



NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

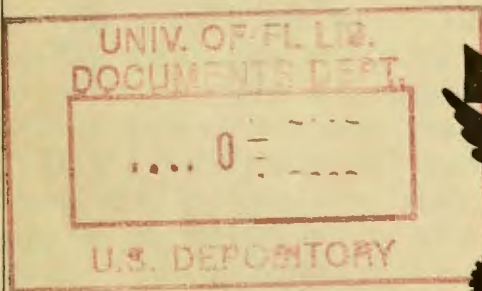
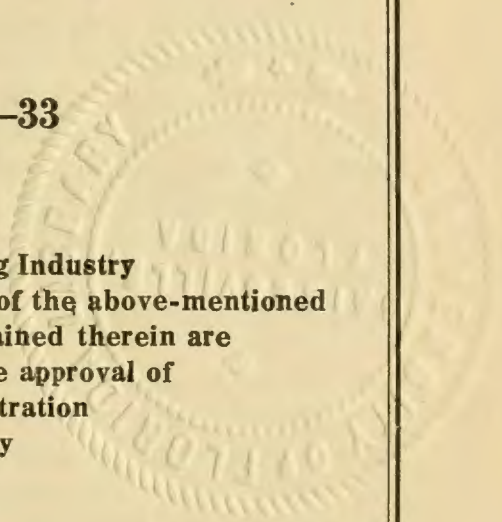
FOR THE

**TEXTILE DESIGNING
INDUSTRY**

AS SUBMITTED ON AUGUST 30, 1933

REGISTRY No. 299—33

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



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

CODE PROPOSED FOR THE TEXTILE-DESIGNING INDUSTRY, AND SUBMITTED THROUGH THE TEXTILE DESIGNERS GUILD OF AMERICA, INC.

THE NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C.

SIRS: This code has been prepared and is submitted in order to carry into effect the beneficent purposes and declared policy of the National Industrial Recovery Act for those engaged in the Textile-Designing industry.

Participation in this code and in any subsequent provisions and additions thereto shall be extended to and shall be available to any person, as hereinafter defined, actively engaged in the industry or profession of Textile Designing, who shall accept and share a proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of the Association or Guild or by paying to it an amount equal to the dues from time to time provided to be paid by a member of the Association in like situation. Any person shall be deemed engaged in the textile-designing industry who either maintains a studio or office for the display and sale of designs or produces his own designs and, employing no other designers, offers those designs for sale.

In considering the provisions of this proposed code it must be borne in mind that those submitting it are not manufacturers, although they are producers. They are engaged in that particular line of industrial art known as "textile designing." This work is wholly creative; it consists in originating designs intended for textile printing or weaving. These drawings are essential elements in and for the textile industry. They consist of designs done in color, in reality paintings requiring the highest type of artistic skill and experience, which are subsequently engraved or cut and printed in colors upon or woven in the textile material.

In the very nature of things the chief item of cost in producing these textile designs is labor, since the only materials involved consist of paper and colors of a purely nominal or negligible intrinsic value. In consequence, the aggregate of wages paid is a very large part of the total business expense and bears an unusually heavy ratio to the total volume of business transacted. Apart from those engaged in the actual drawing of designs, the employees in this industry are comparatively few in number. They are limited to salesmen, office and clerical employees, and delivery help. The primary concern, therefore, of those submitting this code, has been to consider methods for improving the standards of labor, for eliminating unfair competitive practices which are destructive alike to the interests of the employees and employers, and for promoting the best interests, consistent with the public good, of those engaged in textile designing.

FIRST

Definitions.—As used herein, the term “person” shall include natural persons, partnerships, and corporations. The term “employer” shall include every person actively engaged in a proprietary capacity in the production of textile designs for sale. The term “effective date” is defined to be the first Monday after this code shall have been approved by the President of the United States. The term “designer” shall include every employee who creates textile designs and either completes them himself or has his originating, creative work completed and carried out by another. The term “finisher” shall include all other employees engaged on designing work, whose work is limited to completing designs already created by the designer.

SECOND

As required by the National Industrial Recovery Act, the following provisions are conditions of this code:

(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; and

(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

THIRD

(1) On and after the effective date, employers shall not employ any person under the age of sixteen (16) years.

(2) On and after the effective date, the minimum wage that shall be paid by any employer (a) to employees engaged in and on designing work shall be \$18.00 per week for finishers and \$30.00 per week for designers; (b) to office and/or errand boys and girls none of whom shall be employed on designing work, not less than \$15.00 per week; and (c) to bookkeepers not less than \$20.00 per week. But no employer shall reduce the salary or service compensation of any employee now receiving more than the minimum wages hereby agreed to be paid, despite any reduction in working hours which may result from the operation of this code.

