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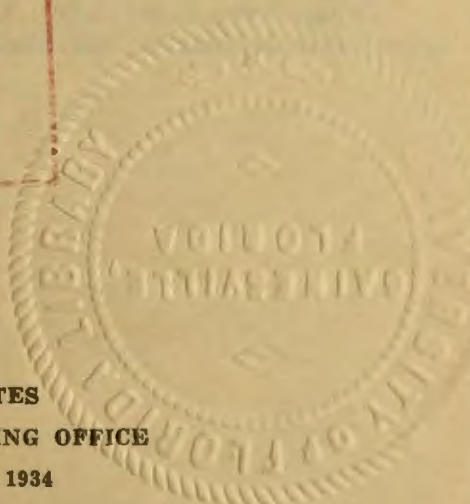
**NATIONAL RECOVERY ADMINISTRATION**

**CODE OF FAIR COMPETITION**

**FOR THE**

**CORDAGE AND TWINE  
INDUSTRY**

**AS APPROVED ON FEBRUARY 21, 1934**



**UNITED STATES  
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Approved Code No. 303

**CODE OF FAIR COMPETITION**  
**FOR THE**  
**CORDAGE AND TWINE INDUSTRY**

**As Approved on February 21, 1934**

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**ORDER**

**APPROVING CODE OF FAIR COMPETITION FOR THE CORDAGE AND TWINE  
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 Cordage and Twine 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 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:

**GEO. L. BERRY,**  
*Division Administrator.*

**WASHINGTON, D.C.,**  
*February 21, 1934.*



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: A Public Hearing on the Code of Fair Competition for the Cordage and Twine Industry, submitted by the Cordage Institute, located at 60 East 42nd Street, New York, N.Y., was conducted in Washington the 1st of November, 1933, in accordance with the provisions of the National Industrial Recovery Act. The Institute claims to represent approximately 70 percent of the Industry.

The maximum hours permitted under this Code for productive employees and those engaged in accounting, clerical or office work are forty (40) per week; non-productive employees are permitted to work 44 hours per week with time and one-third for all hours worked by this class of employee in excess of 44 per week.

The minimum wage is thirty cents (30¢) per hour in the South and thirty-two and a half cents (32½¢) per hour in the North. The minimum rate of pay for office, accounting and clerical employees is fourteen dollars (\$14.00) per week. Provision is made for an equitable adjustment of wages above the minimum.

The value of cordage and twine has decreased approximately 48 percent between 1929 and 1931, and it is probable that 1932 figures will show still further decrease. This decline has been partly due to lower prices and partly to the increase in imports. Imports of binder twine have increased from 19 million pounds in 1929 to over 42 million pounds in 1932. There has been a considerable falling off in the demand of rope by the shipping trade, and until there is an upturn in world trade, there cannot be a stronger demand for rope from this source.

On the basis of the 40 hour week it is estimated that employment will be increased 19% and that there will be a 20% increase in pay-rolls. Unlike most industries the number of wage earners employed in 1929 did not represent the peak of employment. Figures compiled show that between 1926 and 1929 employment declined approximately 20%. The decline has continued since 1929. In June, 1932 only about 3,800 wage earners were reported but by June, 1933 the number had arisen to around 4,050.

### 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 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 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.

This Industry has cooperated in a most satisfactory manner with the Administrator in the preparation of this Code. From evidence adduced during this hearing and from recommendations and reports of the various Advisory Boards it is believed that this Code as now proposed and revised represents an effective, practical, equitable solution for this Industry and for these reasons this Code has been approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

FEBRUARY 21, 1934.



# CODE OF FAIR COMPETITION FOR THE CORDAGE AND TWINE INDUSTRY

## ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, this Code is established as a Code of Fair Competition for the Cordage and Twine Industry and shall be the standard of fair competition for this industry and binding upon every member thereof.

## ARTICLE II—DEFINITIONS

1. The term "United States" shall mean and include the forty-eight States, the District of Columbia, the territories of Alaska and Hawaii, the Canal Zone, Puerto Rico and the Virgin Islands.

