

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

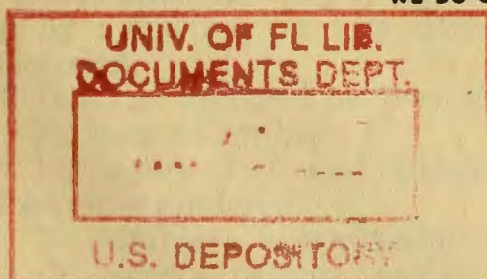
FOR THE

STOKER INDUSTRY

AS SUBMITTED ON AUGUST 30, 1933

REGISTRY No. 1399—1—13

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



UNITED STATES
GOVERNMENT PRINTING OFFICE
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NATIONAL INDUSTRIAL RECOVERY CODE FOR THE STOKER INDUSTRY

(Chicago, Illinois, July 25, 1933)

The President and Congress of the United States by the enactment of the National Industrial Recovery Act, have declared the existence of a national emergency, productive of widespread unemployment and disorganization of industry, which conditions seriously affect the Stoker Industry.

By the provisions of said Act and for the purpose of securing cooperative action among trade groups, of eliminating unfair competitive practices and of generally rehabilitating industry, the President of the United States is authorized and empowered to approve codes of fair competition for the several industries of the country.

The Stoker Industry, through the Stoker Manufacturers' Association, a voluntary association comprising a representative group of manufacturers and distributors of stokers, has compiled the following rules and regulations into a code of fair competition for the Stoker Industry and submits same for approval and enforcement in accordance with the provisions of said act.

I—PURPOSE

A. This Code is set up for the purpose of establishing fair and adequate wages, effecting necessary reduction of hours so as to spread the work, improving standards of labor and eliminating unfair trade practices, to the end of stabilizing the stoker industry and enabling it to do its part toward reducing and relieving unemployment.

B. Any member of the industry may participate in the Code and in any revision or addition thereto and receive the benefits thereof by accepting the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of the Association or by paying to it an amount equal to the charges paid by a member in like situation of the Stoker Manufacturers' Association.

C. It is the declared purpose of this Code:

1. To insure firm bids.
2. To insure fair and adequate prices for material furnished and services rendered.
3. To eliminate unreasonable and unjust requirements of buyers.
4. To respect patents, registered trade-marks, trade-names, and design or appearance of equipment.
5. To preserve the moral and legal rights of members to the sale at fair prices of repair and renewal parts for machines of their manufacture.

(Local foundries, machine shops, firms and persons engaged in the metal and machinery trades have engaged in the repair parts business of stoker manufacturers duplicating parts which the stoker manufacturer has designed and developed at considerable engineering expense which the local foundry does not have to include in their cost. Their interests are diametrically opposed to the stoker manufacturers in that their profit comes from increased tonnage while the stoker manufacturer is interested in low maintenance of his equipment.

Furthermore, the stoker industry depends largely for its livelihood during periods of low business on the normal repairs of existing stoker installations, and protection is therefore necessary in the prevention of encroachment on this business of stoker manufacturers.)

II—LABOR

On and after the date this Code becomes effective, the minimum wage that shall be paid employees in the stoker industry shall be at the rate of thirty-five (35c) cents per hour for not to exceed forty (40) hours of labor per week, with the exception as to hours of the following classes of employees:

Repair-shop crews, engineers, electricians, firemen, supervisory staff, shipping, office, watching, outside installation and service personnel, and salesmen. Apprentices shall be paid not less than twenty (20c) per hour. No person under sixteen (16) years of age shall be employed.

As required by Section 7A—Title I of the National Industrial Recovery Act, the following provisions are conditions of this Code:

“(1) 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; (2) 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 own choosing; and (3) 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.”

(a) It is clearly understood that nothing in this Code shall impair in any particular the Constitutional rights of the employer to protect his business and property from the unlawful activities of others.

(b) It is clearly understood that nothing in this Code shall impair in any particular the Constitutional rights of the employee and employer to bargain individually or collectively as may be mutually satisfactory to them; nor does it impair the right to operate an open shop.

(c) Nothing in this Code is to impair the Constitutional rights of employers to freedom in the selection, retention, and advancement of employees.

(d) If any employer of labor in the stoker industry is also an employer of labor in any other industry, the provisions of the Code shall apply and affect only that part of his business which is included in the stoker industry.

III—MINIMUM STOKER PRICES

Sound economic principles require the sale of all stokers and auxiliary equipment at such price or prices as will realize to the manufacturer and/or distributor the cost of production or purchase, plus a reasonable margin of profit.

