

**NATIONAL RECOVERY ADMINISTRATION**

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**CODE OF FAIR COMPETITION**

**FOR THE**

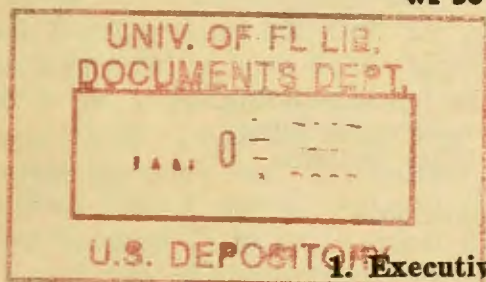
**SILVERWARE**

**MANUFACTURING INDUSTRY**

**AS APPROVED ON DECEMBER 23, 1933**

**BY**

**PRESIDENT ROOSEVELT**



1. Executive Order
2. Letter of Transmittal
3. Code

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Approved Code No. 177

**CODE OF FAIR COMPETITION**  
**FOR THE**  
**SILVERWARE MANUFACTURING INDUSTRY**

As Approved on December 23, 1933

BY  
**PRESIDENT ROOSEVELT**

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**Executive Order**

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 my approval of a Code of Fair Competition for the Silverware Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

**FRANKLIN D. ROOSEVELT.**

Approval recommended:

**HUGH S. JOHNSON,**  
*Administrator.*

**THE WHITE HOUSE,**  
*December 23, 1933.*



DECEMBER 17, 1933.

The PRESIDENT,  
*The White House.*

SIR: A Public Hearing on the Code of Fair Competition for the Silverware Manufacturing Industry, submitted by the Silverware Manufacturers Institute, 20 West 47th Street, New York, N.Y., was conducted in Washington on the 2nd of October, 1933, in accordance with the provisions of the National Industrial Recovery Act. This Association claims to represent ninety percent (90%) of the Industry.

The maximum hours permitted under this Code are forty (40) per week. During peak demand periods employees may be permitted to work forty-eight (48) hours per week, provided that the average for any three months period does not exceed forty (40) hours per week. Provision is made for the employment of hub and die-cutters for forty-eight (48) hours per week, but this class of employee shall not exceed five percent (5%) of the total number of employees. Watchmen and engineers may work forty-two (42) hours when averaged over any two week period. Members of the Industry while doing productive work shall come under the maximum hours provided for in the Code.

The minimum wage is thirty-five cents (35¢) per hour. Provision is made for learners, who are to be paid eighty percent (80%) of the minimum wage for a three months learning period, but this class of employee shall not exceed 5% of the total number of employees. Aged employees to the extent of 2% of the total employees shall be paid not less than eighty percent (80%) of the minimum wage. Provision is made for an equitable adjustment of all wages above the minimum.

Silverware is a luxury. The raw materials which are used are costly and this must be recognized in considering the problems of production. This should undoubtedly be given much consideration in seeking to account for the rapid decline of the industry since 1929, at which time the total value of the products of the industry were \$85,800,000.00. This had declined in 1932 to \$33,000,000.00. There was a loss of 29 firms operating in the industry from 1929 to 1933.

It should also be emphasized that the business is largely seasonal since the sales are mostly made at certain seasons, viz, Fall, May and June for Weddings, and Christmas. For that reason it is important that the hours be averaged down to forty (40) per week over a three-months period rather than a flat forty (40) hour week.

Style, fluctuations in price of silver, and other materials and demand play a large part in this industry, and it is almost impossible to anticipate demands, thus leaving no possible way of so spreading out the work and the sales over several months so as to relieve con-



gestion and give steady employment to the workers and thus prevent the "dull" season.

In April 1933 there were 1,572 unemployed workers in this industry. Between April and October 1933 there has been a 20% increase in employment and approximately 17% increase in the average hourly rate of pay.

#### FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The Silverware Manufacturers Institute, the applicant group herein, imposes no inequitable restrictions on admission to membership and is truly representative of the Silverware Manufacturing Industry.

