

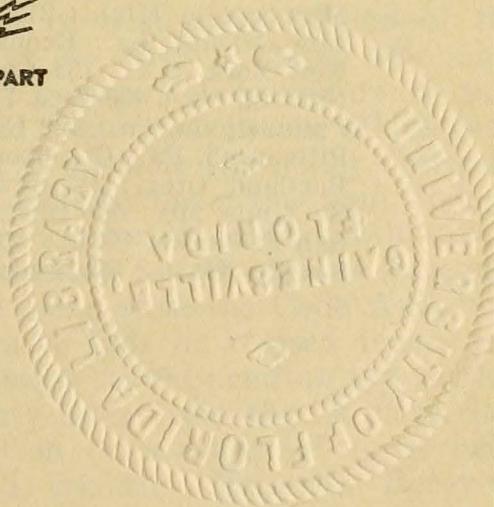
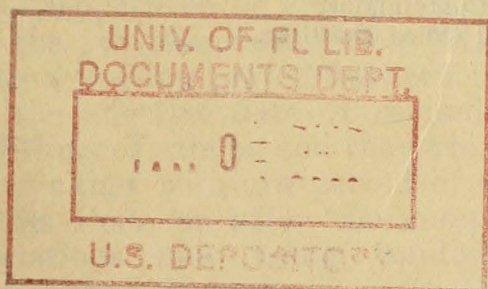
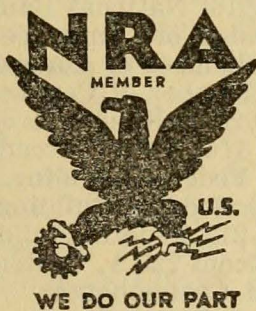
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

SAND-LIME BRICK INDUSTRY

AS APPROVED ON MARCH 26, 1934

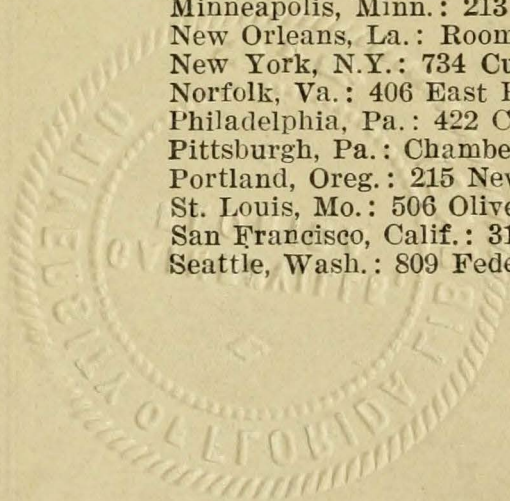


UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1934

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Approved Code No. 365

CODE OF FAIR COMPETITION

FOR THE

SAND-LIME BRICK INDUSTRY

As Approved on March 26, 1934

ORDER

APPROVING CODE OF FAIR COMPETITION FOR THE SAND-LIME BRICK 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 Sand-Lime Brick 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; provided, however, that the provisions of Article VI, (Section 3a) insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be and they are hereby stayed pending my further Order either within a period of sixty days from the effective date of this Code or after the completion of a study of open price associations now being conducted by the National Recovery Administration.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. R. GLANCY,
Division Administrator.

WASHINGTON, D.C.,
March 26, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Sand Lime Brick Industry, a hearing on which was conducted in Washington on the eighth of February, 1934, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THE CODE AS TO WAGES AND HOURS

This Code provides that no employee shall be permitted to work in excess of forty hours in any one week, nor more than eight hours in any one day, nor more than six days in any one week. Limitations on working time do not apply to salesmen nor to managers or executives who earn not less than \$35.00 per week in the North, less than \$30.00 per week in the South. Exceptions are provided for employees engaged on emergency maintenance or emergency repair work; such employees when so engaged being allowed to work in excess of the basic maximums provided overtime is paid at the rate of one and one-third the normal rate for all hours worked in excess of 8 per day and 40 per week. Exceptions are provided for employees at plants subject to unfavorable weather conditions, affected employees being permitted to work as much as 48 hours in any one week, but not more than 40 hours per week as averaged over any 4 week period. A tolerance is granted for foremen, who may work 15% longer hours than the 8 and 40 hour maximums provided. Watchmen are not subject to the basic limitations, but are not permitted to work more than 56 hours in any one week. Tolerance is provided for employees necessary for the closing of hardening cylinders.