2. The term "Cordage and Twine Industry" as used herein shall mean the manufacture, and/or sale by manufacturers, within the United States, as defined in Section 1, of cordage, including cables, tarred or untarred, composed of three or more strands, each strand composed of two or more yarns and/or cords and twines, including binder twines, tarred or untarred, single or plied, wholly or in chief value of Manila (abaca), sisal, henequen or other hard fiber, and cordage, twines and/or ply and yarn goods, commonly known as tarred hemp goods, 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 hearings as he may prescribe.

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 "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.

5. The term "productive machinery" as used herein means and includes preparation, spinning, twisting, laying and/or finishing machinery.

6. The term "unfair trade practice" as used herein means an unfair method of competition.

7. The term "productive employees" as used herein, shall mean those employees engaged in the actual preparation, spinning, twisting, laying and/or finishing of cordage and/or twine whether such work consists of manual work or operation of machinery.

8. The term "non-productive employees" as used herein, shall mean all employees of this industry who are not included within the definition of productive employees.

9. The term "Act" and "Administrator" as used herein, means respectively Title I of the National Industrial Recovery Act and the Administrator for Industrial Recovery.



## ARTICLE III—DIVISIONS

1. The Cordage and Twine Industry shall be divided into the following Divisions:

- (a) Cordage, including tarred hemp goods.
- (b) Wrapping twine, including lath yarn and all ply and yarn goods, except binder twine.
- (c) Binder twine.

## ARTICLE IV—HOURS

1. Except as hereinafter provided the hours of employment of all employees shall be as follows:

(a) No non-productive employee engaged in accounting, clerical or office work and no productive employee shall be permitted to work in excess of forty (40) hours in any one week, except that any such employee may be employed forty-eight (48) hours in any one week, provided that his average employment for any calendar quarter does not exceed forty (40) hours per week. Productive employees shall receive time and one-third for any work over forty (40) hours in any week.

(b) No non-productive employee not included in above Subsection (a) (such as repair shop crews, engineers, electricians, supervisors, cleaners, oilers, firemen, shipping crews and/or watchmen) shall be employed in excess of forty-four (44) hours per week, except for emergency work hereinafter provided for, and any such work in excess of forty-four (44) hours per week shall be paid for at the rate of time and one-third.

2. Non-productive employees may be employed overtime on emergency work, provided a report of such emergency work is made the first of each month to the Code Authority.

3. The maximum hours provided shall not apply to employees engaged in an executive, managerial or supervisory capacity, inside salesmen, clerical, accounting and office employees, any of whom receive thirty-five dollars (\$35.00) per week or more, nor to outside salesmen.

4. 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 V—WAGES

1. The minimum wage that shall be paid by members of the industry to any employee shall be thirty cents (30¢) per hour in Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Tennessee, Texas and Louisiana, and thirty-two and a half cents (32½¢) per hour in all other States and the District of Columbia.

2. The minimum rate of pay for office, accounting or clerical employees, shall be fourteen dollars (\$14.00) per week.

3. This Article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time-rate, piece-work performance or other basis.

4. Every member of the industry shall increase the rate of pay of all employees paid either by the hour or piece, if not increased prior



to the effective date of this Code, and shall increase the rate of pay for all employees paid by the day, week or month, now receiving less than thirty-five dollars (\$35.00) per week, if not increased prior to the effective date of this Code, to not less than ninety percent (90%) of the rates paid by said member of the industry, or his predecessor in business, for the same class of work at the same place of business in June, 1929, provided that no employee shall be paid less than the minimum fixed in this Code. All such increases made since June 16, 1933 shall be reported to the Code Authority to insure that the prevailing rate for the same class of work in the manufacturing district in which the place of business is located shall govern the application of this provision. Sixty (60) days after the effective date of this Code, the provisions of this Section shall be reviewed by the Administrator and revised in such manner as may in his opinion be necessary to effectuate the purposes of the Act.