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

This Industry has cooperated in a most satisfactory manner with the Administration in the preparation of this Code. From evidence adduced during this hearing and from recommendations and reports of the various Advisory Boards it is believed that this Code as now proposed and revised represents an effective, practical, equitable solution for this Industry and its approval as herewith submitted is recommended.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

**CODE OF FAIR COMPETITION**  
**FOR THE**  
**SILVERWARE MANUFACTURING INDUSTRY**

**ARTICLE I—PURPOSES**

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Industry, and upon approval by the President, its provisions shall be the standards of fair competition for such Industry and shall be binding upon every member thereof.

**ARTICLE II—DEFINITIONS**

1. The term the "Industry" as used herein shall mean the manufacture of Sterling Silverware, Platedware, Pewter; the manufacture of table knives, forks, spoons, and other flatware, hollow ware, toiletware, ornaments, Ecclesiastical ware, novelties, etc., where such articles are composed of solid silver, of metal plated with silver, gold, or other metal, or of nickel silver, or of pewter.

2. 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 its own behalf.

3. The term "Institute" as used herein shall mean the Silverware Manufacturers Institute.

4. The term "division" refers to the several parts of the industry which are or may be established by the Institute under the definitions in Section 1, as follows:

1. Plated Flatware
2. Plated Hollow Ware
3. Plated Toiletware and Novelties
4. Hotelware—Flatware and Hollow Ware
5. Pewter, Chromium Plate and Miscellaneous
6. Sterling Flatware
7. Sterling Hollow Ware
8. Sterling Toiletware
9. Sterling Novelties

5. The term "employee" as used herein includes anyone engaged in the industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation.

6. The term "learner" as used herein shall mean any employee with not more than three months' experience or employment in this industry.



7. The term "hotelware" (hollow ware and flatware) as used herein shall include that merchandise customarily sold to the hotel, club, restaurant, railroad, and steamship trade.

8. The terms "Act" and "Administrator" as used herein shall mean respectively Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

### ARTICLE III—HOURS

1. No employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any one day, except as follows:

(a) This limitation shall not apply to seasonal peak demand periods during which, however, no employee shall be permitted to work in excess of forty-eight (48) hours in any one calendar week; nor shall the average hours of employment for any three (3) months' period exceed forty (40) hours per week.

(b) Hub and die cutters may be employed a maximum of forty-eight (48) hours per week, but the total number of such employees working shall not exceed one in number, or five percent (5%) of the total number of employees engaged by such member of the Industry, whichever is the higher.

(c) Watchmen and engineers, who may be employed in pairs, and shall work not more than thirty-six and forty-eight hours in alternate weeks, or not more than forty-two (42) hours per week averaged over any period of two weeks.

(d) Officers, executives, and employees engaged in a managerial capacity who receive more than thirty-five dollars (\$35.00) per week, and outside salesmen, shall be exempt from the maximum hours herein established.

(e) The maximum hours fixed in this Article shall not apply to any employee on emergency repair work involving break-downs or protection of life or property, but in any such special case the average hours worked by any employee, when averaged over a period of six months, shall not exceed forty (40) hours per week.

(f) Employers while working as producers shall adhere to the working hours above prescribed in Section 1.

(g) No employee shall be permitted to work for a total number of hours in excess of the weekly number of hours herein prescribed, whether he be employed by one or more employers.

### ARTICLE IV—WAGES

1. No employee shall be paid at a rate less than thirty-five cents (35¢) per hour, except as follows:

(a) Learners, who shall be employed as such for not more than three (3) months, shall be paid not less than eighty percent (80%) of the minimum hourly rate of compensation established in this Code. The number of learners employed by any one employer in any one month shall not exceed one in number or five percent (5%) of the total number of employees of such employer, whichever is the higher.

(b) Where, because of age, physical or mental handicap, a person's capacity is limited, the Code Authority may, upon petition



of an employer, and with the approval of the Administrator, permit such persons to be engaged in performing light work, provided, that the wages paid to such employee shall be not less than eighty percent (80%) of the minimum rate of pay herein established; provided, however, that he shall be paid the same rate per piece as other employees; and provided further, that such persons shall not in any case exceed two percent (2%) of the total number of persons regularly employed by the employer so petitioning.

(c) In the case of employees performing work for which they are paid per piece of work performed, the minimum rate of pay shall be sufficient to produce a weekly wage not less than the minimum rate prescribed in this Code for work on a time basis.

