New York, N. Y. February 27, 1934.

A meeting of the Executive Committee of the Lead Industries Association was held on Tuesday, February 27, 1934, at 11:00 P.M., at the Board Room of the National Lead Company, 111 Broadway, New York, N. Y.

Present	Representing
R. M. Roosevelt, Chairman	Eagle-Picher Lead Company
Charles Earl	American Smelting & Refining Co.
H. Y. Walker	American Smelting & Refining Co.
W. B. Daly	International Lead Smelting Co.
W. C. Beschorman	National Lead Company
F. M. Carter	National Lead Company
R. G. McKay	Reynolds Metals Co.
I. H. Cornell	St. Joseph Lead Co.
F. F. Colcord	United States Smelting Refining & Mining Co. Inc.

F. E. Wormser, Secretary.

Mr. R. M. Roosevelt occupied the chair.

The Secretary reported that the Administration, through Deputy Janssen, still insisted on inclusion of the Proposed Section 5 in Article XI, but was prepared to accept a Section 6 as follows, which would stay the execution of Article XI until all the non-ferrous metal codes had adopted substantially the same provisions:

> Section 6. The provisions of Sections 1 to 5 inclusive of this Article XI, to the contrary notwithstanding, none of the provisions of the first five sections of this Article shall go into effect until Codes of Fair Competition for the copper and zinc industries containing an Article substantially the same as this Article XI have been approved and are in effect, and certified copies of such approved codes have been filed with the Code Authority of this Industry.

The Executive Committee again reviewed its previous action with respect to Section 5 and in the light of all the factors involved, together with the principle at stake, relating to the disposal of by-product materials, decided that it could do no other than to submit the sections in question to its membership at interest.

Accordingly, it was regularly moved and seconded that the proposed Sections 5 and 6 of Article XI be referred to the membership at interest for it consideration, together with a covering letter explaining the situation.

Carried. (A copy of this letter is attached, "A")

The Secretary read the changes which had been made in the latest draft of the Lead Code, dated February 6, by the Administration, while preparing it for the signature of the Administrator. These changes were referred to the membership for action, as per letter attached "B".

The Secretary reported that the Lead Pigments Division decided to make a change in its Schedule A, a change which the Committee approved. Acopy of revised Schedule A is attached "C".

The impending code conference in Washington, beginning March 5, was discussed and the Secretary was authorized to proceed to Washington, as an observer at this conference.

Meeting adjourned at 12:00 A.M.

F. Wormser

Secretary.

LIA02566

"A"

LEAD INDUSTRIES ASSOCIATION

Executive Committee
Meeting - 2-27-34

Graybar Building, 420 Lexington Avenue
New York, N. Y.

March 1, 1934.

To Members of the Mining and Smelting
and Refining Divisions:

After the draft of the Code of Fair Competition of the Lead Industries, dated February 6, had been submitted to the N.R.A., with the feeling that the Code was complete, the Lead Industries Association was requested, by the Administration, to insert a new section, known as Section 5, in Article XI, "Application of Code to Operations Wherein Other Metals are Produced", as follows, and until this subject is decided our Code will be held up.

> Section 5. When any metal or material other than lead is produced by any member of the Lead Industry as a by-product, such by-product shall not be sold in contravention of the fair trade practice and marketing provisions of the Code of Fair Competition for the industry which produced such metal or materials as its preponderant activity and the producer thereof shall comply with such other requirements of such other codes as relate to statistical reports.

The Executive Committee gave this proposal prompt consideration, and is now submitting it to the members at interest as it involves a principle of great importance to the mining and smelting business. The Executive Committee concluded that Section 5, if accepted, would imply blind acquiescence in provisions of other non-ferrous metal codes, the terms of which are not known. Moreover, Section 5 brought up the question of by-product metal production and disposal and proposed a solution that was not only unworkable but also contrary to a sound attitude on the by-product problem. Our industry has taken the stand that by-product metals should have the right-of-way in marketing and that they must be given preferred consideration if the present method of purchasing and selling ores, concentrates and other products is to prevail.