#### ARTICLE VI—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the Cordage and Twine Industry; nor any person under eighteen (18) years of age at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator 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 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. 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 own 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 provision in this Code shall supersede any law, State or Federal, which imposes on employers more stringent requirements as to age of employees, wages, hours of work or general working conditions than are imposed by this Code.

4. No employer shall, for the purpose or with the effect of defeating the provisions of this Code, reclassify employees or duties of occupations performed as they existed on October 17, 1933.

5. Each employer shall post and keep posted copies of Articles IV, V, VI and X of this Code in conspicuous places accessible to all employees.

6. If any employer of labor in the Cordage and Twine Industry is also an employer of labor in any other industry the provisions of this



Code shall apply to and affect only that part of his business which is engaged in the manufacture of cordage and twine, as herein defined.

7. Temporarily and until further order of the Administrator, operation of productive machinery shall be limited to two forty (40) hour shifts per week.

(a) The Code Authority may grant exceptions to the above provision subject to review of the Administrator.

## ARTICLE VII—ADMINISTRATION

### ORGANIZATION AND CONSTITUTION

1. A Code Authority is hereby established to cooperate with the Administrator in the administration of this Code and shall be chosen by the industry through a fair method of selection, approved by the Administrator, to serve for a period of one (1) year from the date of its selection. 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.

(a) 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.

(b) 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 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, he may take such action as he may deem necessary under the circumstances.

(c) 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. Such 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.

2. The Code Authority shall have the following duties and powers to the extent permitted by the Act.

(a) To administer the provisions of this Code and provide for the compliance of the industry with the provisions of the Act, and to propose amendments, exceptions and/or modifications and submit them to the Administrator for his approval; such amendments and/or modifications, when approved, shall become a part of this Code and have the same force and effect as if originally incorporated herein.



(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 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 members of the industry of any existing obligations to furnish reports to any government agency. No individual reports shall be disclosed to any other member of the industry or any other party except to such administrative and/or governmental agencies as may be directed by the Administrator.

(d) To make economic studies of costs and selling prices, with due regard to capital investments and other factors, and report to the Administrator the results thereof with such recommendations in connection therewith as may in its opinion tend to effectuate the purpose of this Code.

(e) To use such trade association 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 responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(f) 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.

(g) To secure from members of the industry who participate in this Code or in the activities of the Code Authority such proportionate payment of the reasonable expenses of maintaining the Code Authority as may be determined by the Code Authority and approved by the Administrator.

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

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

(j) Each member of this industry shall install and maintain an adequate cost finding method, approved by the Code Authority and the Administrator, in order that comparable cost data for the entire industry may be available for such purposes as provided by this Code.

(k) No manufacturer in any Division shall be required to furnish any information, data or reports not required of all other manufacturers in the same Division except where such information, data or reports may be required in connection with an investigation of an alleged violation of the Code.

(l) 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 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 (30) days' notice to him of intention to proceed with such action in its original or modified form.

#### ARTICLE VIII—PRISON MADE PRODUCTS

1. No member of this industry shall purchase for sale or resale, or sell or offer for sale, or otherwise distribute any cordage or twine manufactured or produced, in whole or in part, in any penal or reformatory institution, or produced or manufactured, in whole or in part, by prisoners, except prisoners on parole or probation.

2. Provided, however, that the provisions of Section 1 hereof shall not apply to any cordage or twine produced in any penal or reformatory institution in, or by the prisoners of a State of the United States which has entered into and is complying with and making effective a compact or a binding agreement of any other nature, which satisfies the Administrator that cordage or twine produced in whole or in part in such institution or by the inmates thereof (with the exception of cordage and twine produced by any prison solely for the use of tax supported institutions, agencies, departments or activities of any State or its political subdivisions) is manufactured, sold and distributed only upon a fair basis of competition with similar merchandise produced by private domestic industry, but otherwise Section 1 hereof shall apply to such prison-made products.

3. The Code Authority shall promptly present to the Administrator all facts pertaining to the problem of convict-labor competition affecting the cordage and twine industry.