2. It is the policy of the members of this Industry to refrain from reducing the weekly rate of compensation of employees whose said rate of compensation is above the minimum rate established in this Article. As far as practicable, the rates of compensation for various labor operations which receive more than the minimum shall be equitably adjusted, due account being taken of the number and extent of such downward adjustments as may have been made in any individual case prior to May 1, 1933, as well as of the number and extent of such upward adjustments as may have been made subsequent to that date. Within thirty (30) days each manufacturer shall report to the Administrator, through the Code Authority, all readjustments of wage rates made in accordance with this section.

#### ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the Industry, nor anyone under eighteen years of age at operations or occupations hazardous in nature or detrimental to health. In any State an employer shall be deemed to have complied with this provision if he shall have on file a certificate or permit duly issued by the authority in such State empowered to issue employment or age certificates or permits, showing that the employee is of the required age.

2. In compliance with Section 7 (a) of the Act it is provided:

(a) Employees 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-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing, and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

3. No provisions in this Code shall supersede any State or Federal Law which imposes on employer more stringent requirements as to age of employees, wages, hours of work, or as to safety, health,



sanitary, or general working conditions than are imposed by this Code.

4. No employer shall reclassify employees or duties or occupations performed as they existed on October 1, 1933, or engage in any other subterfuge for the purpose of defeating the purposes or provisions of the Act or of this Code.

5. Each employer shall post and keep posted full copies of this Code in conspicuous places, accessible to all employees.

6. If any employer of labor in the Silverware Manufacturing Industry is also an employer of labor in any other Industry the provisions of this Code shall apply to and affect only that part of his business which is engaged in the manufacture of Silverware, as herein defined.

#### ARTICLE VI—HOME WORK

No member of the Industry shall distribute or permit to be distributed, directly or indirectly, work of any kind to be done in home or homes.

#### ARTICLE VII—ADMINISTRATION

To further effectuate the policies of the Act, a Code Authority is hereby established to cooperate with the Administrator in the administration of this Code.

1. Organization and constitution of Code Authority.

(a) The Code Authority shall consist of the Executive Council of the Silverware Manufacturers Institute, and in addition thereto, not more than three (3) members, without vote and without compensation from the Industry to be appointed by the Administrator and to serve for such time as he may designate.

(b) Vacancies in the personnel of the Code Authority selected by the Industry shall be filled through the appointment by the Administrator upon nomination of the Code Authority.

(c) In order that the 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 Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may take such action as he may deem necessary under the circumstances.

(d) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall submit to the Administrator true copies of its articles of association, bylaws, 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.

(e) Any action of the Code Authority or of any agency thereof, which the Administrator may deem unfair or improper, or which may be represented to him by any interested party, as unfair to any private interest, improper, or contrary to the public interest, may be suspended by the Administrator for such period of time, not to exceed thirty days, as he may deem necessary to afford an opportunity for investigation into such action. Further action by the Code Author-



ity, on the matter under investigation, shall be held in abeyance pending final determination by the Administrator.

2. The Code Authority shall have the following duties and/or powers in addition to those elsewhere provided in this Code, subject to the right of the Administrator to disapprove any action taken by the Code Authority.

(a) To administer the provisions of this Code and provide for the compliance of the industry with the provisions of the Act.

(b) To adopt bylaws and rules and regulations for its procedure and for the administration and enforcement of the Code.

(c) To obtain from members of the Industry such information and reports as are required for the administration of the Code and to provide for submission by members of such information and reports as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act, which information and reports shall be submitted by members to such administrative and/or government agencies as the Administrator may designate; 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 any other party except to such governmental agencies as may be directed by the Administrator.

(d) To establish an adequate system of cost accounting, capable of uniform application within the Industry, which, when approved by the Administrator, shall be used by all members of the Industry as a basis for cost finding.

(e) To use any 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 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.

(f) To make recommendations to the Administrator for the coordination of the administration of this Code with such other codes, if any, as may be related to the Industry.

(g) To secure from members of the Industry who assent to this Code and/or participate in the activities of the Code Authority an equitable and proportionate payment of the reasonable expenses of maintaining the Code Authority and its activities.

(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.

