

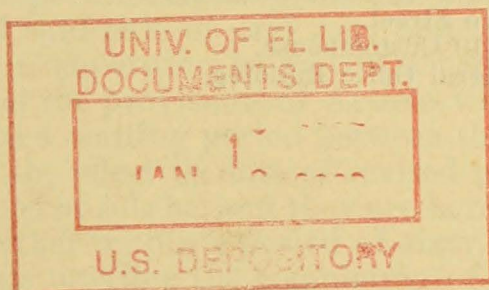
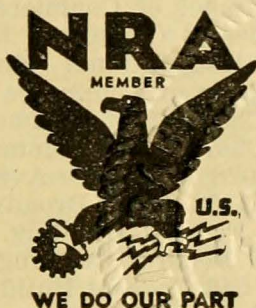
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

**ORNAMENTAL MOLDING
CARVING, AND TURNING INDUSTRY**

AS APPROVED ON FEBRUARY 5, 1934



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Approved Code No. 260

CODE OF FAIR COMPETITION
FOR THE
ORNAMENTAL MOLDING, CARVING, AND
TURNING INDUSTRY

As Approved on February 5, 1934

ORDER

**APPROVING CODE OF FAIR COMPETITION FOR THE ORNAMENTAL
MOLDING, CARVING, AND TURNING 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 Ornamental Molding, Carving, and Turning Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved; provided, however, that the provisions of Article VIII (Section 2), insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be, and they are hereby, stayed pending my further Order either within a period of sixty days from the effective date of this Code or after the completion of a study of open-price associations now being conducted by the National Recovery Administration.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

W. A. HARRIMAN,
Division Administrator.

WASHINGTON, D.C.,
February 5, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Ornamental Molding, Carving, and Turning Industry in the United States, the hearing being conducted in Washington, D.C., on December 13, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS ON HOURS AND WAGES

The maximum hours provided in this Code for employees are forty (40) hours per week and eight (8) hours per day. When production demands it, a tolerance of five hours per week is allowed provided the forty (40) hour per week average in each six months' period is maintained.

Employees engaged in emergency maintenance and repair work are excepted from hourly limitations under prescribed conditions and are allowed a one and one third overtime rate of pay. A tolerance of ten (10) percent is allowed for firemen, engineers, and shipping crews. Watchmen and night firemen are permitted to work forty-eight (48) hours per week averaged each two weeks. Truck drivers are made subject to the provisions of the Code for the appropriate division of the Trucking Industry, when such Code shall have been approved. The usual exemption is granted to executive and supervisory employees regularly receiving \$35.00 or more per week, to outside salesmen, and also to designers receiving like compensation.

The minimum wage provided for employees in designated southern territory is thirty (30) cents per hour and for employees in all other territories is thirty-four (34) cents per hour.

Apprentices, the number not to exceed five (5) percent of the employees of any one employer at any one time, may be employed for a period not to exceed three months at eighty (80) percent of these minimum rates.

CHILD LABOR

The minimum age provided in this Code is 16 years, but in hazardous occupations this age limit is increased to 18 years.

ECONOMIC EFFECT OF THE CODE

The volume of the output of this industry has dropped nearly 70 percent during the depression and approximately 25 percent of the concerns ceased to operate. There was a marked improvement during the second half of 1933, but the employment under the President's Reemployment Agreement under which practically the entire industry operated, was still about fifteen (15) percent less than in 1929. This is partly due to the fact that such a large number of concerns had ceased to operate altogether. Increased volume in part has meant more man hours for those employed, but not an increased number of employees sufficient to absorb all the 1929 workers in this industry. In view of the close relationship between this

industry and the furniture industry it did not seem wise to provide less hours than allowed for that industry.

With fifteen (15) percent fewer employees than in 1929 it is not likely that the 1929 purchasing power of the workers in this industry as a group will be restored by the wage provisions of this Code. A study of the material available by the Division of Research and Planning does reveal, however, that the average purchasing power of the workers will be somewhat increased over that of 1929. The minimum wage specified in the Code is about twelve (12) percent higher than the average minimum in 1929 and about thirty (30) percent higher than the average minimum in June 1933.

FINDINGS

The Assistant Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

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

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 hereof; 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.

