

NATIONAL RECOVERY ADMINISTRATION

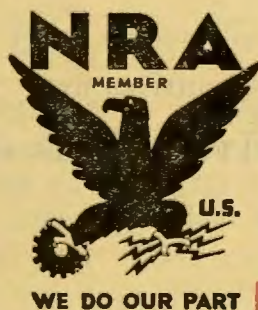
PROPOSED CODE OF FAIR COMPETITION

FOR THE

PIPE COIL MANUFACTURING

INDUSTRY

AS SUBMITTED ON SEPTEMBER 1, 1933



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U.S. DEPOSITORY

**The Code for the Pipe Coil Manufacturing Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and *none of the provisions contained therein are
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry***

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NATIONAL RECOVERY ADMINISTRATION
PROPOSED CODE OF FAIR COMPETITION
FOR THE
PIPE COIL MANUFACTURING
INDUSTRY

SUBMITTED BY

PIPE COIL MANUFACTURERS ASSOCIATION

(II)



CODE FOR FAIR COMPETITION FOR THE PIPE COIL MANUFACTURERS ASSOCIATION

ARTICLE I—PURPOSE

This Code is set up for the purpose of increasing employment, establishing fair and adequate wages, effecting necessary reduction of hours, improving standards of labor, and eliminating unfair trade practices, to the end of rehabilitating our Industry, which is the fabrication of pipe coils, pipe bends, and fabricated pipe and tubing, enabling it to do its part toward establishing that balance of industries which is necessary to the restoration and maintenance of the highest practical degree of public welfare.

ARTICLE II—DEFINITION

For the purpose of this Code the following definitions are established:

Pipe Coil Manufacturer.—One whose principal business is the purchase of pipe and tubing for threading, flanging, bending, coiling, welding, or otherwise fabricating to specifications and dimensions and who also may purchase other allied products for assembly therewith for resale.

ARTICLE III—PARTICIPATION

Participation in this Code, and any subsequent revision of or addition to the code, shall be extended to any person, partnership, or corporation in the industry who accepts his share of the cost and responsibility, as well as the benefit, of such participation by becoming a member of the Pipe Coil Manufacturers Association, which now comprises in excess of 60% of the members of the Industry. There shall be no inequitable restriction to membership in the Pipe Coil Manufacturers Association as the official organization of this industry, and this code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them.

ARTICLE IV—REGULATIONS

Labor Code.—Employees in this industry shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organizations or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

No employee in this industry, and no one seeking employment therein, shall be required as a condition of employment to join any company union or to refrain from joining a labor organization of his own choosing.

Employers of labor in this industry agree to comply with the maximum hours of labor, minimum rates of pay, and other working conditions approved or prescribed by the President of the United States.

This industry shall establish minimum wages, maximum hours, and proper working conditions by mutual agreement with its employees, or as may be approved or prescribed by the President of the United States. See schedule "A" attached.

ARTICLE V—EMERGENCY NATIONAL COMMITTEE

A. *Representation*.—There shall be an Emergency National Committee of this industry to consist of the members of the Executive Committee of the Pipe Coil Manufacturers Association and its Executive Director.

B. *Powers*.—This Emergency National Committee shall be the general planning and coordinating agency for this industry. Its members shall be empowered to act for all units in the industry conclusively in respect to all matters before the committee for consideration and within its jurisdiction. The Committee shall have powers and duties as provided herein, and in addition thereto it shall

(a) from time to time require such reports as in its judgment may be necessary to advise it adequately of the administration and enforcement of the provisions of this code;

(b) upon complaint of interested parties, or upon its own initiative, make such inquiry and investigation into the operation of the code as may be necessary;

(c) make rules and regulations necessary for the administration and enforcement of this code; and

(d) delegate any of its authority to the Executive Director of the Pipe Coil Manufacturers Association.

ARTICLE VI—INDUSTRY REGULATIONS

A. Marketing Code

The Pipe Coil Manufacturers Association has established this Marketing Code with respect to:

(a) Simplification and standardization of products;

(b) *Price discrimination*.—It shall constitute unfair competition for a manufacturer to discriminate in prices, terms, discounts, allowances, guarantees, or in any way between purchasers of the same class, whether in the same or different territories and irrespective of whether the material is sold for specific operations, for federal, state, county, or municipal governments, or for any other specific purpose; provided, however, that nothing in this code shall be construed to prevent any manufacturer from selecting his own customers in bona fide transaction.

(c) *Commercial bribery*.—To give, or permit to be given, or to offer to give, directly or indirectly, money or anything of value to

agents, employees, representatives, and engineers of purchasers or prospective purchasers for the purpose of influencing their employers or principals or prospective employers or principals to purchase from the profferer, or to refrain from purchasing from competitor of the profferer, constitutes unfair competition.

(d) *Rebates*.—Withholding from, or inserting in the invoice, facts or other sales documents which make the invoice or other documents a false record, wholly or in part, of the transaction represented on the face thereof, and/or the payment or allowance of secret rebates, refunds, credit, unearned discounts, whether in the form of money or otherwise, or the extension to certain purchasers of service or privileges not extended to all purchasers under like terms and conditions, constitutes unfair competition.

(e) *Invoices*.—All sales shall be invoiced at the time of shipment, and such invoices shall clearly and accurately state all of the essential elements of the sale. Failure to comply herewith shall constitute unfair competition.

(f) *Substitution*.—The furnishing of materials more or less expensive, of better or inferior quality, or of larger or smaller size than specified without making the proper adjustments in the quoted price and clearly indicating the nature of the substitution, constitutes unfair competition.

