NATIONAL RECOVERY ADMINISTRATION

SUPPLEMENTARY CODE OF FAIR COMPETITION

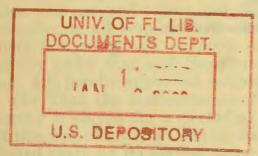
FOR THE

WIRING DEVICE INDUSTRY

(A Division of the Electrical Manufacturing Industry)

AS APPROVED ON JANUARY 15, 1935





UNITED STATES GOVERNMENT PRINTING OFFICE **WASHINGTON: 1935**

This publication is for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C., and by district offices of the Bureau of Foreign and Domestic Commerce.

DISTRICT OFFICES OF THE DEPARTMENT OF COMMERCE

Atlanta, Ga.: 504 Post Office Building. Birmingham, Ala.: 257 Federal Building. Boston, Mass.: 1801 Customhouse. Buffalo, N. Y.: Chamber of Commerce Building. Charleston, S.C.: Chamber of Commerce Building. Chicago, Ill.: Suite 1706, 201 North Wells Street. Cleveland, Ohio: Chamber of Commerce. Dallas, Tex.: Chamber of Commerce Building. Detroit, Mich.: 801 First National Bank Building. Houston, Tex.: Chamber of Commerce Building. Indianapolis, Ind.: Chamber of Commerce Building. Jacksonville, Fla.: Chamber of Commerce Building. Kansas City, Mo.: 1028 Baltimore Avenue. Los Angeles, Calif.: 1163 South Broadway. Louisville, Ky.: 408 Federal Building. Memphis, Tenn.: 229 Federal Building. Minneapolis, Minn.: 213 Federal Building. New Orleans, La.: Room 225-A, Customhouse. New York, N.Y.: 734 Customhouse. Norfolk, Va.: 406 East Plume Street. Philadelphia, Pa.: 422 Commercial Trust Building. Pittsburgh, Pa.: Chamber of Commerce Building. Portland, Oreg.: 215 New Post Office Building. St. Louis, Mo.: 506 Olive Street. San Francisco, Calif.: 310 Customhouse. Seattle, Wash.: 809 Federal Office Building.

Approved Code No. 4-Supplement No. 3

SUPPLEMENTARY CODE OF FAIR COMPETITION

FOR THE

WIRING DEVICE INDUSTRY

As Approved on January 15, 1935

ORDER

Supplementary Code of Fair Competition for the Wiring Device Industry

A DIVISION OF THE ELECTRICAL MANUFACTURING 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 Supplemental Code of Fair Competition for the Wiring Device Subdivision to the Code of Fair Competition for the Electrical Manufacturing Industry, and hearing having been duly held thereon and the annexed report on said Supplemental Code, containing findings with respect thereto, having been made and directed to the President:

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 Supplemental Code
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 Supplemental Code of Fair Competition be
and it is hereby approved, subject to the following conditions:

(1) That the last sentence of Section 2 of Article II be and it hereby is stayed for a period of thirty days from the effective date of this Supplemental Code or until the National Industrial Recovery

Board shall, by its further order, otherwise direct.
(2) That Section 2 of Article III be deleted.

(3) That Section 9 of Article VI be and it hereby is stayed pending further study or until the National Industrial Recovery Board shall, by its further order, otherwise direct.

(4) That Article VII be and it hereby is stayed for a period of fifteen days from the effective date of this Supplemental Code or until the National Industrial Recovery Board shall, by its furher order, otherwise direct.

parely as showed for a special of their days from the effective date.

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

Approval recommended:

BARTON W. MURRAY,

Division Administrator.

Washington, D. C., January 15, 1935.

REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

Sir: This is a report on the Supplementary Code of Fair Competition for the Wiring Device Industry, a Subdivision of the Elec-

trical Manufacturing Industry.

An application has been duly made by the Code Authority for the Electrical Manufacturing Industry, on behalf of the Wiring Device Industry, for approval of a Supplementary Code of Fair Competition for said Wiring Device Industry. This Supplementary Code was submitted by the Code Committee of Wiring Device Industry, representing approximately 63% of the total volume of sales and 85% of the members of the Industry.

A Public Hearing was conducted in Washington on September 11, 1934, and the Supplementary Code was revised and resubmitted in its present form. Every person who requested an appearance was properly heard in accordance with the statutory and regulatory

requirements.

PROVISIONS OF THE SUPPLEMENTARY CODE

The Supervisory Agency governing the Wiring Device Industry is appointed by the Basic Code Authority of the Electrical Manufacturing Industry and is adequately representative of all the different elements in this Industry. Since this Wiring Device Industry Code is supplemental to the Code of Fair Competition for the Electrical Manufacturing Industry, it adopts all the labor provisions of the Basic Code, as well as all other provisions and any amendments that may be incorporated in the Basic Code.