The Code provides for minimum hourly rates of pay of 40¢ in the North, 35¢ in Southern California, 30¢ in the intermediate zone, and 25¢ in the South; this minimum wage provision applying only to common or totally unskilled labor. A provision is made for an equitable adjustment of wages above the minimum. Clerical and office employees are to be paid not less than \$13.00, \$14.00, or \$15.00 per week in the Southern, intermediate and Northern zones, respectively. The minimum wage established for watchmen is \$15.00 per week.

No person under sixteen years of age may be employed, and no person under eighteen years of age may work at hazardous or unhealthy occupations. Provisions are included covering handicapped persons and posting of the Code, as well as other general labor provisions for the protection and welfare of employees.

ECONOMIC EFFECTS OF THE CODE

The Research and Planning Division estimates that while there were about 566 wage earners in this Industry in 1929, there were probably not more than 167 wage earners employed in 1933. The Code Committee for the Industry presents figures indicating that the 1929 production of 148 million units has steadily decreased to about 19 million units in 1933.

It is estimated that under the very low existing volume of production, the hourly limitations provided by the Code will not result immediately in increased employment. The Industry is reported to be operating on about a 33 hour work week at present due to lack of demand for this durable product, and accordingly production would have to improve before the Code would be effective in creating employment. Even at the prevailing 33 hour work week, however, the minimum rates of 25¢ per hour for the South and 40¢ per hour for the North is more than sufficient to restore the average 1929 weekly income adjusted to present purchasing power.

FINDINGS

The Assistant 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 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 sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is truly representative of the aforesaid Industry; and that said group 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, therefore, I have approved this Code.

Respectfully,

HUGH S. JOHNSON,
Administrator.

MARCH 26, 1934.

CODE OF FAIR COMPETITION FOR THE SAND-LIME BRICK 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 Sand-Lime Brick Industry, and shall be the standard of fair competition for such Industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

Industry.—The term “Industry”, as used herein, means and includes the manufacture and/or sale by those who manufacture Sand-Lime Brick and other units made of a combination of sand and lime under the sand-lime brick steam pressure process, and may further include any other related groups that, with the approval of the Administrator, may elect to operate under this Code.

Region.—The term “region”, as used herein, includes any major territory established with definite boundaries, as further described in Schedule A attached, for the purposes of administering this Code.

Member of the Industry.—The term “Member of the Industry”, as used herein, includes anyone engaged in the Industry, as above defined or any part thereof, either as an employer or on his own behalf.

Employee.—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, except a member of the Industry.

Employer.—The term “employer”, as used herein, includes anyone by whom any such employee is compensated or employed.

South.—The term “South”, as used herein, includes the following states: Alabama, Arizona, Arkansas, California south of an east and west line drawn through Tehachapi, Florida, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia.

North.—The term “North”, as used herein, includes all territory except that listed above under “South”.

President, Act, Administrator.—The terms “President”, “Act”, and “Administrator”, as used herein, shall mean, respectively, the President of the United States, Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

ARTICLE III—HOURS

SECTION 1. Except as hereinafter otherwise provided, 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 beginning at midnight, nor more than six (6) days in any seven (7) day period.

SECTION 2. The provisions of the foregoing section shall not apply to:

(a) Outside salesmen or to persons employed in a managerial or executive capacity who earn not less than thirty-five (35) dollars per week in the North, or not less than thirty (30) dollars per week in the South.

(b) Employees on emergency maintenance or emergency repair work involving breakdowns or protection of life and property; but in any such special case at least one and one-third ($1\frac{1}{3}$) times the normal rate shall be paid for hours worked in excess of eight (8) per day and forty (40) per week.