For these reasons, therefore, this Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

FEBRUARY 5, 1934.

CODE OF FAIR COMPETITION FOR THE ORNAMENTAL MOLDING, CARVING AND TURNING INDUSTRY

ARTICLE I—PURPOSES

To effect the policies of Title I of the National Industrial Recovery Act this Code is established as a Code of Fair Competition for the Ornamental Molding, Carving and Turning Industry, and its provisions shall be the standards of fair competition for such industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. *Ornamental Molding, Carving and Turning Industry*.—The term “Ornamental Molding, Carving and Turning Industry” as used herein is defined to mean the manufacture for sale of products commonly known as ornamental, cut, carved, embossed or pressed, rope, bead, metal-covered wood, veneer covered and composition moldings; embossed or pressed wood, composition, fiber, spindle, multiple spindle, hand carved and sand blasted ornaments or carvings, and marquetry; wood knobs and composition or fiber knobs for sale to the radio and furniture industries; and glue dowels, except as such dowels may be specifically included in the industry definition of any other Code approved by the President; turnings and plain wood moldings for sale to the furniture industry. The above definition shall not include the following:

(a) Original works of art carved by hand in wood from models or from free-hand drawings for use as architectural decorations in buildings.

(b) Dimension stock as covered by the Code for the Lumber and Timber Products Industry.

SEC. 2. *Members of the Industry*.—The term “member of the industry” includes, but without limitation, any individual or enterprise engaged in the industry, either as an employer or on his or its own behalf.

SEC. 3. *Employees*.—The term “employees” as used herein includes any and all persons engaged in the industry, except a “member of the industry”, however compensated.

SEC. 4. *President, Act, and Administrator*.—The terms “President”, “Act”, and “Administrator” as used herein shall mean, respectively, the President of the United States, Title 1 of the National Industrial Recovery Act, and the Administrator of said Act.

SEC. 5. *Association*.—The term “Association” as used herein, is defined to mean the Ornamental Molding, Carving and Turning Manufacturer’s Association, an Illinois corporation not for profit.

ARTICLE III—HOURS

SECTION 1. No employee in the industry shall be permitted to work in excess of an average of forty (40) hours per week during the period prior to April 1, 1934, and each six months' period thereafter but not more than forty-five (45) hours in any one week, except as hereinafter provided. All hours worked in excess of eight (8) in any one day shall be paid for at one and one-third times the regular hourly rate.

(a) Firemen, engineers, and shipping crews shall be granted a tolerance of ten (10) percent in the hours specified above and therefore shall not be permitted to work in excess of an average of forty-four (44) hours per week during the period prior to April 1, 1934, and each six months' period thereafter nor more than forty-nine and one half (49½) hours in any one week.

(b) Employees engaged in emergency maintenance and emergency repair work occasioned by breakdowns in production machinery or in work requiring the protection of life or property shall be permitted to work in excess of an average of forty (40) hours per week and may be employed more than forty-five (45) hours in any one week provided that all hours worked in excess of forty-five (45) hours in any one week or eight (8) hours in any one day shall be paid for at one and one third times the regular hourly rate.

(c) Persons engaged in executive and/or supervisory capacity and designers who are earning \$35.00 or more per week, and traveling salesmen shall not be subject to hourly limitations of this Article. Working foremen are not excepted from the maximum hours specified above.

(d) Watchmen and night firemen shall be permitted to work not to exceed an average of forty-eight hours per week in each two weeks' period.

(e) Truck drivers operating on trips normally requiring more than eight hours, except in cases of unavoidable delay due to breakdown or accident, shall be subject to hours of labor of a code hereafter to be adopted for the appropriate divisions of the trucking industry.

SEC. 2. No manufacturer availing himself of the averaging privilege may use the device of temporarily laying off of successive groups of workers.

SEC. 3. No employer shall knowingly engage any employee for any time which, when totaled with that already performed with another employer or employers exceeds the maximum hours prescribed in this Article.

SEC. 4. Where a member of this industry is a partnership, association, or trust, which consists of more than one person, not more than one individual of such partnership, association, or trust, shall work as an operator in excess of the maximum hours of labor as hereinbefore provided.