FINDINGS

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

It is found that:

(a) Said Supplementary 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 fifty thousand employees; and is not classified by us as a major Industry.

(c) The Supplementary 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 an industrial group truly representative of the aforesaid Industry; and that said group imposes no inequitable restrictions on admissions to membership therein.

(d) The Supplementary Code is not designed to and will not per-

mit monopolies or monopolistic practices.

(e) The Supplementary 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

Supplementary Code.

For these reasons, therefore, the National Industrial Recovery Board has approved this Supplementary Code subject to the follow-

ing conditions:

1. That the last sentence of Section 2 of Article II be stayed for a period of thirty days from the effective date of this Supplementary Code or until the National Industrial Recovery Board shall by its further order otherwise direct.

2. That Section 2 of Article III be deleted.

- 3. That Section 9 of Article VI be stayed pending further study or until the National Industrial Recovery Board shall by its further order otherwise direct.
- 4. That Article VII be stayed for a period of fifteen days from the effective date of this Supplementary Code or until the National Industrial Recovery Board shall by its further order otherwise direct. For the National Industrial Recovery Board:

W. A. HARRIMAN, Administrative Officer.

JANUARY 15, 1935.

Approved Code No. 4—Supplement No. 3

Registry No. 1308/17

ERRATA SHEET

CODE OF FAIR COMPETITION

FOR THE

WIRING DEVICE INDUSTRY

As Approved on January 15, 1935

Article II, Section 2, line 6, reads:

"* * Any person who imports outside the continental United

States for * * * "

Should read:

"* * * Any person who imports from outside the continental United States for * * * *"

A That Matica VII becomed his to color of the same than the same than the transition of the same than the same tha BALL DEPTATIONS PRODUCED COPICE, LIES

SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE WIRING DEVICE INDUSTRY

A DIVISION OF THE ELECTRICAL MANUFACTURING INDUSTRY

ARTICLE I

Section 1. To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established pursuant to the provisions of Article XIV of the Basic Code of Fair Competition for the Electrical Manufacturing Industry, approved August 4, 1933, as a Supplemental Code of Fair Competition for the Wiring Device Subdivision of the Electrical Manufacturing Industry, and eleven days after its approval shall, in addition to and together with the provisions of said Basic Code and any amendments thereof, or additions thereto, hereafter made, be the standard of fair competition for the Wiring Device Subdivision of the Electrical Manufacturing Industry, and shall be binding on every employer thereof.

ARTICLE II—DEFINITIONS

SECTION 1. The term "Wiring Device Subdivision" of the Electrical Manufacturing Industry, or "Subdivision", as used herein, means promoting the manufacture, and/or the manufacture, for sale of electrical wiring devices, including but without limitation Sockets and Receptacles, Tumbler, Toggle, Push Button and Snap Switches and their accessories; Attachment Plugs and Connecting Outlet Devices; Cord Sets for resale, including Decorative Lighting

Outfits, Enclosed Fuses and Cutouts.

Section 2. The term "promoting the manufacture", as used herein, shall include any person who sells or offers to sell any product of the Subdivision in effect as a manufacturer, or who represents himself as a manufacturer, in competition with employers of the Subdivision with respect to the primary distribution of such product. Any person who imports outside the continental United States for resale within the United States, any products of the Subdivision, shall be considered as one promoting the manufacture of such products, with respect to the primary distribution thereof.1

Section 3. The term "person" as used herein, means a natural person, partnership, association, trust, trustee, trustee in bankruptcy,

receiver, corporation, or other entity.

Section 4. The term "employer" as used herein, means every person promoting, or actively engaged in, the manufacture for sale, of the products of the Subdivision as herein defined.

¹ See paragraph 2 (1) of order approving this Code.

Section 5. The term "employee" as used herein, means anyone who is employed by any such employer, irrespective of the method

of compensation.

Section 6. The term "Supervisory Agency" as used herein, means the Supervisory Agency approved or appointed for the Subdivision in accordance with Article XII of the Basic Code.

Section 7. The term "Basic Code" means the Code of Fair Com-

petition for the Electrical Manufacturing Industry.

Section 8. The term "Code Authority" as used herein, means

the Code Authority for the Electrical Manufacturing Industry.

Section 9. The terms "President" and "Act" as used herein, mean respectively the President of the United States and Title I of the National Industrial Recovery Act.

ARTICLE III—PRICE FILING

Section 1. The Supervisory Agency may determine that it is undesirable to continue the filing of net price lists and/or price lists with discount sheets and/or fixed terms of sale or payment on any product in respect of which such filing has heretofore been required under Article X of the Basic Code, and may cause such filing to cease.