(c) Employees engaged at plants where employment is dependent upon favorable weather conditions when such employment is necessary to recover time lost by inclement weather; however, under such conditions, no employee may be permitted to work more than forty-eight (48) hours in any one week, nor more than forty (40) hours per week as averaged over any four (4) week period.

(d) Foremen, provided that foremen shall not be permitted to work more than fifteen (15) percent longer hours than the eight (8) and forty (40) hour maximums herein provided.

(e) Watchmen, who shall not be permitted to work more than fifty-six (56) hours in any one week.

SECTION 3. Employees necessary for the closing of "hardening cylinders", limited in number to two (2) employees for each plant, may be allowed a tolerance of one-half ($\frac{1}{2}$) hour per day in excess of the eight (8) hour daily, or three (3) hours in excess of the forty (40) hour weekly limitations on working time provided in section 1 of this Article, but shall be paid for such overtime at the rate of one and one-third ($1\frac{1}{3}$) times their normal rates of pay.

SECTION 4. Employees in plants having not more than two "Production Units" and no "Excess Hardening Cylinder Capacity" (quoted terms as hereinafter defined) shall not be permitted to work in excess of forty (40) hours in any one week, nor more than ten (10) hours in any twenty-four (24) hour period beginning at midnight; provided, however, that at least one and one-third ($1\frac{1}{3}$) times the normal rates shall be paid for all time worked in excess of eight (8) hours per day.

(The term "Production Unit" as used herein means and includes one (1) Brick Press and one (1) Hardening Cylinder; the Brick Press having such a capacity as will completely fill the Hardening Cylinder in ten (10) hours.)

(The term "Excess Hardening Cylinder Capacity" as used herein means that the plant has more or larger Hardening Cylinders than its Brick Presses can completely fill in ten (10) hours.)

SECTION 5. No employer shall knowingly permit any employee to work for any time which, when totaled with that already performed for another employer or employers, exceeds the maximum permitted herein.

ARTICLE IV—WAGES

SECTION 1. No employee shall be paid less than at the rate of forty (40) cents per hour, except as herein otherwise provided. In the following states no employee shall be paid less than at the rate of:

(1) California, south of an east and west line drawn through Tehachapi; thirty-five (35) cents per hour.

(2) Arizona, Arkansas, Kentucky, New Mexico, North Carolina, Tennessee, Oklahoma, and Virginia; thirty (30) cents per hour.

(3) Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, and Texas; twenty-five (25) cents per hour.

This minimum wage shall apply to common labor or totally unskilled labor. Other classes of labor shall be compensated at rates above this minimum.

SECTION 2. This article establishes a minimum compensation for each class of worker, which shall apply irrespective of whether an employee is actually compensated on a time rate, piece work or other basis.

SECTION 3. There shall be an equitable adjustment of all wages above the minimum. Upon the request of the Administrator, the Code Authority shall submit, for his approval, a proposal for the adjustment of wages above the minimum. Upon approval by the Administrator after such public hearing as he may prescribe, the agreed upon plan shall become binding as a part of this Code, provided, however, that in no event shall hourly rates of pay be reduced.

SECTION 4. An employer shall make payment of all wages due in lawful currency or by negotiable check, therefor payable on demand. These wages shall be exempt from any payments for pensions, insurance or sick benefits, other than those voluntarily paid by the wage earners or required by law. Wages shall be paid at least twice a month.

SECTION 5. An employee shall be paid at least his normal rate of pay for all time required to be spent at the place of employment or in connection with the discharge of duties of such employment.

SECTION 6. No employer shall contract work to be done except when the person performing the contract is subject to the provisions of this Code or the code adopted for the Industry covering such work; and in no case shall an employer avoid or evade the Labor Provisions of this Code by contracting his work to any person subject to labor regulations less stringent than those provided in this Code.