(g) *False statements*.—The making of false statements with respect to a competitor's products, policies, or practices shall constitute unfair competition. Every member of this industry shall be responsible for the acts and statements of his employees.

(h) *Inducing breach of contract*.—No member of the industry shall induce or attempt to induce the cancelation of an order or the breach of a contract between a competitor and his customer.

(i) *Published prices*.—Each manufacturer shall publish his prices and file same with the Executive Director of the Pipe Coil Manufacturers Association. Such prices shall be adjusted from time to time pursuant to the provisions of the Industrial Recovery Act. Deviation from such prices shall constitute unfair competition.

(j) *Prices and terms*.—It shall constitute unfair competition for any manufacturer to sell his products below the price and contrary to the terms, discounts, allowances, and conditions established from time to time pursuant to the provisions of the Industrial Recovery Act as the minimum price basis below which it is impossible for manufacturers of average ability and efficiency to maintain fair wages and employment conditions to pay the costs of doing business and to earn a fair profit. Prices, terms, discounts, allowances, and conditions currently in effect hereunder from time to time shall be submitted to the President of the United States for his approval.

(k) *Lump Sum Bidding*.—Quoting a total price on any schedule comprised of Fabricated Piping, Valves, Fittings, Coils, or other allied materials which does not show a break-down of prices or, in other words, a separate unit price on each group or class of material, shall be considered an unfair method of competition.

Quoting a total price on any schedule of fabricated or allied materials which is not the same as the total of the unit prices on the same list of materials is also an unfair method of competition.

ARTICLE VII.—STATISTICS

In order to provide the necessary data for the administration of the National Industrial Recovery Act, the members of this Industry shall furnish through the Emergency National Committee or the Executive Director, such statistical information when and if called for by the Administration.

ARTICLE VIII

All communications and conferences of this industry with the President of the United States or with his agents concerning the approval or amendments of this Code or of any of its provisions or any matters relating thereto, shall be through the said Emergency National Committee and Executive Director. The Emergency National Committee shall serve as an executive agency for this industry and shall be charged with the enforcement of the provisions of this Code and with the duties, through agents or otherwise, of hearing and adjusting complaints, considering proposals for amendments and making recommendations thereon, approving recommendations for exceptions to the provisions of this Code and otherwise administering its provisions. The function of this Committee shall be the general planning and coordinating for this industry and the cooperation with similar boards of other industries to the end of effecting a balanced national economy.

ARTICLE IX—GENERAL

1. No provision in this Code shall be interpreted or applied in such manner as to

- a. Promote monopolies or combinations in restraint of trade,
- b. Permit or encourage unfair competition,
- c. Eliminate or oppress small enterprises, or
- d. Discriminate against small enterprises.

2. This Code or any of its provisions may be cancelled or modified and any approved rule issued thereunder shall be ineffective to the extent necessary to conform to any action by the President of the United States under Section 9 (b) of the National Industrial Recovery Act.

3. Amendments to this Code may be proposed by any member for consideration by the Emergency National Committee or may be initiated by it, and when approved by the President of the United States shall be effective.

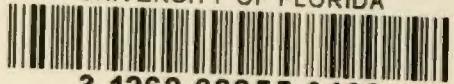
4. Violation by any producer of this industry's products, of any provisions of this Code, or of any approved rule issued thereunder, is an unfair method of competition.

5. The Pipe Coil Manufacturers Association shall be the enforcing agency of the industry of fabrication of Pipe Coils, pipe bends, and fabricated pipe and tubing. The sponsors and signatures of this Code agree that when same has been given Government approval it shall be considered the standard of fair competition for this industry and that any violation of these standards in any transaction or affecting interstate commerce shall be deemed an unfair method of competition.

Any alleged infraction of the regulations governing the industry shall be investigated by the Executive Director of the Pipe Coil Manufacturers Association, who shall report the facts to the Emergency National Committee before taking any action in the premises.

6. No member of the Emergency National Committee shall participate, as a member of such Emergency National Committee in any proceedings in which he is interested in either the complainant or respondent company, or in which he is in any other manner directly interested, and in the event of any such disqualification, the remaining members of such Emergency National Committee shall certify such disqualification, together with the reasons therefor, to the Executive Director who shall promptly designate a person to sit as a special member of such Emergency National Committee for the purpose of any such proceedings.

7. This Code shall be in effect beginning ten days after its approval by the President of the United States.



SCHEDULE A

HOURS

A-1. On and after the effective date of this Code, employers in this Industry shall not operate on a schedule of hours of labor for their factory employees, mechanical workers, and artisans, except employees on emergency, maintenance, and repair work, in excess of 40 hours per week.

A-2. It shall be permissible, however, in an emergency to increase the number of weekly hours which any factory employee, mechanical worker, or artisan may be employed provided his total number of hours worked shall not exceed 160 hours for any four-week period.

A-3. On and after the effective date of this Code, employers in this Industry shall not operate on a schedule of hours of labor for their accounting, clerical, office service, or sales employees (except outside salesmen) or employees in a managerial or executive capacity who now receive more than \$35.00 per week—in excess of 44 hours per week.

WAGES

B-1. On and after the effective date of this Code, the minimum wage that shall be paid by employers in this Industry to factory employees, mechanical workers, or artisans shall be not less than 40¢ per hour.

B-2. On and after the effective date of this Code, the minimum wage that shall be paid by employers in this Industry to their accounting, clerical, office service, or sales employees (except outside salesmen) or employees in a managerial or executive capacity who now receive more than \$35.00 per week shall be not less than \$15.00 per week.

(6)

