immediately upon same being first offered for sale to any classification of trade and shall be filed within five days thereafter.

(e) No member of the Industry shall sell any modification of standard products at a price other than the published schedule on standard products of equal design, rating and/or purpose except

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



by filing price lists and discount sheets on such products as hereinabove provided.

#### ARTICLE VIII—EXPORT TRADE

SECTION 1. No provision of this Code relating to prices or terms of selling, shipping or marketing, shall apply to export trade or sales or shipments for export trade.

SECTION 2. Subject to the approval of the Supplementary Code Authority, the exceptions established by this section shall apply also to sales or shipments of materials actually used in manufacture for export trade.

SECTION 3. Unless and to the extent that the Supplementary Code Authority with the approval of the Administrator shall otherwise determine, the sale of any product by any member of the Industry for direct shipment to the Philippines, Hawaii or Porto Rico or other insular possessions of the United States of America shall not be deemed export trade.

#### ARTICLE IX—QUOTATION POLICIES

SECTION 1. Every quotation shall show an itemized list of the unit prices of the individual items required on the specification or request for quotation. The total sum of the quotation shall not be less than the sum total of the individual items comprising the quotation. When a product consists of two or more parts which themselves are shown as individual units in the published list prices of the members of the Industry, the unit price of the combined product shall not be less than the sum of the unit prices of the articles which comprise it.

SECTION 2. All quotations shall include a definite limit time for acceptance, but in no case shall quotations be for a period longer than 30 days from date of quotation, except in building construction projects not to exceed 60 days.

#### ARTICLE X—RETURN OF PRODUCTS

No product of this Industry shall be accepted for credit or exchange at a financial loss to the member of the Industry where the member has performed his part of the agreement of sale.

#### ARTICLE XI—UNFAIR TRADE PRACTICES

In addition to the unfair trade practices covered in Article V of the Basic Code (excepting Section A), which are made a part hereof the same as though 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.

(a) *Combination sales.*—No member of this Industry shall sell or offer to sell commodities other than products of this Industry for the purpose of influencing a sale, at prices below the invoice price plus



all incidental costs of such products. If and when the products of this Industry are sold in combination with products of other Industries, the invoice must clearly show the unit price for all articles listed.

(b) *Contracts*.—No member of the Industry shall make any sale or contract of sale of any product under any description which does not fully describe such product in terms customarily used in the Industry.

(c) *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.

(d) *Substitution of material*.—No employer shall use or substitute material or make delivery of products on an order or contract which does not conform to samples submitted or representations made prior to securing the order and/or is superior or inferior in quality to that specified in such order or contract, without making the adjustment in the quoted price and clearly indicating the nature of the substitution.

(e) *Splitting commissions*.—No member of the Industry shall continue to employ any salesman or agent compensated in whole or in part on a commission or bonus basis who shall pay or allow to any purchaser any part of the commission or bonus earned by him in connection with the sale of any product coming within the scope of this Supplementary Code, or who shall violate or cooperate in the violation of any provisions of this Supplementary Code applicable to members of such Industry.

(f) *Espionage of competitors*.—No member of the Industry shall attempt to secure confidential information concerning the business of a competitor by a false or misleading statement or representation, by a false impersonation of one in authority, by bribery, or by any other unfair method.

(g) *Threats of law suit*.—No member of the Industry shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to or have the effect of harassing competitors or intimidating their customers. Failure to prosecute in due course shall be evidence that any such threat is unwarranted or unjustified.

(h) *Interference with other contracts*.—No member of the Industry shall attempt to induce the breach of an existing written contract between a competitor and his employee or customer or source of supply; nor shall any such member interfere with or obstruct the performance of such contractual duties or services.

(i) No member of this Industry shall offer for sale or sell any products of this Industry classified as seconds unless such products are conspicuously marked or branded as seconds.

## ARTICLE XII—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 XIII—MODIFICATIONS

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

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

## ARTICLE XIV—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, so far as possible, be limited to actual additional increases in the seller's costs.

## ARTICLE XV—EFFECTIVE DATE AND DURATION

This Supplementary Code shall become effective at 12:01 o'clock A.M., Eastern Standard Time, on the tenth day after it is approved by the President and/or the Administrator and shall continue in effect until June 16, 1935, or the earliest date prior thereto on which the President shall, by proclamation, or the Congress shall, by joint resolution declare that the emergency recognized by Section 1 of the National Industrial Recovery Act, has ended.

Approved Code No. 84—Supplement No. 13.  
Registry No. 1033-1-02.





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Section 1. The Secretary of the Interior is authorized to...  
Section 2. The Secretary of the Interior is authorized to...  
Section 3. The Secretary of the Interior is authorized to...

### Section XIV - Title I

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### Section XV - Title II

Section 1. The Secretary of the Interior is authorized to...  
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