

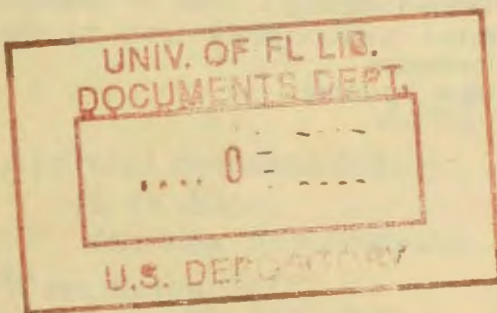
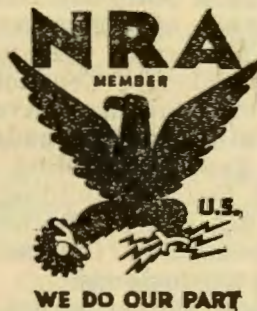
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

BIAS TAPE INDUSTRY

AS APPROVED ON MAY 23, 1934

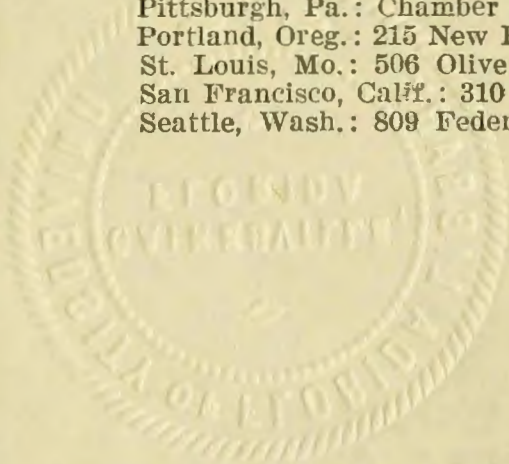


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Approved Code No. 441

## CODE OF FAIR COMPETITION

FOR THE

## BIAS TAPE INDUSTRY

As Approved on May 23, 1934

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### ORDER

#### CODE OF FAIR COMPETITION FOR THE BIAS TAPE INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Bias Tape Industry, and hearings having been duly held thereon and the annexed report on said 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 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 Code of Fair Competition be and it is hereby approved.

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

Approval recommended:

H. O. KING,  
*Division Administrator.*

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

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(343)

## REPORT TO THE PRESIDENT

The PRESIDENT,

*The White House.*

SIR: This is a report on the Hearing on the Code of Fair Competition for the Bias Tape Industry, held in the Pan American Room of the Mayflower Hotel, Washington D.C., on December 13, 1933. The Code, which is attached, was presented by duly qualified and authorized representatives of the Industry, complying with statutory requirements, said to represent all concerns in the Industry.

In accordance with the customary procedure every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

### THE INDUSTRY

The Industry comprises nineteen (19) concerns having an investment in 1933 of \$1,363,000.00. In 1929 the Industry employed 746 workers. This figure has declined to about 610 employees in 1933. Aggregate annual sales declined from 6,912,000 dozen in 1929 to 3,244,000 dozen in 1933.

### PROVISIONS OF THE CODE

The Code provides for a minimum wage of 32½¢ per hour except that learners during a thirty day apprenticeship shall be paid not less than 80 per cent of the minimum wage. Learners are limited to five (5) per cent of the total number of employees. The Code further provides that it shall be the policy of the members of the Industry not to reduce compensation in excess of minimum wages set forth in the Code, notwithstanding that the hours worked in such employment may be reduced.

Hours of work for clerical and office employees are limited to 40 hours a week averaged over a period of three months. Hours of work for all other employees are limited to 40 hours a week and eight hours a day with the following exceptions:

Maintenance employees are permitted to work 44 hours per week providing that time and one-third is paid for all hours in excess of 40 hours per week;

Watchmen are permitted to work 42 hours per week averaged over a period of two weeks provided they do not work more than 48 and 36 hours in alternate weeks;

Employees engaged in a supervisory capacity and receiving \$35.00 or more per week, and outside salesmen are not limited as to hours;

Employees engaged in emergency maintenance or repair work are excepted from the maximum hour provisions but shall be paid time and one-third for all hours in excess of 40 hours per week.