FOURTH

On and after the effective date no employee engaged in designing work, whether as finisher or designer, and no person engaged in the delivery or physical handling of finished designs, or engaged upon any form of service incidental thereto, shall work in excess of 39

hours per week. This provision, however, shall not apply to executives or to persons engaged in the direction or supervision of a self-owned business. Nor shall this limitation of working hours for those engaged in actual designing work apply whenever, owing to the seasonal character of the textile designing business and to sudden or unexpected changes in fabric style trends, new designs are urgently demanded by the textile converters and mills for immediate delivery. During such periods the maximum number of hours for designers may be increased to 48 per week; but in any such case of increased working hours the employees affected shall be paid at least time and one third for hours worked in excess of the maximum period.

This limited exemption from the maximum schedule of working hours is due solely to the pressing need of having highly skilled and experienced employees available for this seasonal work which cannot be undertaken or performed by additional help assembled quickly and in haphazard fashion and not possessed of the requisite experience and artistic equipment so indispensable to meeting the insistent demands by textile converters and mill owners for new designs.

FIFTH

Textile Designers Guild of America, Inc., is hereby designated as the official agency for administering, supervising, and promoting the performance and compliance with the conditions of this code by employers. For the purpose of carrying out the provisions of the National Industrial Recovery Act and of complying with the spirit thereof every employer should prepare and file at such time and in such manner as the executive committee or directors of the Textile Designers Guild of America, Inc., may designate and prescribe, statistics as to quantity, unit sales, number of persons employed, wage rates, hours of work, and such other data or information as the executive committee or directors of said Guild may from time to time deem necessary or as may be required for the good of the industry.

SIXTH

(1) No employer shall, directly or indirectly, by any means or in any manner whatsoever, sell any designs except on uniform terms of ten days net cash; and no cash discount of any kind shall be quoted to customers without the written consent of the Guild first had and approved upon application by an employer: *Provided, however,* That where by the method of payment heretofore in vogue between the employer and the customer the latter makes payment ten days after the first of the succeeding month, such payment shall be deemed a compliance with the provisions of this paragraph.

(2) No claims made by any purchaser of designs shall be adjusted in such manner as to grant secret rebates, price allowances, or concessions.

(3) No bill or invoice for designs sold to any customer shall be predated or post-dated to cover or conceal a violation of the standard terms set forth in subdivision (1) of this paragraph or clause.

(4) No payment or allowance of any rebate, refund, credit, discount, or price differential by whatever name called, and whether in

cash or otherwise, shall be made or given by any employer to any customer; nor shall any employer pay or allow any deduction by a customer from the invoice price of designs sold to the latter, for commissions, advertising costs, or for any form of service charges sought to be deducted.

SEVENTH

(1) No employer shall copy any imported or American-made design; nor shall he copy any swatch or fabric carrying a design.

(2) No employer shall accept or receive from an employee any designs "on memorandum", i.e. designs intended for sale by the employer on the basis either of a commission allowance or of a "per design" price payable to the designer-employee out of the proceeds of such sale. One of the primary objects of this code is to establish a fixed and definite schedule of minimum wages for employees; and the foregoing provision will bar uncertain or undetermined service compensation or wages, dependent in whole or in part upon the sale of designs made and created by the employee.

(3) It shall be unfair competition and improper trade practice for any person joining in the submission of this code or subsequently seeking to participate therein to accept an American-made design not of his own creation from any customer for the purpose of using such design to make color combinations therefrom or changes therein, except with the permission of the creator and at the regular price for color combinations quoted by the latter.

(4) It shall be unfair competition and improper trade practice for an employer to leave designs with a customer for an indefinite period; but nothing herein contained shall be construed to prohibit leaving designs with the prospective customer provided they are returned the following day.

(5) No employer shall sell designs directly to manufacturers of men's, women's, or children's wearing apparel; nor to any department stores, chain-store system, or mail-order house; it being intended that the textile-designing industry shall confine its activities to creating and producing textile designs for sale solely to textile converters and mills.

(6) Every employer joining in or accepting the provisions of this code shall put an identifying seal or imprint, in a form or design to be prescribed by the Textile Designers Guild of America, Inc., on every design and/or color combination sold by him.

EIGHTH

The Guild shall impose no inequitable restrictions on admission to membership therein.

This code neither seeks nor intends to promote and is not to be construed as permitting monopolies or monopolistic practices; nor does it seek or aim to eliminate or in any way to interfere with or discriminate against small enterprises. It seeks only effectively to carry out and promote the policy of the National Industrial Recovery Act.

NINTH

If any provisions of this code is declared invalid or unenforceable, the remaining provisions thereof shall nevertheless continue in full force and effect in the same manner as if they had been separately presented for approval and approved by the President.