It has been and is the practice of custom smelters, as you know, within certain limitations, to receive and pay cash for the metals resulting from lead production which are by-products and components of the complex ores generally found in the West. To do this they must have complete freedom to sell the by-products. In the case of lead the common by-products are copper, zinc, silver and gold. A majority of the Executive Committee believes there should be no restrictions in our Code as to the disposition of the by-products resulting from lead smelting or refining, or anything which would imply assent to such provisions in other codes.

Custom smelters object to consenting to code provisions which might interfere with the carrying out of existing contracts with mining companies. If code provisions in other codes should require them to restrict the production or disposition of by-product metals, these contracts would be interfered with and the mining operators will suffer. Then again, the independent mine operator - often of small size - relies upon the custom smelter for cash to meet his payroll and operating expenses. Unless the custom smelter is given complete freedom in disposing of his output, whether by-product or not, he cannot very well continue to furnish a cash market for the miner. From a practical standpoint, it would be difficult to institute any control of by-products as shipped to the smelter by the small mine operator in truck loads, as many of them do. Here again, the Executive Committee believes the Lead Code should not carry any provision which might work hardship on the small shipper, who, in the aggregate, employs a very large number of men.

The Executive Committee believes that Section 5 is unworkable in all the non-ferrous metal codes. It believes that if a system for the control of by-product production were put into operation by any non-ferrous metal code, the shipper would be the one who would have to hold the by-product and that this would prevent the miner receiving payment for his by-products or, the stocks might be held by banks who could not be forced to hold metal from the market. Furthermore, it might force a miner to curtail the production of his chief product in order to curtail the output of the by-product.

In the light of these conditions, the Executive Committee has not accepted Section 5.

It is only fair to state, however, that the Administration's contention, as gathered from a conference in Washington, is that the codes for each of the non-ferrous metals, copper, lead and zinc respectively, will govern the disposition of each of those three metals and if, for example, there should be any restrictive provisions in the copper code affecting copper produced by custom smelters, or in the zinc code, affecting zinc produced by custom smelters, whether by-product or not, those provisions would have to be complied with. We have, of course, no indication of what the copper and zinc codes will ultimately contain, or if there are to be any silver or gold codes.

The Administration feels we should not object to Section 5 but accept it with a proviso included in a Section 6, as follows, that it will not become effective until all three non-ferrous metals have agreed upon substantially the same wording:

> Section 6. The provisions of Sections 1 to 5 inclusive of this Article XI, to the contrary notwithstanding, none of the provisions of the first five sections of this Article shall go into effect until Codes of Fair Competition for the copper and zinc industries containing an Article substantially the same as this Article XI have been approved and are in effect, and certified copies of such approved codes have been filed with the Code Authority of this Industry.

A majority of the Executive Committee believe it is desirable that the Lead Code should be completed without unreasonable delay. The Code Administrator is vigorously pressing for its conclusion and affirms that with agreement on the clause described above, an early signature to the Code will be obtained. The Executive Committee, however, feels bound to follow its practice of ascertaining the wishes of the entire membership before acquiescing in any fundamental changes made in drafts submitted to the membership, hence this letter.

We respectfully urge your immediate consideration and a wire response indicating your wishes in respect to the inclusion of proposed Section 5 and Section 6 of Article XI in the draft of the Code of February 6.

Very truly yours,
F. E. Wormser

Secretary.

LEAD INDUSTRIES ASSOCIATION
420 Lexington Avenue
New York, N. Y.

"B"
Executive Committee
Meeting 2-27-34

February 28, 1934.

To Members of the Lead Industries Association:

The following changes have been made in the Lead Code by the National Recovery Administration. Please give these changes your immediate consideration and if you have any objections telegraph or telephone them to this office.

Please refer to your draft dated February 6, 1934.

Page 1 - Art. I, third line, cross out last word "shall". Art. II, Sect. 5, last word "profession" change to "craft".

Page 5 - Art. III, Sect. 3 (d) first line, strike out "according to the nature of their responsibilities".

Page 6 - Art. IV, Sect. 2, third line, change word "shall" to "may" - fourth line, change to "not less than 80% of such minimum, and provided..."