Representation on the Code Authority is provided for all members of the Industry. The Code provides for an open price associa-



tion in the Industry but permits prices to be revised without a waiting period. Sales below the individual cost to the members of the Industry are prohibited, however, sales may be made below cost to meet the lower price of a competitor or to sell damaged goods or discontinued lines of merchandise. The Code also provides for the establishment of a standard system of cost finding to be used by all members of the Industry after approval by the Administrator.

#### FINDINGS

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

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction 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 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 association is an industrial association truly representative of the aforesaid Industry; and that said association imposes no inequitable restrictions on admission to membership therein.

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

(e) The 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 Code.

For these reasons, this Code of Fair Competition for the Bias Tape Industry, has been approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

MAY 23, 1934.



# CODE OF FAIR COMPETITION FOR THE BIAS TAPE INDUSTRY

## ARTICLE I—PURPOSES

To effectuate the policies of Title 1 of the National Industrial Recovery Act this Code is established as a Code of Fair Competition for the Bias Tape Industry and its provisions shall be standards of fair competition for such Industry and shall be binding upon every member thereof.

## ARTICLE II—DEFINITIONS

1. The term "Bias Tape Industry" or "Industry" as used herein includes the manufacture and sale by the manufacturer of bias tape for household use and such related branches or subdivisions as may from time to time be included under the provisions of this Code by the President of the United States, after such notice and hearing as he may prescribe.

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 "employee" as used herein includes any and all persons engaged in the Industry, however compensated, except a member of the Industry.

4. The term "employer" as used herein includes any person, firm, corporation or other form of enterprise engaged in the Industry, who or which engages in his or its business employees as defined above.

5. The term "learner" as used herein, includes any and all employees who have had less than thirty (30) days' experience or employment in the Industry.

6. The term "Act", "President" and "Administrator" as used herein mean respectively Title I of the National Industrial Recovery Act, the President of the United States and the Administrator for Industrial Recovery.

## ARTICLE III—HOURS

1. No employee, except as herein otherwise provided, 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.

2. No person employed in clerical or office work shall be permitted to work in excess of forty (40) hours in any one week averaged over a period of five (5) weeks, nor more than twelve (12) hours in any twenty-four (24) hour period. A normal work day shall not exceed eight (8) hours.



3. Repair shop crews, engineers, electricians, firemen, shipping crews, outside workers and/or cleaners shall not be permitted to work in excess of forty-four (44) hours per week, provided, however, that all employees included in this Section shall receive at least one and one-third times their normal rate of pay for all hours worked in excess of forty (40) hours per week.

4. Watchmen may be employed in pairs working thirty-six (36) and forty-eight (48) hours on alternate weeks, or an average of forty-two (42) hours per week over a two-weeks period.

5. The provisions of this Article shall not apply to persons employed in a managerial or executive capacity who receive thirty-five dollars (\$35.00) or more per week, nor to commercial traveling salesmen nor to employees engaged in emergency maintenance or emergency repair work, provided, however, that all such employees engaged in emergency maintenance or emergency repair work shall receive at least one and one-third times their normal rate of pay for all hours worked in excess of forty (40) hours per week, and that such overtime work shall be reported to the Code Authority.

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

#### ARTICLE IV—MINIMUM WAGES

1. No employee, except as hereinafter provided, shall be paid at a rate of less than thirty-two and one-half ( $32\frac{1}{2}$ ) cents per hour.

2. No learner shall be paid at a rate of less than eighty per cent (80%) of the minimum established herein and the total number of such persons so employed by a member of the Industry shall not, in any case, exceed one in number or five per cent (5%) of the total number of such member's employees, whichever is the higher. The period of learning shall be limited to thirty (30) days whether served under one or more employers.