TENTH

Such of the provisions of this code as are not required by the National Industrial Recovery Act to be included herein may, with the approval of the President of the United States, be modified or eliminated as changed circumstances or experiences may indicate to be necessary. This code is intended to be a basic code; but study of the trade and trade practices of the textile designing industry will be continued by the board of directors of the Textile Designers Guild of America, Inc., with the intention of submitting from time to time additions thereto applicable to all employers in the industry, but such supplemental or additional codes or code provisions shall conform to and be consistent with the provisions of this code as now constituted or hereafter changed.

Such additions or amendments shall, in every instance, be submitted to the President of the United States for approval. The President shall have the right and may, from time to time, cancel or modify any order, rule, or regulation of the Guild; but, in such event, the remaining provisions, rules and code provisions shall remain valid and binding.

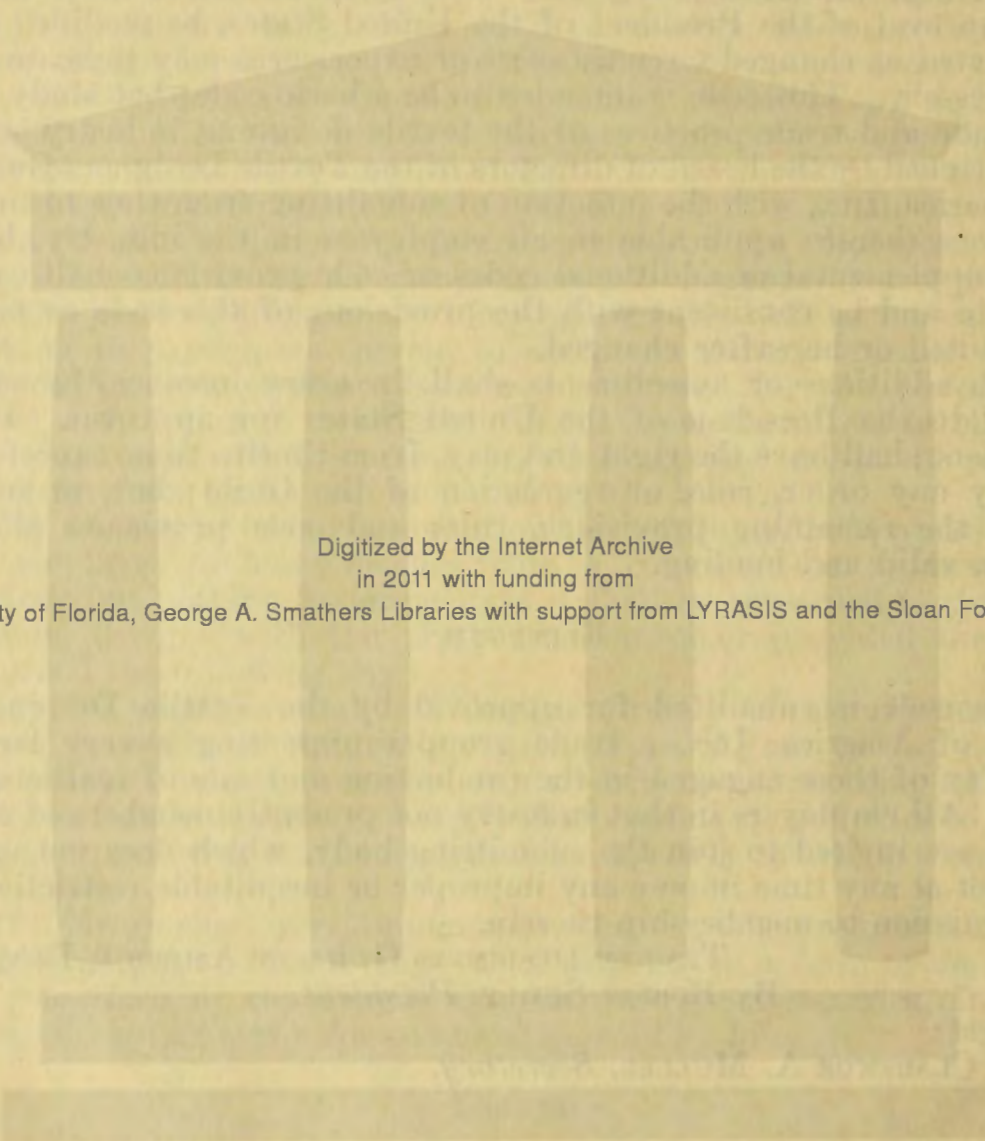
ELEVENTH

This code is submitted for approval by the Textile Designers Guild of America, Inc., a trade group representing a very large majority of those engaged in the production and sale of textile designs. All employers in that industry not presently members of the Guild are invited to join the submitting body, which does not and will not at any time impose any improper or inequitable restrictions on admission to membership therein.

TEXTILE DESIGNERS GUILD OF AMERICA, INC.,
By ROBERT SCHLY, *President*.

Attest:

CLARENCE A. MULLER, *Secretary*.



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