3. No inequitable restrictions on admission to membership in the Silverware Manufacturers Institute, or any other trade association or organized group participating in the activities of the Code Authority, shall be imposed, and any member of the Industry shall be eligible for membership in any such trade association or organized group upon compliance with the provisions of the bylaws relating to membership, provided that any person applying for such membership shall, in addition to the payment of such dues as are imposed upon and paid by all other members, accept a reasonable and equi-



table share of the cost of code administration. Such members of the Industry who do not choose to become members of any such trade association or organized group may participate in the activities of the Code Authority by paying to the Code Authority such proportionate part of the cost of code administration as the Code Authority, subject to the disapproval of the Administrator, shall prescribe to be fair and equitable.

4. The Code Authority shall, within sixty (60) days after the effective date of this Code, establish a series of quality standards to mark the various grades and qualities of the products of the industry, which when approved by the Administrator, may be used by all members of the industry.

#### ARTICLE VIII—TRADE PRACTICES

The following practices constitute unfair methods of competition for members of the Industry and are prohibited:

1. No member of the Industry shall sell any product of the Industry below his individual cost figure, as determined by the cost accounting system to be established by the Code Authority and approved by the Administrator; or fail in the case of "group" sales to price and bill separately the individual prices of the articles comprising said "groups", provided, however, that any member of the Industry may, in order to meet bona fide competition in any specific instance, sell at the lowest reasonable cost within the Industry, as determined by the Code Authority and approved by the Administrator, notwithstanding such lowest reasonable cost may be less than his individual cost, and provided further, that obsolete and/or discontinued merchandise may be sold at less than cost if it is not deliberately manufactured in such manner as tends to frustrate the spirit and intent of this Code. All sales below cost as permitted above, and all sales of such obsolete and/or discontinued merchandise shall be reported to the Code Authority within five (5) days of the date of the sale, giving the name and address of the purchaser, the date and the amount of the sale, together with any other pertinent information requested by the Code Authority.

2. 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.

3. No member of the Industry shall secure or cause to be secured confidential information concerning the business of a competitor by a false or misleading statement or representation, by a false impersonation of one in authority, or by bribery, or by any other unfair method.

4. No member of the Industry shall procure, or cause to be procured, any information concerning the business of any other member



of the Industry which is properly regarded as a trade secret or as confidential, without such member's consent, provided that this Section shall not include information relating to a violation of any provision of this Code.

5. No member of the Industry shall imitate or copy any original design, mark, or brand exclusively owned by any other member of the industry, or simulate the quality markings as established by the Code Authority and approved by the Administrator, on goods inferior in quality to the standards established for the marks so simulated.

6. No member of the Industry shall use or substitute any material differing in quality from that specified by the purchaser.

7. No member of the Industry shall make, cause, or knowingly permit to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement or otherwise, whether concerning the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry, or the credit terms, values, policies, or services of any member of the Industry, or otherwise having the tendency or capacity to mislead or deceive customers or prospective customers.

8. No member of the Industry shall cause the defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations or false disparagement of the grade or quality of their goods.

9. No member of the Industry shall disseminate, publish, or circulate false or misleading information relative to products manufactured by such member or knowingly encourage or continue to sell to any distributor who persists in such practice.

10. No member of the Industry shall make or give any guaranty or protection in any form against advance or decline in the market price of any product, except as specifically permitted by the Code Authority subject to the approval of the Administrator.

11. No member of the Industry shall misdate any invoice in such manner as to result in the customer procuring the merchandise at a price below the current price.

12. No member of the Industry shall grant to any retail distributor special discounts or rebates or any allowances, direct or indirect, for advertising purposes, unless granted to all retail distributors under like terms and conditions.

13. No member of the Industry shall pay or make allowances, rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or secretly or otherwise extend special services or privileges to certain purchasers not extended to all purchasers on like terms and conditions.

14. No member of the Industry shall fail to adequately mark all products with the manufacturer's name or registered trade mark or with some other such mark which shall have been registered with the Code Authority for the purpose of identifying the maker, but no member of the Industry shall falsely mark or brand any product of the Industry which has the tendency to mislead or deceive customers or prospective customers, whether as to the grade, quality,



quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry or otherwise.