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

4. A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage below the minimum established by this Code, if the employer obtains from the state authority, designated by the United States Department of Labor, a certificate authorizing such person's employment at such wages and for such hours as shall be stated in the certificate. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

5. This article establishes a minimum rate of pay which shall apply irrespective of whether an employee is actually compensated on a time rate, piece work performance or other basis.

6. It is the policy of the members of this industry to refrain from reducing the compensation for employment which compensation was, prior to June 16, 1933, in excess of the minimum wages herein set forth, notwithstanding that the hours of work in such employment may be reduced; and, unless since such date such adjustments have been made all members of this industry shall endeavor to in-



crease the pay of all employees in excess of the minimum wage, as herein set forth, by an equitable adjustment of all pay schedules.

#### ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator within sixty (60) days after the effective date of this Code a list of such operations or occupations. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly signed by the Authority in such State empowered to issue employment or age certificate 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) That 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) That 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 choosing; and

(c) That 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 employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge for the purpose of defeating the purposes or provisions of the Act or of this Code.

4. Every employer shall provide for the safety and health of employees during the hours and at the places of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator within six months after the effective date of this Code.

5. No provision in this Code shall supersede any State or Federal law which imposes on employers 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.

6. All employers shall post and keep posted complete copies of the wage and hour and general labor provisions of this Code in conspicuous places accessible to employees, and shall comply with all rules and regulations relative to the posting of provisions of Codes of Fair Competition which may be prescribed by the Administrator from time to time.

#### ARTICLE VI—ORGANIZATION, POWERS AND DUTIES OF THE CODE AUTHORITY

1. A Code Authority is hereby established to cooperate with the Administrator in the administration of this Code and shall consist



of six (6) members or such other number as may be approved from time to time by the Administrator. Five (5) members of the Code Authority shall be chosen through a fair method of selection approved by the Administrator, by the members of the Bias Tape Institute; and one member may be chosen through a fair method of selection approved by the Administrator, by those members of the Industry who are not also members of the Bias Tape Institute. The Administrator in his discretion may appoint not more than three (3) additional members without vote and without compensation from the Industry, to serve for such period of time and to represent the Administrator or such group or groups as he may designate.

2. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall impose no inequitable restrictions on membership and shall 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.

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

4. It being found necessary, in order to support the Administration of this Code and to maintain the standards of fair competition established by this Code and to effectuate the policy of the Act, the Code Authority is authorized, subject to the approval of the Administrator:

(a) To incur such reasonable obligations as are necessary and proper for the foregoing purposes and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

(b) To submit to the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary, (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Industry;

(c) After such budget and basis of contribution have been approved by the Administrator, to determine and secure equitable contribution as above set forth by all such members of the Industry, and to that end, if necessary, to institute legal proceedings therefor in its own name.

Only members of the Industry complying with the Code and contributing to the expenses of its administration as provided above shall be entitled to participate in the selection of the members of the Code Authority or to receive the benefit of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.



5. If the Administrator shall determine that any action of the Code Authority or any 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 further consideration by the 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 its original or modified form.

6. The Code Authority shall have the following further powers and duties:

(a) To administer the provisions of this Code, provide for the compliance of the Industry with the provisions of the Act under such rules and regulations as may be prescribed by the Administrator; and to propose and submit to the Administrator its recommendations for amendments and/or modifications of this Code which shall become effective as a part of this Code when approved by the Administrator after such notice and hearing as he may specify.

(b) To adopt by-laws 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 the Industry 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 governmental 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 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 Code Authority of its duties or responsibility 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 Code with such other codes, if any, as may be related to the Industry.

(f) To cooperate with the Administrator in regulating the use of any N.R.A. insignia, which is used solely by those members of the Industry who have assented to, and are complying with, this Code.