SECTION 7. No person employed in accounting, clerical, office, service or sales work shall be paid at less than the rate of fifteen (\$15.00) dollars per week, except that such employees may be paid at not less than the rate of fourteen (\$14.00) dollars per week in the territory included in subsection 2 of section 1 of this Article; and not less than at the rate of thirteen (\$13.00) dollars per week in the territory included in subsection 3 of section 1 of this Article.

SECTION 8. Watchmen shall be paid at not less than the rate of fifteen (\$15.00) dollars per week.

SECTION 9. This Article establishes rates of pay which shall be exempt from any charge, fine, and/or deduction by the employer, except as provided by law.

SECTION 10. A person whose earning capacity is limited because of age, physical or mental handicap, or other infirmity, may be employed on light work at a wage below the minimum established by a code, if the employer obtains from the State Authority, designated by the U. S. Department of Labor, a certificate authorizing such person's employment at such wages and for such hours as shall be stated in the certificate. Such authority shall be guided by the instructions of the U. S. Department of Labor in issuing certificates to such persons. 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.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 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 for approval sixty (60) days after the effective date 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 valid certificate or permit duly signed by an Authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. (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.

(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.

SECTION 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.

SECTION 4. Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator for approval within six months after the effective date of this Code. Upon approval thereof, such standards shall be binding upon every member of the Industry.

SECTION 5. Within each State members of the Industry shall comply with any Federal laws or any laws of such State imposing more stringent requirements regulating the age of employees, wages, and

hours of work, safety or health, fire, insurance, or general working conditions than under this Code.

SECTION 6. Within ten days of the effective date, each employer shall post, and thereafter maintain, in conspicuous places easily accessible to employees, full copies of this Code and any amendments or modifications which may later be approved.

SECTION 7. No employee shall be required, as a condition of employment, to trade at a store owned or specified by an employer.

SECTION 8. Employees, other than maintenance or supervisory men, or those necessary to protect property, shall not be required, as a condition of employment, to live in houses rented from or specified by the employer.

ARTICLE VI—COSTS AND PRICES

SECTION 1. *Cost Finding.*—The Code Authority shall cause to be formulated an accounting system and methods of cost finding and/or estimating capable of use by all members of the Industry. After such system and methods have been formulated, full details concerning them shall be made available to all members, as shall full details of all changes therein as and when made. Before becoming effective the cost system and methods of cost finding and estimating, and all changes therein shall be filed with the Administrator subject to his approval. After such approval and notice by the Code Authority, each member of the Industry shall determine and estimate costs in accordance therewith.

SECTION 2. *Selling Below Cost.*—Upon notice by the Code Authority, as provided in Section 1 of this Article, no member of the Industry shall sell any Industry product at a price below his own individual cost, as determined in accordance with Section 1 above; except (a) to meet the filed price of another member of the Industry as provided below in Section 3 (a); and except (b) that dropped lines or seconds may be disposed of by any member of the Industry at any price and on any terms and conditions, but only after such member, two weeks prior to such disposal has filed with the Code Authority a statement in writing setting forth the fact of, reasons for, and terms of such proposed disposal.

SECTION 3. *Open Price Policy.*—(a) Each member of the Industry shall publish and file with the Code Authority within ten days of the effective date of this Code a price list of all Industry products offered for sale or sold by him and all terms, conditions of sale and credit extensions relating thereto. Such price lists and terms and conditions of sale so filed with the Code Authority shall be open to inspection at all reasonable times by any interested party. Revised price lists or revised terms and conditions of sale may be filed from time to time thereafter with the Code Authority by any member of the Industry; provided, however, that such revisions shall be filed with the Code Authority five days in advance of the effective date thereof; and provided further, that any other member of the Industry may file revisions of his price list or terms and conditions of sale to meet the revisions first filed, which may become effective

upon the date when the revised price list or revised terms and conditions of sale first filed shall become effective.¹

(b) No member of the Industry shall sell or offer for sale any product of the Industry at prices lower than the prices filed in his price list, or on more favorable terms and conditions of sale, than the terms and conditions of sale previously filed by such member with the Code Authority in accordance with the provisions of Subsection (a) of this Section and in effect at the time of such sale.