#### ARTICLE IX—PRODUCTIVE MACHINERY

1. Temporarily and until further order of the Administrator, no manufacturer engaged in the Cordage and Twine Industry, and no person, partnership or corporation, for the purpose of engaging in the Cordage and Twine Industry, shall purchase, manufacture, lease or otherwise obtain or use, productive machinery not owned, leased or otherwise held prior to the effective date of this Code, except by securing a certificate from the Administrator, upon application through the Code Authority, certifying that the obtaining, manufacturing, or use of such additional productive machinery is consistent with effectuating the policy of the National Industrial Recovery Act; nothing herein shall be construed as preventing the replacement of productive machinery, of equal or less productive capacity, existing on the effective date of this Code or the transfer of productive machinery from one manufacturer to a subsidiary manufacturer.

#### ARTICLE X—EVASION

1. No member of the industry shall engage in any subterfuge for the purpose or with the effect of defeating the provisions of this Code or the intent and purposes of the Act.



## ARTICLE XI—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, 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 XII—MONOPOLIES, ETC.

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

## ARTICLE XIII—PRICE INCREASES

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

## ARTICLE XIV—EFFECTIVE DATE

1. This Code shall become effective fourteen (14) days after its approval by the Administrator.

## ARTICLE XV—SUPPLEMENTARY PROVISIONS

1. The following schedules (a and b, inclusive) are supplementary to, and constitute part of, the Code of Fair Competition for the Cordage and Twine Industry. Such schedules apply respectively to those particular Divisions of the Cordage and Twine Industry indicated by the specific headings.

Approved Code No. 303.  
Registry No. 219-1-01.



## SCHEDULE "A"

### DIVISION FOR MANUFACTURERS OF CORDAGE AND WRAPPING TWINE

1. *Filing Price Lists.*—(a) Each member of this Division of the industry, within five (5) days after the effective date of this Code, shall file and maintain on file with the Code Authority, a schedule of prices, together with revisions of same from time to time, as inclusive as the Code Authority, with the approval of the Administrator, shall determine. Each schedule shall show the selling prices for (1) cordage products made by such member, and (2) wrapping twine products made by such member. No member shall make any change in such selling prices except as otherwise provided herein. Each such schedule shall become effective on the date of receipt by the Code Authority. No price schedule of any member of this Division shall be increased within a period of five (5) days after any decrease in such member's schedule. Such price schedules shall be available to anyone in interest.

(b) No member of this Division shall sell, or offer to sell, any cordage or wrapping twine, directly or indirectly, at a price other than that specified in his current schedule on file with the Code Authority or modify the schedule by any subsequent concessions made either directly or indirectly, except that any member of this Division may deviate from such price schedule to meet actual competition on a comparable item, provided that he make immediate report of such deviation to the Code Authority with such relevant facts as the Code Authority may require.

2. *Relationship of Costs.*—(a) The Code Authority, at such time and after such study as it may deem proper, shall recommend to the Administrator the relationship of costs and/or differentials; first, as to bolt rope, drilling cables, and transmission rope, and as to #1 and #2 Manila and #1 and #2 sisal cordage, as between and affected by grades, put-ups, sizes, special treatments and constructions (not patented) having a significant effect on costs and special sales conditions and arrangements; and second, as to all products included in R92-32, United States Department of Commerce Simplified Practice Recommendations, as between and affected by classes, sizes, put-ups, construction, varying treatments and construction (not patented), having a significant effect on cost and special sales conditions or arrangements.

(b) The Administrator may approve, disapprove or modify these recommendations.

(c) After approval by the Administrator no member of this Division shall file a schedule of prices which does not conform to such relationship as hereinabove provided in Section 2 (a).

3. *Trade Discounts, Commissions, Allowances, Etc.*—(a) The Code Authority, subject to the approval and with the advice of the Administrator, may from time to time arrange for conferences of all interested parties, including all classes of secondary sellers, or the Code Authority governing them, for the purpose of recommending to the Administrator the establishment of such commissions, trade discounts and/or allowances which in its opinion, will be fair and reasonable in relation to the nature and extent of the distributing services and functions rendered by each buying class.