ARTICLE IV—WAGES

SECTION 1. Except as provided in Section 2 of this Article:

(a) No employee in the States of Virginia, North Carolina, South Carolina, Tennessee, Kentucky, Georgia, Florida, Alabama, Missis-

issippi, Louisiana, Arkansas, Oklahoma, and Texas, and that part of the State of Missouri south and west of an air line beginning at Thayer in Oregon County to Buffalo in Dallas County, thence directly west to the Kansas State line shall be paid at less than the rate of thirty cents per hour.

(b) No other employee shall be paid at less than the rate of thirty-four cents per hour.

SEC. 2. Apprentices for a period of three months, which apprenticeship period shall be served not more than once in a lifetime of each apprentice, shall be paid at the rate of not less than 80 percent of the minimum wage rates prescribed in Section 1 of this Article. The total number of such apprentices at any one time shall not exceed five percent of the total number of factory workers employed by any employer.

SEC. 3. No employee shall be paid a wage rate which will yield a less wage for a week of forty hours than employees were receiving for the same class of work for the normal working week of forty-eight hours or over immediately preceding June 16, 1933.

SEC. 4. This article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time rate, piecework, or other basis.

SEC. 5. An employer shall make payment of all wages due in lawful currency or by negotiable check therefor payable on demand. These wages shall be exempt from any payments for pensions, insurance, or sick benefits other than those voluntarily paid by the wage-earners, or required by state laws. All employment agreements shall require that wages be paid at least at the end of every two weeks' period, salaries at least at the end of every month, and that no employer shall withhold wages due.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. No person under sixteen (16) years of age shall be employed in the industry nor anyone under eighteen (18) years of age at operations or occupations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator within thirty (30) days after the effective date of this Code a list of such occupations. In any State an employer shall be deemed to have complied with this provision 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.

SEC. 2. 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.

SEC. 3. 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.

SEC. 4. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

SEC. 5. Within each State this Code shall not supersede any laws of such States imposing more stringent requirements on employers regulating the age of employees, wages, hours of work, or health, fire, or general working conditions than under this Code.

SEC. 6. No employer shall reclassify employees or duties of occupations performed for the purpose of defeating the provisions of the Act or of this Code.

SEC. 7. A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage below the minimum established by this Code if the employer obtains from the State Authority designated by the United States Department of Labor a certificate authorizing his employment at such wages and for such hours as shall be stated in the certificate. Each employer shall file with the Code Authority a list of all such persons employed by him.

SEC. 8. Each employer shall post in conspicuous places accessible to employees full copies of this Code.

SEC. 9. No employer shall avoid or evade the labor provisions of this Code by contracting his work to any person subject to labor regulations less stringent than those provided in this Code.

SEC. 10. No member of the industry shall permit any product of the industry to be made in the home of any worker.

SEC. 11. Female factory employees shall be permitted to work only between the hours of 7 A.M. to 7 P.M.

SEC. 12. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.

SEC. 13. Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator for approval within six months after the effective date of this Code.

ARTICLE VI—ORGANIZATION, POWERS, AND DUTIES OF THE CODE AUTHORITY

SECTION 1. *Organization and Constitution.*—Code Authority is hereby constituted to cooperate with the Administrator in the administration of this Code.

SEC. 2. The Code Authority shall consist of not less than five (5) members of the industry complying with the provisions of Section 8 of this Article, to be elected as follows: Four (4) members shall be elected by the Association; not less than one (1) member shall be a nonmember of the Association, if there be any such members of the industry, and shall be elected by such nonmembers complying or agreeing to comply with the provisions of Section 8 of this Article by personal vote or by proxy at an election conducted by the Association.

SEC. 3. One alternate may be selected for each member of the Code Authority in the same manner as the respective members of

the Code Authority. Should any matter come before the Authority which specifically involves acts, conducts, or the interests of a company with which any member of the Code Authority is associated or employed, such member shall be disqualified to act in such matter and a designated alternate may act in such disqualified member's place.

