

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

HAIR CLOTH

MANUFACTURING INDUSTRY

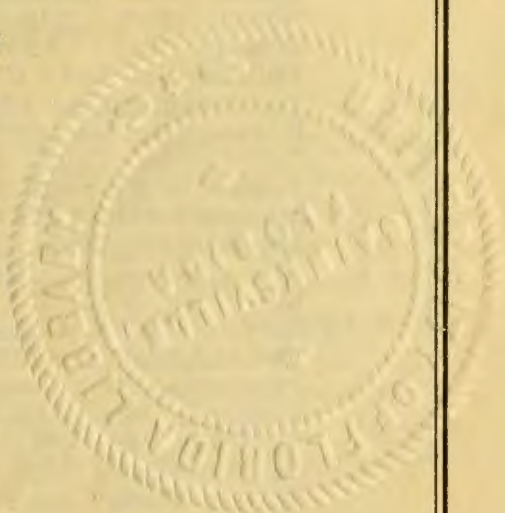
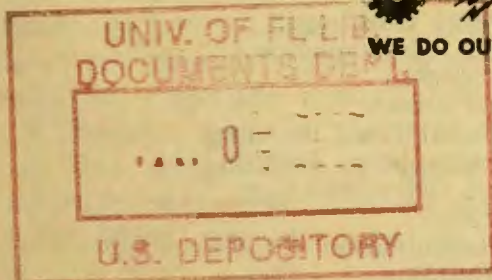
AS APPROVED ON DECEMBER 15, 1933

BY

PRESIDENT ROOSEVELT



WE DO OUR PART



1. Executive Order
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Approved Code No. 157

CODE OF FAIR COMPETITION

FOR THE

HAIR CLOTH MANUFACTURING INDUSTRY

As Approved on December 15, 1933

BY

PRESIDENT ROOSEVELT

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 Hair Cloth 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 it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
December 15, 1933.

DECEMBER 1, 1933.

The PRESIDENT,
The White House.

INTRODUCTION

SIR: This is a report on the hearing of the Code of Fair Competition for the Hair Cloth Manufacturing Industry.

The hearing was conducted in accordance with the provisions of the National Industrial Recovery Act in the North Room of the Mayflower Hotel in Washington, D.C., on November 17, 1933. Every person who filed a request for an appearance was freely heard in public and all statutory and regulatory requirements were complied with.

The Code which is attached was presented by duly qualified and authorized representatives of the above industry, complying with the statutory requirements, as representing 93½ percent of the industry.

EVIDENCE SUBMITTED

The industry consists of eleven concerns, who, with the exception of one small plant, are members of the Association. The industry has invested capital of around two million dollars and in normal years has a sales volume of about four million dollars. It is estimated that the sales volume for 1933 will be about one million dollars. There are approximately 400 employees in the industry. The increase in the number of employees since July 1, 1933, has been about 10 percent and the increase in wages about 20 percent.

RÉSUMÉ OF PROVISIONS OF THE CODE

The Code provides for a minimum wage of \$17.00 per week for forty hours of labor. Shipping, receiving, storeroom employees, firemen, and engineers are permitted to work forty-four hours per week. Employees on emergency maintenance or repair work will be paid one and one third times the normal rate for hours worked over forty-four per week.

Watchmen are to be employed in pairs to work 36 and 48 hours on alternate weeks, giving them an average week of forty-two hours.

Provisions have been made to prevent stretch-outs, reclassification of employees, and the reduction of wages for the shorter week.

Productive machinery in the industry is limited to one shift of forty hours per week.

FINDINGS

I find that:

(a) The Code complies in all respects with the pertinent provisions of Title I of the National Industrial Recovery Act, including

without limitation subsection (a) of Section 7 and subsection (b) of Section 10 thereof.

(b) The Hair Cloth Manufacturers Association is truly representative of the Hair Cloth Manufacturing Industry. The By-Laws of this association provide no inequitable restrictions to membership.

(c) The Code is not designed to permit 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.

Accordingly, I hereby recommend the approval of the Code of Fair Competition for the Hair Cloth Manufacturing Industry.

Respectfully submitted,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

HAIR CLOTH 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 Hair Cloth Manufacturing Industry, and shall be the standard of fair competition for such industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

The term "industry" as used herein includes the manufacturing of hair-cloth products and the sale thereof by the manufacturer and such branches thereof as may from time to time be included under the provisions of this Code.

The term "Hair Cloth Products" as used herein includes all fabrics woven with horse hair.

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.

The term "employer" as used herein includes anyone by whom any such employee is compensated or employed.

The term "member of the industry" as used herein includes anyone engaged in the industry as above defined, either as an employer or on his own behalf.