Section 2. The Supervisory Agency shall also cause such filing to cease on any product if requested by a two-thirds vote of the employers in the Subdivision measured both by volume of sales and by number and the provisions of said Article X shall not apply to such product unless and until the Subdivision shall again request the Supervisory Agency in the same manner that such filing be made.²

Section 3. No provision of this Code relating to prices or terms of selling, shipping or marketing shall apply to export trade or sale or shipment for export trade. The term "export" shall include shipment to foreign countries and to the territories and possessions of the United States, except Alaska, Hawaii and the Canal Zone. On all export shipments every employer shall be responsible for accepting bona fide export orders only and shall be prepared to provide evidence of export upon call as required by the Supervisory Agency.

ARTICLE IV—SELLING BELOW COST

Section 1. Selling below cost by any employer may be done under

the following conditions:

(a) With respect to any product sold competitively under net price lists and/or price lists with discount sheets and/or fixed terms of sale or payment (herein referred to as price schedules) filed with the Supervisory Agency, any employer may file revised price schedules to meet the filed lower price schedules of any other employer, provided that the Supervisory Agency is advised that selling below cost is involved at the time the revised price schedules to meet competition are filed with the Supervisory Agency.

(b) With respect to any product or specifications on which price schedules have not been filed with the Supervisory Agency, any employer may meet the proven quoted price made on equal or equivalent

² Deleted—See paragraph 2 (2) of order approving this Code.

products or specifications by any other employer, provided proper notification of such intent has been given to the Supervisory Agency.

(c) During the period of developing and introducing some new product until such time as the market demand and volume of production produce a cost below the price that can be reasonably changed therefor, any employer may sell below cost provided proper notification of such intent has been given to the Supervisory Agency.

ARTICLE V-HOMEWORK

Section 1. No employer shall permit or allow processing or manufacture of any of his products in the homes of any employees or in any public or private institution except under the following conditions:

a. A person may be permitted to engage in homework at the same rate of wages as is paid for the same type of work performed in the factory or other regular place of business if a certificate is obtained from the State Authority or other officer designated by the United States Department of Labor, such certificate to be granted in accordance with instructions issued by the United States Department of Labor, provided

(1) Such person is physically incapacitated for work in a factory or other regular place of business and is free from any contagious

disease; or

(2) Such person is unable to leave home because his or her services are absolutely essential for attendance on a person who is bedridden or an invalid and both such persons are free from any contagious disease.

b. Any employer engaging such a person shall keep such certificate on file and shall file with the Supervisory Agency the name and address of each worker so certificated.

ARTICLE VI—TRADE PRACTICE PROVISIONS

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

Section 2. Statements Regarding Policies of Competition.—No employer shall make or cause or permit to be made or published any false or deceptive statement of or concerning the business policies, methods, conduct, ability to perform contracts or credit standing

of a competitor or the grade or quality of his goods.

Section 3. Misrepresentation as to Quality and Size.—No employer shall mark or brand products of the Subdivision with intent to mislead or deceive, or with the effect of misleading or deceiving customers or prospective customers in any material particular with respect to the quantity, quality, grade or substance of the products so marked or branded.

Section 4. Secret Rebates.—No employer shall secretly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount, whether in the form of money or otherwise, nor shall any employer secretly offer or extend to any customer any special service or privilege not extended to all customers of the

same class, for the purpose of influencing a sale.

Section 5. Splitting Commissions.—An employer shall not continue to employ any salesman or agent, compensated in whole or in part on a commission or bonus basis, who shall pay or allow to any purchaser any part of the commission or bonus earned by him in connection with the sale of any products of the Subdivision, or who shall violate any of the trade practice provisions applicable to employers of the Subdivision.

Section 6. Records.—No employer shall withhold from or insert in any quotation, acknowledgment of order, invoice, or any other instrument of business procedure of the employer, whether the transaction results in an order or not, any statement which falsifies the

employer's record wholly or in part.

Section 7. Commercial Bribery.—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. 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. This provision shall not be construed to prohibit prize contests openly conducted among salesmen.

Section 8. Espionage of Competitors.—No employer shall procure or attempt to procure information from another employer concerning his business by any false or misleading statement or representation, or by any false inpersonation of one in authority, or by bribery,

or by any other unfair method.

