

# INVESTIGATION OF THE NATIONAL RECOVERY ADMINISTRATION

---

---

## HEARINGS

BEFORE THE

COMMITTEE ON FINANCE

UNITED STATES SENATE

SEVENTY-FOURTH CONGRESS

FIRST SESSION

PURSUANT TO

**S. Res. 79**

A RESOLUTION FOR AN INVESTIGATION OF CERTAIN  
CHARGES CONCERNING THE ADMINISTRATION  
OF INDUSTRIAL CODES BY THE NATIONAL  
RECOVERY ADMINISTRATION

---

**PART 5**

APRIL 5, 8, 9, 10, 11, AND 12, 1935

---

Printed for the use of the Committee on Finance



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON: 1935

## COMMITTEE ON FINANCE

PAT HARRISON, Mississippi, *Chairman*

WILLIAM H. KING, Utah	JAMES COUZENS, Michigan
WALTER F. GEORGE, Georgia	HENRY W. KEYES, New Hampshire
DAVID I. WALSH, Massachusetts	ROBERT M. LA FOLLETTE, Jr., Wisconsin
ALBEN W. BARKLEY, Kentucky	JESSE H. METCALF, Rhode Island
TOM CONNALLY, Texas	DANIEL O. HASTINGS, Delaware
THOMAS P. GORE, Oklahoma	ARTHUR CAPPER, Kansas
EDWARD P. COSTIGAN, Colorado	
JOSIAH W. BAILEY, North Carolina	
BENNETT CHAMP CLARK, Missouri	
HARRY FLOOD BYRD, Virginia	
AUGUSTINE LONERGAN, Connecticut	
HUGO L. BLACK, Alabama	
PETER G. GERRY, Rhode Island	
JOSEPH F. GUFFEY, Pennsylvania	

FELTON M. JOHNSTON, *Clerk*

## CONTENTS

Statement of—	Page
Ackerman, Charles, representing the United Independent Retail Grocery & Food Dealers Association of the State of New York.....	1348
Albert, Melvin, representing the Independent Theater Owners' Association, New York, N. Y.....	1310
Berkman, Jack N., representing the Louis Berkman Co., Steubenville, Ohio.....	1558
Biddle, Francis, chairman, National Labor Relations Board, Washington, D. C.....	1534
Blackall, A. H., of Evanston, Ill.....	1483
Brand, Charles J., Washington, D. C., representing the National Fertilizer Association.....	1734
Butler, James M., representing the Pharis Tire & Rubber Co., Newark, Ohio.....	1479
Dowsing, John E., representing the United States Potters' Association, Scarsdale, N. Y.....	1707
Duffey, Frank J., of Media, Pa., representing the Retail Gasoline Dealers' Association of Delaware County, Pa.....	1586
Edgerton, John E., president, Southern States Industrial Council, Nashville, Tenn.....	1591
Fenner, W. E., representing the Auction and Loose Leaf Tobacco Warehouse Code Authority, Rocky Mount, N. C.....	1361
Field, Crosby, representing the Frozen Liquid Ribbon Association, Brooklyn, N. Y.....	1302
Fileue, Edward A., William Fileue's Sons Co., Boston, Mass.....	1430
Fisher, Wager, of Bryn Mawr, Pa.....	1340
Flanders, R. E., representing Jones & Lamson Machine Co., Springfield, Vt.....	1335
Hamburger, Nathan, representing the Baltimore Cloak & Suit Association, Baltimore, Md.....	1205
Haroth, E. R., secretary of the Sheet Metal & Roofing Contracting Industry, Baltimore, Md.....	1456
Harris, P. F., of Washington, D. C.....	1581
Harrison, Robert E., of Philadelphia, Pa.....	1329
Hoffman, S. L., representing the National Association of House Dress Manufacturers, New York, N. Y.....	1418
Horen, Louis L., sales manager Coal Service Co., St. Louis, Mo.....	1247
Irwin, Payson, deputy administrator Graphic Arts Code, National Recovery Administration.....	1220, 1227
Jackson, J. O., manager, Pittsburgh-Des Moines Steel Co., Pittsburgh, Pa.....	1703
Johnston, A. Sidney, representing the Pioneer Cooperage Co., St. Louis, Mo.....	1760
Kendall, Henry P., chairman Business Planning and Advisory Council, Department of Commerce.....	1367
Lipssett, Charles H., New York, N. Y.....	1451
Marsh, Benjamin C., representing the People's Lobby, Washington, D. C.....	1401
Mitchell, Jr., Walter, secretary Furniture Code Authority, Washington, D. C.....	1231
Myers, Abram F., chairman and general counsel Allied States Association of Motion Picture Exhibitors, Washington, D. C.....	1272
Nichols, S. D., president and treasurer, Menzies Shoe Co., St. Louis, Mo.....	1461, 1468
Norris, R. O., Jr., representing the Tidewater Cannery Association of Virginia and the Oyster Packers Association of Virginia.....	1727