ARTICLE VII—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 except such as may be required to meet individual cost should be delayed. But such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

ARTICLE VIII—ADMINISTRATION

SECTION 1. *Code Authority.*—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.

SECTION 2. *Organization of Code Authority.*—The Code Authority shall consist of seven (7) members, all of whom shall be the chairmen of their respective Regional Committees as hereinafter provided in Section seven (7) of this Article. During the period prior to the organization of the Code Authority as provided in the foregoing sentence, but not to exceed a period of thirty (30) days from the effective date of this Code, the chairman of the Code Committee as elected by the tentative organization shall serve and act as the Code Authority. In addition to the seven (7) members elected by the Industry, from one to three members may be appointed to the said Code Authority by the Administrator for terms of from six months to one year as designated in the order of appointment. The members so appointed by the Administrator shall be without vote and shall be given notice of and may sit at all meetings of the Code Authority. Similar notice of meetings of the Code Authority shall also be given to the Administrator.

SECTION 3. In order that the Code Authority shall at all times be truly representative of the members 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 selection of the Code Authority.

SECTION 4. If the Administrator shall determine that any action of a 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

¹ See paragraph 2 of order approving this Code.

of the merits of such action and further consideration by such code authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

SECTION 5. *Powers and Duties of Code Authority.*—The Code Authority shall be charged with the administration of this Code throughout the Industry and without limiting the foregoing shall have the following specific powers and duties:

(a) To obtain from all members of the Industry such sworn or unsworn reports, periodically, or as often as it may direct, on wages, hours of labor, conditions of employment, number of employees, production, shipments, sales, stocks, prices and other matters pertinent to the provisions or operations of this Code, as the Code Authority may specify, or as the Administrator may from time to time require; provided however that information of a confidential nature shall not be divulged to a competitor or competitors.

(b) In addition to information required to be submitted to the Code Authority, members of the Industry shall furnish to such Federal and State agencies as the Administrator may designate, such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act, and nothing in this code shall relieve any person of any existing obligation to furnish reports to Government agencies.

(c) To make such surveys or investigations as may be necessary to ascertain conditions in the Industry and the observance or non-observance of the provisions of this Code.

(d) To coordinate the activities of the regional committees hereinafter referred to.

(e) To submit to the Administrator from time to time such recommendations, modifications or proposed amendments as, in its judgment, will improve the operation of this code or further effectuate the policies of the Act. Any such recommendation, when approved by the Administrator, after such notice and hearing as he may require, shall become effective as a part of this code.

(f) To set up standards regarding specifications and sizes of Industry products, and to submit such standards for the approval of the Administrator.

(g) To adopt by-laws, rules and regulations, elect officers, appoint agents, and otherwise regulate its activities.

(h) To establish, subject to the approval of the Administrator, the pro rata share of the expense of administration of this code by the Code Authority, on the basis of volume of business and/or such other factors as may be deemed equitable to be taken into consideration, and to collect such expenses from members of the Industry.

(i) To insure the execution of the provisions of this Code and provide for the compliance of the Industry with the provisions of the Act.

(j) To cooperate with committees representing other Industries for the purpose of effecting solutions to mutual problems.

(k) *Administrative Expense.*—Only those members of the Industry who assent to and comply with the requirements of this Code and sustain their reasonable share of the expenses of its administration

as noted in subsection (h) above 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, and to use the National Recovery Administration code insignia.

SECTION 6. Each trade association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purpose of the Act.

SECTION 7. *Regional Committees.*—(a) Further to effectuate the policies of the Act and to cooperate with the Code Authority in administering this Code, there shall be established in each region, as noted in Article XII, an administrative agency to be known as Regional Committee, to be made up of one representative from each member of the Industry in that region. Each region shall, so far as practicable, be self-governing under this Code, however the acts of such committees shall be subject to the approval of the Code Authority, and the Code Authority shall not be relieved of its responsibility for the administration of this Code.