Section 9. Consignments.—No employer shall ship goods on consignment, ledger balances, or on memorandum basis to any customer, provided, however, that nothing herein shall affect any bona fide contract entered into prior to the effective date of this Supplemental Code and which cannot by its terms be cancelled by the employer. All such contracts shall be reported to the Supervisory Agency, and no employer shall renew any such contract.³

ARTICLE VII 4—LIQUIDATED DAMAGES

Section 1. Recognizing that the violation by an employer of this Subdivision, of any provision of the Basic Code or of this Supplemental Code, will disturb the normal course of fair competition in the Wiring Device Subdivision, and cause serious damage to others, and that it will be impossible accurately to determine the amount of such damage, it is hereby provided that those employers who may

<sup>See paragraph 2 (3) of order approving this Code.
See paragraph 2 (4) of order approving this Code.</sup>

desire to do so may enter into an agreement among themselves

embodying the following provisions:

a. Each employer violating any provision of the Basic Code, or of this Supplemental Code, shall pay to an impartial agent to be designated by the Code Authority or by a majority vote of the employers of this Subdivision, in trust, as and for liquidated damages, upon determination of violation by the National Industrial Recovery Board, or by an impartial agency or person nominated by the Code Authority or designated by the assentors to this agreement and approved by the National Industrial Recovery Board, amounts as set forth below:

(1) For the violation of any wage provision, an amount equal to the difference between the wages which have been paid and the wages which would have been paid if the employer had complied

with the applicable provisions of the Code;

(2) For the violation of any hour provision, an amount equal to the wages payable for the overtime at the regular rate payable under the terms of the Code, to the employee or employees who worked overtime;

(3) For the violation of any labor provision of the Code other than an hour or wage provision, Two Hundred Fifty (250) Dollars;

(4) For the violation of any provision of the Basic Code or this Supplemental Code (other than a labor provision) involving a transaction incidental to or connected with a sale of any product of the Subdivision, an amount equal to twenty (20) percent of the actual selling price of the product sold in violation of any such provision, or of the price at which the product should have been sold under this Code, if determinable, whichever is the higher;

(5) For the violation of any provision of this Code (other than a labor provision) not involving a transaction incidental to or connected with a sale of any product of the industry, One Hundred

(100) Dollars.

Section 2. All amounts so paid to or collected by the impartial agent designated in accordance with Section 1, under the provisions of this Article, shall be applied by him as follows: First, if the violation shall have been of a labor provision of the Code, equitable distribution of all damages paid therefor shall be made among all employees directly affected by such violation; Second, if the violation shall have been of a Code provision other than a labor provision, the damages arising therefrom shall be utilized to defray proper expenses of Code Administration, and the balance, if any, remaining in the hands of the said impartial agent shall be distributed semi-annually among employers of the Subdivision who have assented hereto and who have not been determined to have been guilty of a violation of a Code provision during the preceding semi-annual period, on the basis of the most recent assessment made against employers of the Subdivision for the expense of Code Administration.

Section 3. Assent to this Article by any employer shall be evidenced by a signed statement signifying assent, filed with the Code Authority. Failure to assent to this Article shall not deprive any employer of any other right or privilege under this Code. By so assenting, each employer agrees with every other employer and the

said impartial agent individually (a) that violation of a Code provision shall breach this agreement and shall render the violator liable for the payment of liquidated damages as herein provided, (b) all rights and causes of action arising hereunder are assigned to the impartial agent, individually and in trust, and (c) that the impartial agent, as such assignee and as attorney in fact for each assenting employer, may take all proper legal action concerning damages found due hereunder.

Section 4. The Code Authority may waive liability for payment of liquidated damages for any violation it finds to have been inno-

cently made and resulting in no material injury.

Section 5. The said impartial agent as an individual, by accepting office, accepts the trust established by this contract and agrees to perform the duties of Trustee hereunder until his successor in office

may have been appointed.

Section 6. Nothing contained in this Article VII shall be construed or applied to (a) deprive any person of any right or right of action arising out of the Basic Code or of this Supplemental Code, or (b) relieve any employer of the Subdivision from any contractual or legal obligation arising out of the Basic Code or this Supplemental Code or of the Act or otherwise; nor shall violation of this agreement by an assenting member be deemed a violation of the Basic Code or of this Supplemental Code, so as to subject the violator to any consequence arising under Section 3 (b), Section 3 (c), or Section 3 (f) of the Act, nor to any criminal prosecution of any kind.

ARTICLE VIII—MODIFICATIONS

Section 1. This Supplemental Code, and all provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Sub-Section (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act.

Section 2. Such of the provisions of this Supplemental Code as are not required by the Act to be included herein may, with the approval of the President, be amended or eliminated as changed circumstances or experience may indicate. Study of the trade practices of the Subdivision will be continued by the Supervisory Agency for this Subdivision, heretofore appointed by the Code Authority with the intention of submitting to the National Industrial Recovery Board through the said Code Authority for approval from time to time amendments of or additions to this Supplemental Code applicable to this Subdivision.

ARTICLE IX—EFFECTIVE DATE

Section 1. This Supplemental Code shall become effective eleven days after its approval.

Approved Code No. 4-Supplement No. 3. Registry No. 1308-17.