(b) The Administrator may approve, disapprove or modify these recommendations.

(c) After such discounts, commissions and/or allowances shall have been approved by the Administrator upon such notice and hearing as he may deem necessary, it shall be an unfair trade practice for any member to sell any product included in this division with a discount, commission or allowance in excess of those approved.

(d) If the Code Authority recommend and the Administrator approves, the discount, commission and/or allowance of any secondary seller shall be decreased by any member, when to the knowledge of said member, the secondary seller allows any customer any discount, commission and/or allowance in excess



of the discount, commission and/or allowance approved by the Administrator as herein provided for a customer of the same class. The decrease in the discount, commission and/or allowance shall equal and not exceed the decrease in the discount, commission or allowance given by said secondary seller to his customer.

(e) Members of this Division may appoint mill agents or distributors for the sale of first; cordage to jobbers and wholesalers, or second; wrapping twine to merchants and other retail sellers of wrapping twine, upon the following conditions:

(1) Where such mill agents or distributors agree to abide by the Code of Fair Competition for the Cordage and Twine Industry with respect to the sale and distribution of cordage and wrapping twine.

(2) Where said mill agent or distributor sells cordage or wrapping twine in a specified territory exclusively for the account of one member of this Division, except in cases where the member of the Division, supplying said mill agent or distributor, is unable to supply the necessary item or product.

(3) Where said mill agent or distributor is exclusive with said member in the specified territory, which territory shall not be less than the corporate limits of any city or town.

(4) Where (a) the billing is done by the member or (b) if the mill agent or distributor does the billing, invoices shall include the name of the manufacturer of the product and copy of all invoices shall be sent on the first of each month to the manufacturer and commissions to mill agents or distributors shall be based on said invoices.

(5) Names of all mill agents and distributors shall be filed with the Code Authority and made known to each and every member of the Cordage and Twine Industry.

(f) Nothing in this section shall be construed to abridge the right of manufacturers to sell direct to any customer in any territory or the right of any customer to buy direct from any member.

4. *Freight Charges.*—(a) The Code Authority shall recommend to the Administrator a zoning plan for freight charges, including drop shipment charges.

(b) The Administrator may approve, disapprove or modify these recommendations.

(c) Such plan when approved by the Administrator, shall remain in effect for six (6) months from the effective date of this Code or until changes are made in same by the Administrator or by the Code Authority with the approval of the Administrator.

(d) No member of this Division shall sell or offer to sell any product of this division except in accordance with such plan when so approved.

5. *Terms and Discounts.*—(a) No member of this Division shall allow any cash discount in excess of two percent (2%), ten (10) days, thirty (30) days net, from date of invoice, except upon authorization of the Code Authority.

(b) No member of this Division shall make or give to any purchaser of any product any guarantee or protection in any form against decline in the market price of such product.

(c) No member of this Division shall date any invoice of any cordage or wrapping twine subsequent to the date of the shipment of such cordage or wrapping twine, or include in any invoice any cordage or wrapping twine shipped on a date earlier than the date of such invoice.

(d) No member of this Division shall invoice any cordage or wrapping twine at prices which do not reflect the actual return to the seller.

(e) No member of this Division shall settle any account except in exact accordance with the terms and details of the invoice; nor directly or indirectly give rebates, refunds or unfair credits or allowances, whether in the form of money or otherwise. This provision shall not apply to settlement with insolvent debtors.

(f) Each member of this Division shall show on his invoice and each copy thereof his individual list price, together with any discount, commission or deductions allowed by him relative to the sale covered by such invoice.

6. *Contractual Terms.*—(a) No member of this Division shall sell or offer for sale any cordage or wrapping twine:

(1) Unless order is accompanied by definite specifications.

(2) Unless offers to sell are subject to change, without notice, except offers to sell to Federal, State or local governments, which may be subject to acceptance within ten (10) days after opening of bids.