The terms "President", "Act", and "Administrator" as used herein shall mean respectively the President of the United States, the National Industrial Recovery Act, and the Administrator of Title I of said Act.

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 twenty-four (24) hour period unless otherwise specified herein.

2. The maximum hours fixed in the foregoing section shall not apply to:

(a) Executives, office employees, supervisory staff, and outside salesmen who receive \$35.00 per week or more.

(b) Shipping, receiving, storeroom employees, firemen, and engineers who shall not work in excess of forty-four (44) hours per week.

(c) Employees on emergency maintenance or breakdown or repair work and protection of life and property. In any such special case, a tolerance of 10% shall be allowed. Any hours worked in excess of forty-four (44) hours per week shall be paid for at the rate of time and one third, and reported to the Code Authority every month.

(d) Watchmen shall be employed in pairs and shall not work more than thirty-six (36) and forty-eight (48) hours on alternate weeks, or an average of forty-two (42) hours per week.

3. The maximum hours of labor for office employees receiving less than \$35.00 per week shall be an average of forty (40) hours per week over a six (6) week period but in no week during such period more than forty-eight (48) hours.

4. No employee shall be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

5. Employers of this industry shall not operate productive machinery for more than one shift of forty (40) hours per week.

ARTICLE IV—WAGES

1. No employee shall be paid at less than the rate of \$17.00 per week for forty (40) hours of work.

2. No employee shall receive for forty (40) hours of labor less compensation than he received or would have received as of July 1, 1933, for not exceeding fifty-four (54) hours per week.

3. Apprentices and learners for a period not to exceed three (3) months shall be paid at the rate of not less than 80% of the minimum wage herein provided. The total number of apprentices and learners employed by any employer of the industry shall not exceed 5% of the total number of employees employed by such member.

4. This article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time-rate, piecework, or other basis.

5. Female employees performing substantially the same work as male employees shall receive the same rates of pay as male employees.

ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the industry, nor anyone under eighteen (18) years of age at operations or occupations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator before January 1, 1934, a list of such occupations which, upon his approval, shall be deemed hazardous in nature or detrimental to health within the meaning of this section. In any State an employer shall be deemed to have complied with the age 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. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference or restraint, 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.

3. 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.

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

5. Within each State this Code shall not supersede any laws of such State imposing more stringent requirements on employers regulating the ages of employees, wages, hours of work, or health, fire, or general working conditions under this Code.

6. Employers shall not reclassify employees or duties of occupations performed by employees so as to defeat the purposes of the Act.

7. To prevent any improper speeding up of work (stretch-outs), no employee in the industry shall be required to do any work in excess of the practice as to the class of work of such employee prevailing on July 1, 1933, unless such increase is submitted to and approved by the Administrator.

8. No member of the industry may knowingly employ as a learner or apprentice any employee who has previously been employed in any plant in this industry as a learner or apprentice for more than three (3) months. In case a learner or apprentice has not completed the three (3) months learning period, he may be employed as a learner or apprentice by any other employer for the balance of the learning period.

9. Each employer shall post in conspicuous places on his premises full copies of this Code.

ARTICLE VI—ADMINISTRATION

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

1. *Organization of Code Authority.*—(a) The Code Authority shall consist of three (3) individuals, selected by the members of the Industry, in accordance with a fair method of selection, approved by the Administrator, and not more than three (3) additional members without vote (and without expense to the Industry) to represent the Administrator or such groups or interests as may be agreed upon.

(b) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) Impose no inequitable restriction on membership, and (2) 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.

(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 provide 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 require an appropriate modification in the method of selection of the Code Authority.

2. The Code Authority shall have the following duties and powers to the extent permitted by the Act, subject to the right of the Administrator on review to disapprove any action taken by the Code Authority.

(a) To administer and assist in the enforcement of this Code.

(b) To interpret the provisions of this Code and issue such rules and regulations as may be necessary for the proper administration of the provisions of this Code.

(c) To cooperate with the Administrator as a Planning and Fair Practice Agency.

(d) To cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

(e) To receive and adjust complaints of the alleged violation of any of the provisions of this Code.

(f) To receive from members of the industry, at such times as may be prescribed, statistics covering number of employees, wage rates, employee earnings, hours of work, and such other data as may be required by the Administrator.

(g) To obtain from the members of the Industry such other statistics and data as may be necessary for the proper administration of this Code, which information is to be collected by an impartial agent, acting in a judiciary capacity, with full protection to each member as to the confidential nature of the material collected.

3. Any interested party shall have the right of appeal to the Administrator, under such rules and regulations as he may prescribe, in respect to any rule, regulation, or other course of action issued or taken by the Code Authority.

4. Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expenses of its administration. The reasonable share of the expenses of administration shall be determined by the 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 to be taken into consideration.

5. In addition to the information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act.

ARTICLE VII—TRADE PRACTICES

1. Every employer shall use a cost-accounting system which conforms to the principles of and is at least as detailed and complete

as the uniform and standard method of cost accounting to be prescribed by the Code Authority and approved by the Administrator. Such cost-accounting system shall include as items of cost all direct expenses for labor and materials and a proper allowance for overhead figured according to plant utilization in the production of products covered by this Code.

2. No member of the Industry shall sell or exchange any product of the Industry at a price lower than his cost determined in accordance with a uniform and standard method of costing to be adopted by the Association and approved by the Administrator.

3. Members of this Industry shall file with the Code Authority a schedule of prices, terms, discounts, and conditions of sale for the products of the industry within thirty (30) days after the effective date of the Code. Such price lists may be revised only upon five (5) days' notice to the Code Authority. The Code Authority shall immediately send copies of all price lists so filed to all members of the Industry.

4. Members of the Industry shall not sell their products at other prices or on other terms or conditions than set forth in their own price list. When any member of the Industry revises his price list, any other member of the Industry may revise his price list accordingly, to become effective on the same date as the revised price list first filed. Nothing in this paragraph shall be interpreted to permit the promulgation of list prices or the sale of goods at a price below the cost of production of the member of the industry issuing the list as provided in paragraphs one and two of this article.

5. Obsolete merchandise and merchandise that must be sold in emergencies may be sold at other than the price list or cost of the member of the Industry, with the approval of the Code Authority.

ARTICLE VIII—EXISTING CONTRACTS

Where the cost of executing contracts entered into by this Industry prior to June 16, 1933, is increased by the application of the provisions of the National Industrial Recovery Act, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased cost be arrived at by arbitral proceedings or otherwise, and the Code Authority is constituted the agency to assist in effecting such adjustment.

ARTICLE IX—UNFAIR TRADE PRACTICES

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

1. The false marking or branding of 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.

2. The making or causing or knowingly permitting 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.

3. Directly or indirectly to give or permit to be given, or offer to give, money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees, or representatives of competitors' customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence their employers or principals to purchase or contract to purchase from the makers of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors.

4. Maliciously inducing or attempting to induce the breach of an existing oral or written contract between a competitor and his customers or source of supply, or interfering with or obstructing the performance of any such contractual duties or services.

5. No member of the industry shall secretly offer or otherwise make any payment or allowance of a rebate, refund, commission, credit, unearned discount, or excess allowance, whether in the form of money or otherwise, nor shall a member secretly, or otherwise, extend to any customer any special service or privilege not extended to all customers of the same class. This provision shall not be interpreted to prohibit the adjustment of legitimate claims.

6. The offering or giving of prizes, premiums, or gifts in connection with the sale of products, or as an inducement thereto, by any scheme which involves lottery, misrepresentations, or fraud.

7. The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations or by the false disparagement of the grade or quality of their goods.

8. The imitation of trade marks, trade names, slogans, designs, styles, brands, or other marks of identification of competitors having the tendency and capacity to deceive purchasers or prospective purchasers.

9. Canceling in whole or in part, or permitting the cancellation in whole or in part, of any contract of sales of any product, except for a fair consideration.

10. Making or giving to any purchaser of any product any guaranty or protection in any form against decline in the market price of such product.

11. Stating in the invoice of any product as the date thereof a date later than the date of the shipment of such product, or including in any invoice any product shipped on a date earlier than the date of such invoice.

12. Making 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.

13. Rendering to any purchaser of any product in or in connection with the sale of such product any service, unless fair compensation for such service shall be paid by such purchaser.

14. Shipping products on consignment, except insofar as it is necessary to complete arrangements existing as of the effective date of the

Code, which arrangement shall be reported in writing to the Code Authority. No member of the Industry shall deliver the products thereof on consignment except to an affiliated company of such member. An affiliated company shall mean a company in which a member of the Industry has a voting control through the record or equitable title of the voting stock thereof, or has control of such company in any other manner.

15. The making of false statements or reports, written or oral, required pursuant to any of the provisions of this Code or any resolution duly adopted by the Code Authority.

ARTICLE X—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 the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

2. After due notice and hearing this Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances; such modifications shall be based on the recommendation of the Code Authority or of any interested party or group or on the Administrator's own initiative and shall become effective on approval by the President.

ARTICLE XI—MONOPOLIES, ETC.

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

ARTICLE XII—EFFECTIVE DATE

This Code shall become effective on the second Monday after the date of its approval by the President.

Approved Code No. 157.

Registry No. 299-2-18.

