

NATIONAL RECOVERY ADMINISTRATION

**AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
BIAS TAPE INDUSTRY**

AS APPROVED ON FEBRUARY 4, 1935



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Approved Code No. 441—Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

BIAS TAPE INDUSTRY

As Approved on February 4, 1935

ORDER

APPROVING AMENDMENT OF 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 amendments to a Code of Fair Competition for the Bias Tape Industry, and a hearing being duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, the National Industrial Recovery Board, pursuant to authority vested in it by Executive Orders of the President, including Executive Order No. 6859, and otherwise, does hereby incorporate by reference said annexed report and does find that said amendments and the Code as constituted after being amended complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and does hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby amended to include an approval of said Code in its entirety as amended.

NATIONAL INDUSTRIAL RECOVERY BOARD,
By W. A. HARRIMAN, *Administrative Officer*.

Approval recommended:

PRENTISS L. COONLEY,
Division Administrator.

WASHINGTON, D. C.,
February 4, 1935.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the amendments to the Code of Fair Competition for the Bias Tape Industry. A notice of the hearing on these amendments was published on October 31, 1934; and a hearing was held on November 20, 1934. The amendments, which are attached, were presented by duly qualified and authorized representatives of the Industry, complying with statutory requirements, and being the duly constituted Code Authority under the provisions of the said Code for the said Industry.

These amendments provide for additional unfair trade practices with regard to quality designations, mutuality of contracts, advertising allowances, imitation of trade marks and other unfair trade practices.

The Deputy Administrator in his final report to the National Industrial Recovery Board on said amendments to said Code having found as herein set forth, and on the basis of all the proceedings in this matter;

The National Industrial Recovery Board finds that:

(a) The amendments to said Code and the Code as amended are 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 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) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation sub-section (a) of Section 3, Sub-section (a) of Section 7 and Sub-section (b) of Section 10 thereof.

(c) The Code Authority is empowered to present the aforesaid amendments on behalf of the Industry as a whole.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are 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 amendments.

For these reasons these amendments have been approved.

For the National Industrial Recovery Board:

W. A. HARRIMAN,
Administrative Officer.

FEBRUARY 4, 1935.

**AMENDMENT TO CODE OF FAIR COMPETITION FOR
THE BIAS TAPE INDUSTRY**

Article VIII, Section 11 is amended by the addition of:

No additional dating shall be allowed, except that goods shipped from the 25th to the end of the month may be regarded for discount purposes as having been shipped as of the 1st of the following month.

Article VIII is amended by the addition of the following new sections:

13. *Marking Bias Tape.*—No member of the industry shall sell or offer for sale any bias tape for household use, put up on cards, rolls, or other packages or boxes, except in accordance with the following provisions:

(a) The cards, rolls, or other packages or boxes shall have affixed thereto in a visible and conspicuous place a label or stamp specifying the following:

(1) Length and yards contained thereon in said cards, rolls, packages or boxes.

(2) The quality or finish of the material in conformity with the following table of designation:

Lawn

72x68, or Lower, Lawn
76x72 Fine Lawn
80x80 and Upward, Extra Fine Lawn

Percale

64x60 or Lower, Percale
68x72, and Upward, Fine Percale

Nainsook

76x72 or Lower, Nainsook Finish
80x80 Nainsook
88x80 Fine Nainsook
96x92, and Upward, Extra Fine Nainsook

(3) The folded width of the material in conformity with the following width specifications:

a. Single fold:

No.	$\frac{1}{4/16}$	$\frac{2}{5/16}$	$\frac{3}{6/16}$	$\frac{4}{7/16}$	$\frac{5}{8/16}$	$\frac{6}{9/16}$	$\frac{7}{10/16}$	$\frac{8}{11/16}$	$\frac{9}{12/16}$	$\frac{10}{13/16}$	$\frac{11}{14/16}$
	$\frac{12}{15/16}$	$\frac{13}{16/16}$	or 1"								

b. Additional sizes must be marked or numbered on the basis of $\frac{1}{8}$ " for each size number.

c. All single fold bias tape should be folded with a center opening not exceeding $\frac{1}{8}$ " with the exception of bias tape made from material weighing 1 lb. per 5.35 yards or heavier.

d. For double fold bias tape the finished width shall be not less than $\frac{1}{2}$ of the width for single fold as set forth in the foregoing table. All double fold bias tape shall be folded with a center opening not exceeding $\frac{3}{16}$ ".