(b) Each Regional Committee shall, by a fair method of election approved by the Administrator, choose from among its members a chairman within four weeks of the effective date of this Code.

(c) No Industry member of the Code Authority, and no member of any regional, or other administrative committee or agency established pursuant to the provisions of this Code, shall hold office for a longer term than one year from the date of organization of the agency to which he is elected, except by reelection or until his successor is elected.

ARTICLE IX—TRADE PRACTICES

SECTION 1. The following practices constitute unfair methods of competition for members of the Industry and are prohibited, and when employed shall be deemed violations of this Code:

(a) Withholding from, or inserting in the invoice, facts which make the invoice a false record, wholly or in any material particular, of the transaction made on the face thereof; or the payment or allowance of secret rebates, refunds, credits, or unearned discounts, directly or indirectly, whether in money or otherwise.

(b) The sale of an inferior quality of industry product at a fair price for such product, and the delivery of a product of superior quality selling at a higher price.

(c) Inducing, or attempting to induce, the breach of a contract, oral or written, between a competitor and his customer during the term of such contract.

(d) Interference with or the obstruction of the performance of a contract by the solicitation by a member of the Industry or his representative, directly or indirectly, of an order for Industry products, with knowledge that a signed order from the one in authority has

previously been given a competitor. An architect's specification of Industry products shall not be regarded as a signed order.

(e) The renewal of sales effort by a competitor on an operation after the seller receiving the order has commenced delivery and where a difference has arisen resulting in a cessation of delivery, unless the said seller has had a reasonable opportunity to adjust said difference of opinion.

(f) 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.

(g) The making of lump sum bids, or installed prices by a member of the Industry or his agent, on Industry products, special shapes, and other building materials, thereby concealing the unit price of each of the several items embraced therein.

(h) The shipment or delivery of Industry products, which do not conform to the standard of sample submitted as representative of the material to be shipped, or to representations made prior to securing the order, unless with the consent of the purchaser to such substitution prior to shipment.

(i) The payment of commissions or bonuses to other than bona fide dealers or brokers who are recognized as such in the Industry, or full time salesmen employed by the member of the Industry for whom the sale is made.

SECTION 2. All quotations and contracts, except petty sales to individuals or small sales for local consumption not exceeding one (1) truck load, for the sale of the products of the Industry, shall be made or confirmed in writing and shall contain a definite statement of price, quantity, terms of payments, time and place of delivery, and all other items necessary to form a complete understanding.

ARTICLE X—MONOPOLIES

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

ARTICLE XI—MODIFICATIONS

(a) 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/and conditions imposed by him upon his approval thereof.

(b) This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modification 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.

ARTICLE XII—REGIONAL DIVISIONS

The territories comprising the regions into which the United States shall be divided for administration of the Act in the industry, shall be as given in schedule A attached. These regions are subject to coordination or revision by the Code Authority, with the approval of the Administrator.

ARTICLE XIII—EFFECTIVE DATE

This Code shall become effective at 12:01 A.M. on the tenth day after its approval by the President.

Approved Code No. 365.
Registry No. 1007-13.



SCHEDULE A

NAMES OF REGIONS

Region 1: The States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut and Rhode Island, with the exception of that territory included within a radius of seventy-five (75) air-miles of the City Hall of New York City.

Region 2: The territory included within a radius of seventy-five (75) air-miles of the City Hall in New York City, and including all of Long Island.

Region 3: New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia exclusive of the areas covered by region two above.

Region 4: Virginia, West Virginia, Kentucky, Louisiana and those States south of the Ohio River and East of the Mississippi River.

Region 5: Texas, Oklahoma, New Mexico, Arizona, California, Nevada, Utah, Washington, Oregon, Montana, Idaho, and Wyoming.

Region 6: Missouri, Arkansas, Iowa, Kansas, Colorado, Nebraska, the Dakotas, and that part of Illinois not included in region seven below.

Region 7: Minnesota, Wisconsin, Michigan, Indiana, Ohio, and that part of Illinois included within a radius of fifty (50) air-miles of the City Hall in Chicago.

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