	Page
Statement of—	
Nystrom, Paul H., representing the Limited Price Variety Stores Association, New York, N. Y.....	1687
Obear, Hugh H., of Washington, D. C.....	1525
Olesen, Mrs. Anna Dickie, State National Recovery Administration compliance director, State of Minnesota.....	1183
Petersen, H. C., representing the National Association of Retail Grocers, Chicago, Ill.....	1711
Peterson, Rivers, representing the National Retail Hard-Ware Association, Indianapolis, Ind.....	1409, 1711
Pitts, Ruben Burton, representing the Hermitage Cotton Mills, Camden, S. C.....	1449
Rieve, Emil, representing the American Federation of Hoslery Workers, Philadelphia, Pa.....	1543
Roe, Herman, executive secretary Eleventh Zone Federation of the Commercial Relief Printing Industry and St. Paul Typothetae, St. Paul, Minn.....	1199
Ryan, Dr. John A., member Industrial Appeals Board, National Recovery Administration.....	1383
Sands, Charles E., representing the International Union of Hotel and Restaurant Employees and Bartenders' Alliance, Washington, D. C.....	1389
Schoenbrun, Adolph, representing Dulcey Frocks and Bradley Frocks, Inc., Pittsburgh, Pa.....	1684
Shearman, F. E., representing the Maddox Table Co., Jamestown, N. Y.....	1583
Sloan, George A., chairman, Consumers Goods Industries Committee, and chairman, Cotton Textile Code Authority, New York, N. Y.....	1617, 1640, 1657
Soranno, Anthony, representing the Amalgamated Retail Ice & Coal Dealers Association, Brooklyn, N. Y.....	1550
Strong, John L., of New York, N. Y.....	1422
Wise, Mrs. Barton, of Richmond, Va.....	1577
Wittenauer, Bernard, Hubbard, Ohio.....	1733

## CONTENTS

Statement of—	Page
Alwart, P. J., Chicago, Ill., Alwart Bros. Coal Co.....	2287
Barrett, Robert J., Washington, D. C., representing National Association of Master Plumbers.....	2316
Boehne, Jr., Hon. John W., Member of Congress from the State of Indiana.....	1777
Boller, George W., Chicago, Ill., representing the Independent Equipped Coal Merchants, Inc.....	2279
Brenckman, Fred, Washington, D. C., representing National Grange.....	1798
Brown, H. S., assistant to the administrative officer, National Recovery Administration.....	2322
Choate, Jr., Joseph H., chairman of the Federal Alcohol Control Administration.....	2163
Davis, John P., Washington, D. C., representing the National Association for the Advancement of Colored People.....	2139
Fishel, Mortimer, New York, N. Y., general counsel for National Work Shirt Manufacturers' Association.....	1839
Fox, Irving C., Washington, D. C., representing the National Retail Dry Goods Association.....	1881
Goode, John A., Asheville, N. C., representing the National Retail Drug Code Authority.....	1817
Haake, A. P., Chicago, Ill., managing director for the National Association of Furniture Manufacturers.....	1892
Hamilton, Walton, member National Industrial Recovery Board, National Recovery Administration.....	2045
Harriman, Henry I., Washington, D. C., president of United States Chamber of Commerce.....	2037
Hinrichs, A. F., chief economist Bureau of Labor Statistics, Labor Department.....	2161, 2261
Hollingsworth, W. A., New York, N. Y., president of the Retail Tobacco Dealers of America.....	1801
Ingersoll, William H., attorney, New York, N. Y.....	2242
Javits, Benjamin A., attorney, New York, N. Y.....	2237
Johnson, Gen. Hugh S., former Administrator, National Recovery Administration.....	2404
Johnson, Leon, Shreveport, La.....	1865
Kelly, Dr. E. F., Washington, D. C., secretary of the National Retail Drug Code Authority, the American Pharmaceutical Association, and the Drug Institute of America.....	1833
Kleinfeld, Irving, New York, N. Y., representing the Greater City Master Plumbers Association, Inc.....	1810
Kopf, I. H., Cincinnati, Ohio.....	1778
Lefkowitz, Isaac H., New York, N. Y., president Associated Retailers, Inc., vice president New York Tobacco Council.....	1806
Leith, C. K., vice chairman of planning committee for mineral policy of the National Resources Board.....	2060
Mason, David T., executive officer, Lumber Code Authority.....	2119
McCawley, E. S., Haverford, Pa., president, American Booksellers' Association.....	2250
O'Connell, Harold J., New York, N. Y., representing a group of independent New York wholesale food companies.....	2318
Owen, Hon. Robert L., former United States Senator from the State of Oklahoma.....	2211
Perkins, Fred, York, Pa., Independent Battery Manufacturers.....	2291
Pessin, M. J., New York, N. Y., managing editor of the Daily Food News.....	1903