(b) The actual length of bias tape contained on the cards, rolls, or other packages or boxes, shall not deviate from the length indicated by the label or stamp affixed in accordance with Section 13, Sub-section (a), (1) in excess of 2 percent.

14. *Mercerization*.—No member of the industry shall use the term "Mercerized" on any label or stamp affixed to any bias tape unless such material has been put through the process of mercerization.

15. *Color Fastness*.—Statements to indicate "fast color" may be applied only when the material after dyeing has passed a washing test in accordance with the requirements for such tests as are or shall be approved by the American Society For Testing Materials. The Code Authority shall submit to the Administration within sixty days from the date hereof a certificate showing that the standards to be used by the industry under this provisions have received a certificate of approval from the American Society For Testing Materials. Said approved standards shall be forwarded by the Code Authority to every member of the industry.

16. *Mutuality of Contracts*.—Members of the industry shall set forth in all contracts the following:

(a) All contracts not for immediate delivery shall be in writing, shall specify definite quantities, shall stipulate that the delivery specifications shall be distributed fairly and equitably throughout the period of said contract, and said contract shall be duly executed by parties thereto.

(b) Nothing contained herein shall prevent the use of usual clauses in contracts as to the effect of force majeure, acts of God, and similar events beyond the control of either party.

17. *Samples*.—No member of the industry shall give samples as an integral part of a sale or as a means of making a specific sale.

18. *Advertising Allowances*.—No member of the industry shall arrange for advertising allowances except in agreements entirely separate and distinct from sales agreements.

No member of the industry shall make agreements for payment of advertising unless such agreements shall definitely specify exactly how much shall be paid and the method of payment by the giver of the allowance, exactly what services shall be rendered by the recipient of the allowance, and the method of auditing the performance which the allowance giver shall employ. Such agreements shall provide for submission of proof that such allowances are expended for the purpose set forth in the agreement.

19. *Substitution of Merchandise*.—No member of the industry shall ship or deliver products which do not conform with the samples submitted, or with representations made prior to securing an order and with the effect of deceiving or misleading the purchaser.

No member of the industry shall sell an inferior product at a price appropriate for such product with the understanding that a product of superior quality selling at a higher price will be delivered. However, a seller acting in good faith and because of an actual unforeseen shortage of the product sold, may, in order to service the customer, deliver a product of a quality superior to the product sold.

20. *Imitation of Trade Marks, Etc.*—No member of the Industry shall imitate or simulate another's "put-up", trade mark, trade names, slogans, and other marks of identification, including labels and the dress of the goods, which is intended to or does deceive or mislead the purchaser, or result in the commercial disadvantage to the owner of an already established "put-up", trade mark, trade names, slogans, and other marks of identification, including labels and the dress of the goods.

21. *False disparagement of Competitors.*—No member of the industry shall defame a competitor by falsely imputing dishonorable conduct, inability to perform contracts, questionable credit standing or by other false representation or by falsely disparaging the grade or quality of his goods.

22. *Use of Competitors Merchandise.*—No member of the industry shall by purchase or exchange acquire another manufacturer's merchandise from any customer or prospective customer for the purpose of substituting his own merchandise or influencing the sale of merchandise to such customer or prospective customer, provided however, it shall not be an unfair trade practice to acquire a sample of a competitor's merchandise for the purpose of comparison or analysis.

23. *Aiding or Abetting Another in the Use of Unfair Trade Practices.*—No member of the industry shall wilfully aid or abet another in any unfair trade practices.

Approved Code No. 441—Amendment No. 1.
Registry No. 251-09.