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

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



(i) To provide for and adopt standards for the products of this Industry which, when approved by the Administrator, shall be observed by all members of the Industry.

#### ARTICLE VII—ACCOUNTING AND SELLING

1. The Code Authority shall proceed to formulate a method of cost finding which shall contain the principal elements of cost and shall be capable of uniform application within the Industry. Within thirty (30) days after such cost finding method shall have been approved by the Administrator each member of the Industry shall adopt the same as a basis for determining his own individual cost.

2. No member of the Industry shall sell any of the products of this Industry below his own individual cost except to meet bona fide competition in any specific instance, provided, however, that nothing contained herein shall be construed to prevent the sale of damaged goods, job lots, and discontinued lines below the cost of production after such merchandise is clearly invoiced as such and a complete record thereof is kept by the seller, which shall be promptly forwarded to the Code Authority upon request.

3. Each member of the Industry shall file with the Code Authority within fifteen (15) days after the effective date of this Code his schedule of prices, discounts, and terms of sale to all classes of trade for the products of this Industry, except damaged goods, job lots and discontinued lines. No member of the Industry shall sell his products at a price lower or at discounts greater or on terms more favorable than those set forth in his schedule currently filed with the Code Authority.

(a) Any member of the Industry may revise his price lists or terms of sale at any time by filing with the Code Authority such revised price lists or terms of sale which shall become effective immediately upon filing. All such price lists and/or terms of sale shall be available to all members of the Industry or to any other interested party who may apply for same.

(b) In the event any member of the Industry contemplates a change in his prices, no information relative thereto shall be given to customers or salesmen, directly or indirectly, prior to the date when such change becomes effective.

#### ARTICLE VIII—TRADE PRACTICES

1. No member of the Industry shall willfully publish advertising (whether printed, radio, display or of any other nature), which is misleading or inaccurate in any material particular, nor shall any member in any way misrepresent any goods (including but without limitation, its use, trade mark, grade, quality, quantity, origin, size, substance, character, nature, finish, material content or preparation) or credit terms, values, policies, services, of the nature or form of the business conducted.

2. No member of the Industry shall willfully brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to the brand, grade, quality,



quantity, origin, size, substance, character, nature, finish, material content or preparation of such goods.

3. No member of the Industry shall secretly offer or 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 of the Industry secretly offer or extend to any customer special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

4. No member of the Industry shall pre-date or post-date any order or contract with the intent or having the effect of giving to either the buyer or seller any advantage or benefit which would not accrue if such order or contract were correctly dated.

5. No member of the Industry shall accept "make and hold" orders for bias tape for home use except as contracts under which the buyer shall accept delivery of the full quantity specified within the contract period.

6. No member of the Industry shall willfully induce or attempt to induce the breach of any contract between a competitor and his customer or willfully interfere with or obstruct the performance of the same.

7. No member of the Industry shall apply a larger quantity price to an order or shipment covering smaller quantities, or in any other way depart from his published and established quantity differentials.

8. Free deals, premiums, or other similar schemes shall not be used unless the price of the entire deal is at least equal to the regular net list price of the bias tape plus the price of other merchandise involved in the transaction. This shall not prohibit the distribution of cabinets or other display material of a strictly advertising nature.

9. No member of the Industry shall withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

10. 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. This provision 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.

11. No member of the Industry shall give discounts greater than three percent (3%) ten (10) days e.o.m. or two percent (2%) ten (10) days, sixty (60) days extra.

12. No member of the Industry shall ship any products of this Industry on consignment, except to a bona fide sales agent.

#### 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 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—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 as such as may be required to meet individual cost should be delayed, but when made such increases should, as far as possible, be limited to actual additional increases in the seller's costs.

#### ARTICLE XI—EFFECTIVE DATE

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

Approved Code No. 441.

Registry No. 251-09.





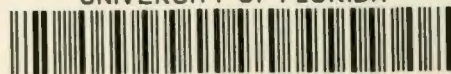








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