15. No member of the Industry shall permit any buyer to return any merchandise, other than nationally advertised merchandise or samples not intended for resale, when the agreement of sale is fully performed by such member. No member of the Industry shall permit articles which carry a nationally advertised price to be returned by virtue of this section unless the buyer is charged with the cost of transportation and a minimum refinishing and/or rehandling charge of ten percent (10%) in the case of plated ware and five percent (5%) in the case of all sterling ware returned as provided for in this section. Nothing in this section shall be construed to prevent a member of the Industry from accepting the return of merchandise for legitimate credit reasons, when the return is approved by the Code Authority and/or the Administrator.

16. No member of the Industry shall ship any merchandise having a cost of less than ten dollars (\$10.00) net unless there shall be added to the invoice and collected from the customer a package charge of twenty-five cents (25¢).

17. No member of the Industry shall sell or offer for sale any article on which the manufacturer has stamped any quality mark established by the Code Authority and approved by the Administrator as provided for in Section 4 of Article VII unless the actual quality of said article conforms in all respects to the standard so established: Provided, however, that this provision shall not become effective for a period of ninety (90) days after the approval of such established quality marks by the Administrator.

18. No member of the Industry shall ship any merchandise except sterling ware on memorandum or consignment or sell such merchandise with the privilege of returning all or any portion of same. The provisions of this section shall not apply to merchandise shipped for exhibition purposes only and not intended for resale.

19. No member of the Industry shall ship any sterling ware on memorandum or consignment to remain in the dealer's hands for a period longer than fourteen (14) days. On all such memorandum or consignment shipment the dealer shall be charged with all transportation charges, and if such sterling ware is not returned within the period herein specified, the dealer shall immediately be billed for same and the invoice therefor shall clearly set forth the original shipping date and the date of receipt of such sterling ware by the dealer, and shall not be subject to return, except for legitimate credit reasons, when such return is approved by the Code Authority and/or the Administrator. The provisions of this section shall not apply to sterling ware shipped for exhibition purposes only and not intended for resale.

20. No member of the Industry shall publish or otherwise announce any guaranty, whether limited or unlimited, for a specified period of time in connection with the lasting or wearing qualities of plated ware, or encourage or continue to sell to any distributor or dealer who persists in publishing or otherwise announce such a guarantee in connection with the plated ware of the manufacturer concerned.



21. No member of the Industry shall submit contract proposals for hotel ware on other than standard forms to be established by the Code Authority, which shall include definite specifications in regard to base metal, weights of blanks of flatware for patterns that are regularly made in more than one weight, solder, silver plating standard, patterns, special markings, terms, and unit prices, and the date of such proposal, and unless specifications have been changed, no member of the Industry shall change his unit price on proposals already submitted, when such change is made to secure award of the contract by reducing such prices below one or more other bidders. Nothing in this section shall be construed to alter any right of any bidder to withdraw his proposal before acceptance thereof.

(a) No member of the Industry shall fail to charge for the cost of special consumer marking dies or stamps for hollow ware or flatware, or for the cost of marking consumer's names, monogram, or crest, whether stamped, hand engraved, etched, or applied on hotel hollow ware and flatware. Cost shall be determined as in Article VIII, Section (1) of this Code.

(b) No member of the Industry shall participate in connection with the sale of silverware in the financing in any form of hotels, clubs, restaurants, railroads, or steamship lines.

(c) Where a special pattern in hotel ware is made for the exclusive use of a consumer, no member of the Industry shall fail to charge for the cost of dies or tools necessary to produce the same, but upon payment thereof, such dies or tools for which such charge is made shall become the property of the consumer who pays for them. Costs shall be determined as set forth in Article VIII, Section (1) of this Code.

#### ARTICLE IX—MODIFICATION

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

2. This 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 to the Administrator and such notice and hearing as he shall specify, and to become effective on approval of the President unless otherwise provided.

#### ARTICLE X—MONOPOLIES, ETC.

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

#### ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made impossible of consummation if prices of goods and



services increase as rapidly as wages, it is recognized that price increases should be delayed and that, when made, the same should, so far as reasonably possible, be limited to actual increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Code shall become effective on the first Monday after its approval by the President.

Approved Code No. 177.

Registry No. 1223-1-02.