Cost shall be computed in accordance with standard accounting practice and the rules and regulations promulgated by the Bureau of Internal Revenue for the determination of Federal income taxes. A cost committee of the Stoker Manufacturers Association is now ascertaining facts and data essential to the accurate determination of costs and to provide uniform costing methods in the industry.

Failure to maintain prices on aforesaid basis shall be deemed a violation of this Code.

IV—OTHER ITEMS OF UNFAIR COMPETITION

(a) The circulation of threats of suit for infringement of patents and trade-marks, not made in good faith but for the purpose of harassing and intimidating customers and prospects, shall be considered an unfair trade practice and is in violation of this Code.

(b) The acceptance of contracts with penalty clauses whether for delay in shipment or completion, or failure to meet guaranteed performance unless an equitable bonus is paid for shipment, or completion before the specified time, or for performance in excess of guarantee, shall be considered an unfair trade practice and is a violation of this Code.

(c) To resell any auxiliary equipment at less than fair prices as determined in paragraph III of this Code, shall be considered an unfair trade practice and is a violation of this Code.

(d) The making, causing, or permitting to be made, of any false or deceptive statements, either written or oral, concerning the business policy of a competitor, his product, selling price, financial, business, or personal standing, shall be considered an unfair trade practice and is a violation of this Code.

(e) For a company which manufactures and sells allied equipment or owns subsidiary companies manufacturing such products to quote a price less than the normal selling price of any product in an endeavor to influence the sale of all or part of the products offered for the purpose of lessening competition or injuring a competitor shall be considered an unfair trade practice and is a violation of this Code.

(f) The secret payment of allowances or acceptance of rebates, commissions, credits, discounts, or like concessions, whether in the form of money or other valuable thing, or any secret understandings or agreements to do work or to furnish material on terms other than those set forth in the specifications and contract, shall be considered unfair trade practices and are violations of this Code.

(g) Inducing or attempting to induce, by any means or device whatsoever, the breach of contract between a competitor and his customer during the terms of such contract shall be considered an unfair trade practice and is a violation of this Code.

(h) All installment stoker sales contracts shall specifically state price of machine and equipment, either installed or f.o.b. some definite point, with terms of payment definitely stated with a minimum down payment of ten (10%) percent on domestic or household stokers and five (5%) percent on small commercial stokers and equal payments at regular specified intervals, periods of such payments not to exceed thirty (30) months from date of installation, no contract to be based on fuel saving alone, any deviation to be considered an unfair trade practice and in violation of this Code.

(i) Misrepresentation, or the making, causing, or permitting to be made, or publishing, of any false, untrue, misleading, or deceptive statement, by way of advertisement, or otherwise, shall be considered an unfair trade practice and is a violation of this Code.

(j) To accept liability for replacements other than those due to defective material or inferior workmanship and in such cases for a period of more than one year after date of installation, shall be considered an unfair trade practice and is a violation of this Code.

(k) To make any guarantees on any apparatus or material not fabricated by the stoker manufacturer, other than those made by the supplier of such apparatus or material, shall be considered an unfair trade practice and is a violation of this Code.

(l) For a stoker manufacturer and/or distributor to solicit the repair or renewal-parts business of stokers other than those of their own manufacture shall be considered an unfair trade practice and is a violation of this Code.

(m) To make any acceptance tests for either efficiency or capacity in a manner other than according to standard American Society of Mechanical Engineer rules shall be considered an unfair trade practice and in violation of this Code.

V

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

VI

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. This Code shall govern the industry for four (4) months from its effective date. It is contemplated that from time to time supplementary provisions of this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair

and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

VII

The Stoker Manufacturers' Association is hereby designated the Agency for administering, supervising, and promoting the performance and observance of the provisions of the Code by the stoker manufacturing industry.

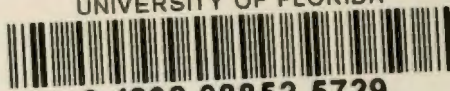
This Code for the Stoker Industry, in accordance with the National Industrial Recovery Act, was approved unanimously by the Stoker Manufacturers Association assembled for that purpose in Chicago, Illinois, on July 24-25, 1933.

Respectfully submitted.

STOKER MANUFACTURERS' ASSOCIATION,
By W. H. REA, *President*,
By MARC G. BLUTH, *Secretary*.

Chicago, Illinois, *July 25, 1933*.





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