Statement of—Continued.	Page
Rice, James E., Trumansburg, N. Y., Cornell University, president of the Northeastern Poultry Producers Council and Coordinator of Region No. 9.....	1785
Smith, Leslie C., Washington, D. C., representing the National Association of Ice Industries; Code Authority for Ice Industry.....	1908
Stuart, G. S., Philadelphia, Pa., representing the Master Painters and Decorators Association of Pennsylvania.....	2212
Titus, Louis, Washington, D. C., representing the Petroleum Code Authority.....	2199
Voorhees, Stevens F., New York, N. Y., representing the Construction League of the United States, Construction Code Authority..	1921
Walker, Q. Forrest, New York, N. Y., economist of R. H. Macy & Co., Inc.....	1931
Letters, statements, briefs, telegrams, resolutions, etc., submitted by:	
Advance Envelope Co., of Atlanta, Ga., letter from, addressed to Senator King.....	1862
Advertising Typography Industry Code Authority, of New York, N. Y., letter and statement from.....	2705
Alec Manufacturing Co., of Chicago, Ill., letter from, addressed to Senator King.....	1861
American Millers Association, of Dawson Springs, Ky., letter and statement from.....	2707
American Wool and Cotton Reporter, editorial from, placed in record by Senator King.....	1862
Automobile Manufacturers Association, of Detroit, Mich., letter from.....	2715
Aycock, T. J., of Vita-Foods, Inc., Jacksonville, Fla., letter from, addressed to Senator George.....	1956
Barrow Manufacturing Co., of Winder, Ga., letter from, addressed to Senator George.....	1969
Black Manufacturing Co., of Pennsburg, Pa., letter from.....	2721
Blanke-Baer Extract Co., of St. Louis, Mo., letters from.....	2722
Brohard, M. M., of Brohard-Rainer Shirt Corporation, of Cincinnati, Ohio, letter from.....	2726
Building trades department, American Federation of Labor, of Washington, D. C., statement submitted by.....	2793
Caterpillar Tractor Co., of Washington, D. C., letter from.....	2727
Contracting Plasterers International Association, of Chicago, Ill., statement submitted by.....	2794
Cotton Garment Code Authority, New York, N. Y., letter from.....	2327
Curlee, Francis M., of St. Louis, Mo., counsel, National Industrial Recovery Association of Clothing Manufacturers and the Curlee Clothing Co.:	
Letter from, transmitting result of poll of membership of association.....	1907
Supplementary statement submitted by.....	2916
Delapenha & Co., Inc., of New York, N. Y., letter from.....	2798
Dixie Machinery Manufacturing Co., of St. Louis, Mo., letter from.....	2732
Durable Goods Industries Committee, of Washington, D. C., and Philadelphia, Pa., letter from.....	2732
Empire Manufacturing Co., of Winder, Ga., letter from, addressed to Senator Richard B. Russell, Jr., of Georgia.....	2734
Estes, Walter, of Estes-Wolcott Co., of Rex, Ga., letter from, addressed to Senator George.....	1960
Fleming, H. S., president King County Association of Ice Manufacturers, of Seattle, Wash., telegram from, addressed to Senator Homer T. Bone, of Washington.....	2735
Giegengack, Hon. A. E., the Public Printer, letter from addressed to Senator King relating to increase in paper prices to Government..	2987
Gilbert & Gilbert, attorneys, of New York, N. Y., letter and statement submitted by.....	2800
Gold, M. H., of Salant & Salant, Inc., Brooklyn, N. Y., letter from addressed to Senator King.....	2991
Gunn, John M., Peerless Basket Co., of Cuthbert, Ga., letter from addressed to Senator George.....	1950
Hamilton, Roy M., of Union-Iron Works, Decatur, Ill., letter from addressed to Senator King.....	2987