(3) Unless such offers to sell are for immediate shipment, except where sales for future delivery are (a) at a definite price with a definite shipping date; or (b) are without price, the price to be the member's price prevailing at time of shipment.

(4) Except on a gross weight basis.

(5) Where the markings on the product or the invoice covering same show net weight or tare.

(6) Where the product is not covered, protected or lashed in the usual custom of the trade, as prescribed by the Code Authority with the approval of the Administrator.

(7) For the purpose of determining the observance of the above provisions, copies of all orders and invoices shall be made available to the Code Authority on demand.

7. *Price and Competitive Practices Investigation.*—(a) The Code Authority shall investigate such prices and competitive practices as in its opinion tend to defeat the purposes of the National Industrial Recovery Act and shall then make its recommendations to the Administrator who may approve, modify or deny such recommendations.

8. *Simplified Practice Recommendation.*—(a) No member of this Division shall manufacture or cause to be manufactured, except as otherwise authorized by the Code Authority, subject to review by the Administrator, products included in the Wrapping Twine Division, on and after ninety (90) days after the effective date of this Code or sell, or offer to sell, any product which does not comply with the provisions of Simplified Practice Recommendation R92-32, as promulgated by the United States Department of Commerce, except as provided in Section 10 for the disposal of Distress Merchandise.

(b) The Code Authority, with the approval of the Administrator, shall develop a simplified practice recommendation program for cordage, with the assistance of the Division of Simplified Practice of the United States Department of Commerce, which program shall be submitted to the Administrator as an amendment to this Code.

(c) Upon the expiration of thirty (30) days after the effective date of this Code, no member of this Division shall manufacture or cause to be manufactured products included in the Cordage Division or upon the expiration of six (6) months after the effective date of this Code, sell or offer to sell any such product, except as provided in this Section, or as otherwise provided by the Code Authority, or as provided in Section 10 of this schedule.

(d) Trade Designations:

*Becker reflectance values*

	Minimum	Maximum
Bolt rope.....	54	(1)
No. 1 Manila, 2¼ cir. & larger.....	43	48
No. 1 Manila, smaller than 2¼ cir.....	46	54
No. 2 Manila, 2¼ cir. & larger.....	33	40
No. 2 Manila, smaller than 2¼ cir.....	35	42
No. 1 Sisal (java & comparable fibers) (stainless).....	60	(1)
No. 2 Sisal (henequen and comparable fibers) (stainless).....	40	48

<sup>1</sup> No limitation.

(e) The term "Becker Reflectance Value" shall be defined and the tests for same shall be as provided in Federal Specifications T-R-601 for Manila Rope; such tests shall be made on samples with the oil extracted from same.

(f) Nothing hereinabove shall be construed to prohibit the manufacture and sale of drilling cables, transmission rope, lariat, yacht products (yacht lariat), tarred hemp products, heart ropes, or specially treated ropes (where treatment discolors the fiber permanently).

(g) Special treatments and special constructions of cordage shall be limited to No. 1 and higher grades of Manila.

(h) When the Code Authority, with the approval of the Administrator, authorizes the manufacture of any product or products, not specially provided for herein, all members of this Division shall be provided with a copy of such changes.



9. *Identification*.—(a) No member of this Division shall, sixty (60) days after the effective date of this Code, manufacture or cause to be manufactured, or, six (6) months after the effective date of this Code, sell or offer for sale, any No. 1 or No. 2 Manila cordage and higher grades, or thirty (30) days after the effective date, sell or offer for sale any wrapping twine, without positive identification of manufacturer and grade, in such manner as the Code Authority may determine, except as provided in Section 10.

10. *Distress merchandise*.—(a) No discontinued, obsolete or distress merchandise, shall be sold by any member of this Division, except upon approval by the Code Authority, which approval shall promptly be given unless the sale will result in unfair competition or otherwise not effectuate the purposes of the Act, or as provided in Sections 8 and 9 of this Schedule, subject to review by the Administrator, and such merchandise shall be clearly marked "discontinued", "obsolete" or "distress" merchandise on the invoice, order or other papers in connection therewith. All applications made hereunder to the Code Authority shall include a statement of the character of the goods involved and the reasons for the application.

