

and has certified these bids to the Compliance Division for prosecution, it is extremely important that in bidding on future contracts all companies should conform strictly with the requirements of the code."

## BUDGET FOR COFFEE CODE

### Industries Committee Submits Schedule of Expenses to NRA for Approval—Basis of Assessment

Special Correspondence

WASHINGTON, D. C., June 4, 1934.

THE Coffee Industries Committee has made application to the Administrator for approval of its budget for, and on the basis of contribution by members of the industry to the expenses of administering the coffee code for the period from February 16, 1934, to February 15, 1935. The total amount of the budget for the period is \$75,000. The basis of contribution is as follows [each member of the industry to pay on the basis of bags of green coffee roasted]:

Bags of Green Coffee Roasted	Assessment
1,000,000 or over	\$7,500
500,000—1,000,000	5,000
250,000—500,000	2,500
200,000—250,000	1,250
150,000—200,000	1,000
100,000—150,000	750
75,000—100,000	500
50,000—75,000	350
25,000—50,000	275
15,000—25,000	150
10,000—15,000	100
5,000—10,000	75
2,500—5,000	25
Under 2,500 bags	10

The proposed budget for the administering of the coffee code for the year 1934-35, is itemized as follows:

#### CODE AUTHORITY BUDGET

Salary—Office Manager	\$ 4,000.00
Executive Salaries	10,000.00
Clerical Salaries	3,300.00
Travelling Expenses—Code Authority	12,000.00
Travelling Expenses—Managing Agents	5,000.00
Rent and Office Expenses	2,400.00
Office Equipment	1,500.00
Printing	3,000.00
Telephone and Telegraph	2,400.00
Stationery and Postage	1,500.00
Legal Expenses	4,000.00
Regional Administration, Miscellaneous and Reserves	25,900.00
Total	\$75,000.00

Any objections to the budget on the basis of assessment should be filed with Deputy Administrator Walter White, NRA, prior to June 13th. The opportunity to file objections is given for the purpose of obtaining, in the most practical manner, facts useful to the Administrator. Objections will be given due consideration and the Administrator, after consulting with such of his advisors as he may deem appropriate, may approve said budget and basis of contribution in their present form or as revised in any reasonable particular germane to their present form, substance, wording and/or scope on the basis of objections filed pursuant to this notice or other considerations properly before the Administrator.—N. W.

## COFFEE CODE NOT AFFECTED BY REVISED PRICE FIXING POLICY

Following the publication of the news from Washington on June 7 that the NRA had definitely turned its back on price-fixing, the Associated Coffee Industries of America issued the following statement: "The announcement in the press of the new NRA policy on price provisions does not mean any change in the status of the coffee code. Destructive price cutting and sales below cost, as defined in the approved cost formula, constitute a violation of the code and will be enforced. The official memorandum on NRA policy applies to pending codes and codes hereafter submitted. With respect to existing codes, the statement is made that divisional administrators 'shall seek through agreements with code authorities of approved codes to amend them to conform with this policy and wherever resistance is encountered the subject shall be taken up with the Administrator.' The Code Authority has received no official word from the National Recovery Administrator and, in this matter, as in all others, will continue to serve the wishes and best interests of the industry as a whole."

## RECENT CODE RULINGS

### Coffee Industries Committee Issues Statement on Code Eagles, Urn Bag Charges, Consumer Coupons, Violations by Salesmen, Etc.

ON May 18th, the Coffee Industries Committee issued a bulletin giving recent developments pertaining to various provisions of the coffee code, as follows:

#### CODE EAGLES

Considerable confusion has been created by the delay and shift in policy with reference to the distribution of Code eagles. Originally in the suggested by-laws for Code Authorities which were issued from Washington a few months ago, there was included the procedure for issuance of Certificates of Compliance, with the provision that only companies filing signed certificate and paying the code eagle, when distributed by Code Authorities.

Following repeated delays, the final procedure for distribution of the new code eagles has been determined as follows: Members of the industry should secure from their post offices or from the office of the National Recovery Administration, State Compliance Director of their State, an application card for a code eagle. These applications will be forwarded to Washington, and a code eagle will be issued directly to the applicant.

Code eagles will not be issued to those who are certified to the issuing agency as code violators, and in accordance with the policy of the President's Executive Order of April 14th, failure to pay the code assessment will be sufficient grounds for removal of the code eagle. Steps have already been taken to include the coffee code under the terms of the President's Order so that failure to pay the code assessment would constitute a clear code violation. Lists of those who apply for the Blue Code Eagles will be furnished Code Authorities by the National Recovery Administration at Washington.

#### URN BAG CHARGES

While a great majority of companies in the industry have complied fully with Article VI, Section 10, which requires a charge being made for urn bags supplied to customers, it becomes apparent that deductions when taken at the time payments are made for these charges, the supplying company is not following the necessary measure which