CONTENTS

177

	Page
Letters, statements, briefs, telegrams, resolutions, etc.—Continued.	
Henderson, W. B., Refrigerating Machinery Association, Washington, D. C., letter from, addressed to Senator King	2990
Industrial Oil Burning Equipment Manufacturing Industry, Code Authority, of New York, N. Y., letter from, addressed to Senator King	1861
International Salt Co., of Scranton, Pa., letter from, addressed to Senator Royal S. Copeland, of New York	2780
Irwin, Robert W., chairman, National Committee for the Elimination of Price Fixing and Production Control, supplemental statement submitted by	2698
Johnson, Floyd B., president, Central West Garment Association, St. Peter, Minn., letter from	2729
Kilbourne, James R., New England Meat Products Co., of Boston, Mass., statement submitted by	2736
Leonard Bros., of Fort Worth, Tex., telegram from	2737
Lumbermen's Service Association, of Minneapolis, Minn., memorandum relating to submitted by Senator Gerald P. Nye	2515
Massachusetts Wholesale Liquor Dealers' Association, Inc., of Boston, Mass., letters from, addressed to Senator David I. Walsh, of Massachusetts	2782
McGovern, George H., president, Builders' Supplies Corporation, of Wilmington, Del., letter from	2743
Merchandise Warehousing Trade Code Authority, of Chicago, Ill., and Washington, D. C., memorandum and statement submitted by	2738
Meyer, J. A., president, Floradora Dress Shop, of Atlanta, Ga., letter from	2735
Miles, H. E., chairman, Fair Tariff League, of New York, N. Y., statement submitted by	2782
Miller, E. J., president, St. Louis Screw & Bolt Co., St. Louis, Mo., letter from, addressed to Senator Clark	3002
Mitchell, Walter, secretary, Furniture Code Authority, transmitting brief dealing with price-fixing in lumber, etc.	2218
Morrison, Julian K., president, Southern Brighton Mills, of Shannon, Ga., and Atlanta, Ga., letter from, addressed to Senator George	1947
Morvay & Sons, Inc., Bridgeton, N. J., letter from	2742
Myers, Abram F., chairman of the board, Allied States Association of Motion Picture Exhibitors, Washington, D. C., letter and exhibits from, addressed to the chairman	2025
National-American Wholesale Lumber Association, of New York, N. Y., letter and statement submitted by	2795
National Association of Real Estate Boards, statement submitted by	2137
National Construction Planning and Adjustment Board, Washington, D. C., statement submitted by	2798
National Retail Code Authority, letter and resolution submitted by	1855
New England Jobbers and Manufacturers Millinery Association, of Boston, Mass., letters from	2214, 2745
Newell, D. H., of Concord, N. H., letter from	2746
Northern Coal Co., of Detroit, Mich., letter from, addressed to Senator King	2217
Peterson, Rivers, of Indianapolis, Ind.: Letter from, addressed to Senator George	1962
Letters and statement from, addressed to Senator King	2985
Pharis Tire & Rubber Co., of Newark, Ohio, letter from, addressed to Senator King	1863
Red Cap Battery Corporation, letter from, addressed to Senator George	1960
Research Products Corporation, of New York, N. Y., statement submitted by	2750
Retail Lumber and Building Material Code Authority, of Washington, D. C., letter and resolution from	2751
Rhodes, Ernest L., president, Ernest L. Rhodes Co., Atlanta, Ga., letter from, addressed to Senator George	1964
Rochester Hotel Association, of Rochester, Minn., resolution submitted by	2752
Scheuer, Elmer, general manager, the Bloch Co., Cleveland, Ohio, statement submitted by and telegram addressed to Senator Clark	2396