SEC. 4. The Association is hereby designated as the agency to conduct an election of the members of the Code Authority within twenty (20) days after the effective date of this Code (and any other elections of members of the Code Authority which may thereafter be held). Members of the Code Authority shall be elected to serve for a term of one (1) year or until their successors are elected at the next annual meeting of the industry. In the event of any vacancy in the membership of the Code Authority, a special meeting of the members of the industry for an election to fill the incomplete terms of such members shall be called. Notice of each election shall be sent to all members of the industry at least ten days in advance of such election, and voting at such election may be by person, by proxy, or by letter ballot.

SEC. 5. In addition to membership as above provided, there may be three (3) members, without vote, to be appointed by the Administrator, to serve for terms of from six (6) to twelve (12) months from the date of appointment as the Administrator may designate. Such members shall be given notice of and may sit at all meetings of the Code Authority.

SEC. 6. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, bylaws, 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.

SEC. 7. 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 thereafter if he shall find that the Code Authority is not truly representative or that any election of members of the Code Authority has not been conducted in a fair and equitable manner or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

SEC. 8. 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. Those who participate in or accept the benefits of the activities of the Code Authority or their respective Divisional Agency shall pay their reasonable share of the cost of the administration of this code. 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.

SEC. 9. *Members of Code Authority not Partners.*—Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to any one for any action or omission to act under this Code, except for his own willful misfeasance or nonfeasance.

SEC. 10. *Powers and Duties of Code Authority.*—The Code Authority shall have the following further powers and duties, the exercise of which shall be reported to the Administrator and shall be subject to his right, on review, to disapprove any action taken by the Code Authority:

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

(b) To adopt bylaws 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 Title I 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 member 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 governmental agencies as may be directed by the Administrator, and except to such impartial agency as may be necessary to facilitate the administration of this Code.

(d) To use such trade associations 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.

(e) 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.

(f) To secure from members of the industry an equitable and proportionate payment of the reasonable expenses of maintaining the Code Authority and its activities.

(g) 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.

(h) 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.

(i) The Code Authority may appoint such committees or agents as it may deem necessary and may delegate to them or to any Divisional Agency such of its powers or duties as it may deem proper for the administration of this Code; provided, however, that it shall reserve final responsibility as to any powers or duties so delegated.

(j) To cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code at its own instance or on complaint by any person affected, and to report same to the Administrator.

(k) To issue rules, regulations, procedure, and interpretations, as may be necessary to effect the provisions of this Code.

(l) In individual cases where the enforcement of this Code would create undue hardships, to modify, with the approval of the Administrator, the application of provisions of this Code except those which are mandatory under the Act and the provisions of Articles III, IV, and V thereof.

(m) To investigate and inform the Administrator as to the importation of competitive products into the United States in substantial quantities or in increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code, and as an agency for making complaint to the President on behalf of the Industry under the provisions of the Act, with respect thereto.

(n) In order to assist in eliminating unfair competition, the Code Authority may establish classifications and quality standards for the products of the industry, subject to the approval of the Administrator. No member of the industry shall falsely represent his products as complying with any classifications or standards so established.

(o) To recommend to the Administrator the establishment of an Industrial Relations Board.

ARTICLE VII—Costs

SECTION 1. It is hereby declared to be the policy to be followed by all members of the industry to refrain from destructive price cutting. No member of the industry shall offer, sell, or exchange, or agree to sell or exchange, products of the industry at a price or upon such terms or conditions that will result in the customer paying for such products less than their cost to the member of the industry, except:

(a) To meet existing competition of lower cost producers on products of the same or equivalent design, character, quality, or specifications;

(b) Any member of the industry may sell at any price discontinued patterns (close-outs) subject, however, to the right of the Code Authority to require reports of all such sales, and, with the approval of the Administrator, to adopt rules to regulate the sale of close-outs to prevent unfair trade practice.

SEC. 2. The Code Authority is hereby empowered to establish uniform cost accounting methods for the industry, subject to the

approval of the Administrator. Immediately after approval by the Administrator information regarding the accounting system so approved shall be distributed to all members of the industry and shall thereafter be adhered to by all members of the industry.

SEC. 3. For the purpose of encouraging accurate ascertainment of costs, members of the industry may report costs of products of the industry to the Secretary of the association to be summarized and which may be made available in consolidated form to those contributing to the summary provided that the name of those reporting shall not be divulged to any other member of the industry.