11. *Samples*.—(a) No member of this Division shall give away free samples of wrapping twine in excess of ten (10) pounds or give away free samples of cordage longer than ten (10) feet, except for specimens to be used for tensile strength tests.

12. *General Trade Practices*.—The following constitute unfair methods of competition and are prohibited:

(a) No member of this Division shall procure, otherwise than by consent, any information concerning the business of another manufacturer which is properly regarded as a trade secret or confidential within its organization, other than information relating to a violation of any provision of this Code.

(b) No member of this Division shall use or substitute any material, superior or inferior in quality, to that specified by the purchaser, or use or substitute any material or method of manufacture not in accord with any applicable law, rule or regulation of any governmental authority.

(c) No member of this Division shall give, permit to be given, or indirectly 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. Commercial bribery provisions 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.

(d) No member of this Division shall cancel in whole or in part or permit the cancellation in whole or in part of any contract of sale, except for a fair consideration, or pay or allow to any purchaser in connection with any sale, any rebate, commission, credit, discount, adjustment or similar concession other than as is permitted by the Code.

(e) No member of this Division shall disseminate, publish or circulate any false or misleading information relative to any product or price for any product of any manufacturer or the credit standing or ability of any manufacturer thereof to perform any work or manufacture or produce any product, or to the conditions of employment among the employees of any manufacturer thereof.

(f) No member of this Division shall aid or abet any manufacturer in any unfair practice.

(g) The violation of any provision of this Code shall be deemed an unfair method of competition.

13. *Exports*.—(a) No provision of this Code, relating to prices or terms of selling, shipping or marketing, shall apply to export trade or sales or shipments for export trade, but nothing in this Section shall be construed to include trade between the United States and its territories or possessions, within the meaning of the term "export trade".



## SCHEDULE " B "

### DIVISION FOR MANUFACTURERS OF BINDER TWINE

#### FILING PRICE SCHEDULES

1. Every member of this Division offering Binder Twine for sale shall file with the Code Authority a schedule of prices and terms setting forth the grades and lengths per pound, prices per pound, or the prices per bale of fifty (50) lbs. gross weight, quantity discounts, terms and date of payment, date and amount of cash discount, and conditions of delivery; each such schedule shall set forth only one price of such member for each length of twine covered therein and the only lengths therein shall be, approximately five hundred (500) feet, five hundred fifty (550) feet, six hundred (600) feet and six hundred fifty (650) feet to the pound. Such schedules shall represent the basis upon which Binder Twine is to be sold by members when selling to retail dealers. Such schedule shall also set forth full information as to all discounts allowed to purchasers. Such schedule, when filed with the Code Authority, shall become effective on the date filed and shall remain in force until a new schedule is filed and becomes effective.

2. Copies of all schedules filed by manufacturers shall be open to examination, as the Administrator may determine, to parties in interest.

3. The Code Authority, at such time and after such study as it may deem proper, shall recommend to the Administrator the establishment of a definite quantity (bales) of binder twine, the purchase of which for a season's requirement shall entitle the purchaser to a discount, from any individual manufacturer, equal to the discount allowed by said manufacturer to jobbers. The Administrator may approve, disapprove or modify the recommendations. Pending such determination, each member shall file such discounts as he desires to make applicable to any purchaser.

4. No manufacturer shall sell, or offer to sell, Binder Twine, directly or indirectly, upon any other conditions than specified in his schedule as filed, or as may be established under the provisions of Section 3 hereof, and no manufacturer shall modify the conditions of sale by any concessions, either directly or indirectly, made subsequent to any sale.

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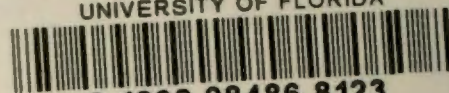








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