Letters, statements, briefs, telegrams, resolutions, etc.—Continued.	Page
Schwob, S., Standard Tailoring Co., of Columbus, Ga., letter from, addressed to Senator George.....	1951
Scientific Apparatus Industry, Code Authority, Philadelphia, Pa., letter and statement submitted by.....	2753
Sheet Metal Manufacturing Co., of Youngstown, Ohio letter, and exhibits submitted by.....	2755
Simpson, W. B., of A. M. Castle & Co., of Chicago, Ill., letter from, addressed to Senator King.....	2987
Smiths, Inc., Barnesville, Ga., letter from, addressed to Senator Richard B. Russell, Jr., of Georgia.....	2762
Stewart, Frank G., executive secretary, Wholesale Automotive Trade Authority, Washington, D. C., statement submitted by.....	2764
Stone, Charles H., of Charlotte, N. C., letter from.....	2767
Talbot & Co., accountants and auditors, Chicago, Ill., complaint against the Lumber Industries Code, submitted by.....	2768
Tichenor, Henry M., president, Walton Cotton Mill Co., of Monroe, Ga., letter from, addressed to Senator George.....	1963
United States Copper Association, of New York, N. Y., letters from.....	2775
Villa Rica Hosiery Mills, of Villa Rica, Ga., letter from, addressed to Senator George.....	1955
Walker, J. B., of J. B. & R. E. Walker, Inc., Salt Lake City, Utah, letter from, addressed to Senator King.....	2989
Ward, A. Hartley G., of Newport, R. I.: Letter from, addressed to Finance Committee.....	2214
Brief submitted by.....	2776
Weider, Frederick J., treasurer, Barr & Creelman Co., of Rochester, N. Y., letter from, addressed to Senator King.....	2215
Whitney Bros. Co., of Marlboro, N. H., letter from, addressed to Senator George.....	1962
Williams, Ernest Wells, of Washington, D. C., statement submitted by.....	2777
Williams, S. Clay, former chairman, National Industrial Recovery Board, N. R. A., letter from, relating to his previous testimony before committee.....	2702
Wulf Bros., Inc., of New York, N. Y., telegram from.....	2780
Yamins, Nathan, of Fall River, Mass., letter from, relating to testimony before committee in connection with motion-picture industry.....	2793
Youngstown-Erie Terminals Co., of Youngstown, Ohio, letter from, addressed to Senator King.....	2232
Blaisdell, Thomas C., Jr., director, Consumers Division, National Emergency Council, letter from, transmitting suggestions regarding revision of S. 2445, and complete redraft of same.....	2992
Brookings Institution, excerpts from "The National Recovery Administration: An Analysis and Appraisal".....	2600
Federal Trade Commission, order of dismissal and opinion of in the matter of the Purity Ice Co., Docket No. 2203.....	1917
Group of letters received by committee or referred to committee opposed to the extension of the National Industrial Recovery Act.....	2842
Group of letters received by committee or referred to committee advocating the extension of the National Industrial Recovery Act.....	2803
National Recovery Administration: Code Restrictions Upon Installation of New Machinery or Upon Other Extension of Industry Capacity, prepared by Research and Planning Division.....	2935
Coat and Suit Code Authority, N. R. A. file on investigation of (Howard Report).....	2520
Executive Order No. 6767: Excerpts from "A Study of the Effects of Executive Order No. 6767 upon the Maintenance of Standards of Fair Competition to Public and Private Purchasers".....	2598
Richberg, Donald R., letter transmitting Report of National Industrial Recovery Board to the President on the Effects of Executive Order No. 6767.....	1857
Excerpts from "Hours, Wages, and Employment Under Codes" issued by Research and Planning Division.....	2597



**CONTENTS**

**VII**

	Page
<b>National Recovery Administration—Continued.</b>	
Excerpts from Report to the President on the Operation of the Basing Point System in the Iron and Steel Industry.....	2909
Excerpts from "Statement at Public Hearings on Employment Provisions in the Codes", January 30, 1935, presented by Mr. Thomas C. Blaisdell, Jr., executive director, Consumers' Advisory Board.....	2591
Excerpts from volume entitled "Prices and Price Provisions in Codes".....	2491
Harriman, W. A., administrative officer, letter transmitting data relating to Howard Report on Coat and Suit Code Authority.....	2591
Johnston, Kilbourne, assistant code administration director, letter relating to testimony of Mr. A. J. Hettinger before committee.....	1970
Marshall, Leon, executive secretary, National Industrial Recovery Board:	
Letter relating to previous testimony of witnesses before committee.....	2670
Letter relating to testimony of Mr. John E. Edgerton before committee.....	2509
Rosenblatt, Sol A., division administrator:	
Letter relating to testimony of Mr. Abram F. Myers, Mr. Lowell Mason, and Mr. Melvin Albert before committee.....	1972
Letter relating to testimony of Mr. John P. Davis before committee.....	2506
Smith, Blackwell, acting general counsel:	
Letter transmitting information relating to codes promulgated by the N. R. A. and by the Agricultural Adjustment Administration, etc.....	2228
Letter transmitting table indicating which codes contain provisions requiring permission of N. R. A. before new plants may be erected or new equipment installed.....	1971
Letter transmitting table demonstrating the industrial representation involved in making the Bituminous Coal Code.....	2516
Letter transmitting report submitted to the President by Mr. John F. Sinclair, member National Recovery Review Board (Minority Report of Darrow Board).....	2587
An analysis of correspondence received by N. R. A., expressing opinions both favorable and unfavorable on the question of extending the National Industrial Recovery Act.....	2907
Letter transmitting list of industries whose code authorities are incorporated.....	1859
Vincent, M. D., acting division administrator:	
Letter transmitting data relating to the Bloch Co., Cleveland, Ohio.....	2401
Statement relating to supplementary statement submitted by Mr. Francis M. Curlee.....	2930