ARTICLE VIII—PUBLICATION OF PRICES

SECTION 1. Each member of the Industry shall within thirty (30) days after the effective date of this code file with a designated representative of the Code Authority a list of all his products and the prices thereof, including all quantity or other discounts, all terms of payment, freight allowances, prepayments, and equalizations. Such prices shall be available to any member of the industry or the purchasing trade on request to the designated representative of the Code Authority.

SEC. 2. A member of the industry may make any change in such price list on file with the designated representative of the Code Authority to be effective within not more than five (5) days after such price list shall have been filed with the designated representative of the Code Authority.

SEC. 3.¹ The sale of any product by any member of the industry at other than the effective price or terms of such member for such product on file with the designated representative of the Code Authority at the time of such sale shall be a violation of this code.

ARTICLE IX—TRADE PRACTICES

The following practices constitute unfair methods of competition for members of the industry and are prohibited:

SECTION 1. *Misrepresentation or False or Misleading Advertising.*—The making, or causing, or knowingly permitting to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement or otherwise, whether concerning the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the industry, or the credit terms, values, policies, or services of any member of the industry, or otherwise, having the tendency or capacity to mislead or deceive customers or prospective customers.

SEC. 2. *Secret and Discriminatory Rebates.*—The making of any secret or discriminatory allowance, rebate, refund, commission, credit, or unearned discount, whether in the form of money or otherwise, or the extension to certain purchasers of secret or discriminatory services or privileges not extended to all purchasers on like terms and conditions.

SEC. 3. *Giving Gratuities or Rewards to Employees.*—The giving, permitting to be given, or directly offering to give, anything of value

¹ See paragraph 2 of order approving this Code.

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.

SEC. 4. *Copying of Designs*.—Knowingly copying and/or reproducing any essentially original new design or new pattern of any product of the industry, or knowingly appropriating the essential selling features of any new design or new pattern of another member of the industry, within four (4) years of the introduction thereof. This section shall not supersede any State or Federal Law but shall be supplemental thereto.

SEC. 5. *False Invoicing*.—The withholding from, or insertion in, any invoice of any statement making the invoice inaccurate in any material particular, or which misrepresents the price or character of the material content of the merchandise billed.

SEC. 6. *Terms of Sale*.—Selling on more favorable terms than net 30 days or 2% cash discount within 10 days from date of shipment; provided that where it is the practice of a buyer to make monthly settlement of all invoices, the member of the industry may allow the deduction of the cash discount if payment is made not later than the 10th of the calendar month following dates of shipment.

SEC. 7. *Interference With Another's Contracts*.—No member of the industry shall induce or attempt to induce the breach of an existing contract between a competitor and his employee or customer or source of supply.

SEC. 8. *Shipment of Commodities on Consignment*.—No member of the industry shall ship commodities on consignment, except to meet special conditions or circumstances approved by the Code Authority to meet special conditions.

ARTICLE X—NEW DESIGNS AND PATTERNS

SECTION 1. Each member of the industry may register with the Secretary of the Association the new designs and the new patterns which are original and distinctive, and which are developed by such manufacturer after the effective date of this Code.

ARTICLE XI—MONOPOLIES

SECTION 1. No provisions of this Code shall be interpreted or applied in such manner as to promote or permit monopolies or monopolistic practices or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XII—MODIFICATIONS

SECTION 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 National Industrial Recovery Act, from time to time to cancel or modify any order,

approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

SEC. 2. This Code, except as to provisions required by the Act, may be modified upon application to the Administrator by the Code Authority after such notice and hearing as the Administrator shall specify, such modification to become effective upon approval by the President.

ARTICLE XIII—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made impossible of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases should be delayed and that, when made, the same should, so far as reasonably possible, be limited to actual increase in the seller's costs.

ARTICLE XIV—EFFECTIVE DATE AND TERMINATION

This Code shall become effective on the second Monday after it shall have been approved by the President. It shall continue in effect until June 16, 1935, or until such time prior thereto as the President, by proclamation, or the Congress shall by joint resolution, declare that the emergency recognized by Section 1 of the National Recovery Act has ended.

Approved Code No. 260.
Registry No. 315-02.





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