Page 7 - Art. IV, Sect. 2, second line, insert "at least" after the word "entitled". Art. IV, Sect. 5, Wages Above Minimum - substitute the following paragraph:

"Equitable adjustments in all pay schedules of employees shall be made within thirty (30) days after the effective date of this Code by any employer who has not heretofore made such adjustments under the National Industrial Recovery Act. Within sixty (60) days after the effective date of this Code each member of this Industry shall make a report of such adjustment whether made prior to or subsequent to date of approval of this Code to the Code Authority."

Page 8 - Art. IV, Sect. 7, Apprentices - Substitute the following pargraph:

"Employment of apprentices at rates of compensation below the minimum provided herein shall be permitted where they are apprenticed to anemployer by an indenture made pursuant to the laws of the state in which such service is to be performed, under any apprentice system established and maintained by such employer, provided such indenture agreements are filed with the Code Authority. Employers shall not be allowed to have apprentices in number exceeding 5% of the total number of skilled craftsmen of their special class, except that each employer shall be entitled to employ at least one such employee. In no case shall an apprentice be paid less than the minimum wage provided in Section 1 of Article IV in states which do not have laws governing apprentices."

Art. IV, Sect. 8, Payments - Substitute the following paragraph:

"An employer shall make payment of all wages 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 the State Laws. Pay periods for wages shall be at least semi-monthly and for salaries at the end of every month. Employers shall agree not to withhold wages."

Art. V, Sec. 1, first line, after the word "date" insert "of this Code".

Page 9 - Art. V, Sect. 6, first line, after the word "shall" insert "post and".

Page 10 - Art. VI, Sect. 1, third line from bottom of page, after the word "Code" insert "which relates to such Division".

Page 12 - Art. VI, Sect. 6, transfer first line of Sect. 6 (a) "Subject to such rules and regulations as may be issued by the Administrator" to the beginning of Sect. 6.
Art. VI, Sect. 6(c) first line and third line, after the word "such" insert "statistical".

Page 15 - Art. VII, Sect. 2, fifth line, strike out word "attached" and insert "which is attached hereto and hereby made a part hereof."

Page 18 - Art. XI, Sec. 1, second line, change word "can" to "shall".

Page 19 - Art. XI, Sect. 5, new section as follows:
"When any metal or material other than lead is produced by any member of the Lead Industry as a by-product, such by-product shall not be sold in contravention of the fair trade practice and marketing provisions of the Code of Fair Competition for the industry which produced such metal or materials as its preponderant activity and the producer thereof shall comply with such other requirements of such other codes as relate to statistical reports."
Art. XI, Sect. 6, new section as follows:
"The provisions of Sections 1 to 5 inclusive of this Article XI, to the contrary nothwithstanding, none of the provisions of the first five sections of this Article shall go into effect until Codes of Fair Competition for the copper and zinc industries containing an Article substantially the same as this Article XI have been approved and are in effect, and certified copies of such approved codes have been filed with the Code Authority of this Industry."

Page 20 - Art. XII, Sect. 4, new section as follows:
"The Code Authority may make recommendations for modifications to this Code to the Administrator which shall become effective as part of this Code upon approval by the Administrator, after such notice and hearing as he may specify."

Very truly yours,

LEAD INDUSTRIES ASSOCIATION

F. Wormser

Secretary.

LIA02571

February 27, 1934. SCHEDULE "A"

ARTICLE I - CONDITIONS FOR SALE OF LEAD OXIDES IN LOTS OF LESS THAN TWENTY TONS

A. "Sale" or "Order" as used herein includes any transaction whereby a member of the industry makes a quotation on, or becomes obligated to sell and deliver material.

B. Whatever terminology may be used, the intent and meaning thereof shall conform to the following requirements of sale.

(1) Material - Dry Oxides of Lead, or mixtures consisting principally thereof, each grade of material to be specifically designated.

(2) Quantity - Any amount as agreed between buyer and seller.

(3) Packages - As agreed between buyer and seller. Special packages required by buyer shall be charged for according to cost.

(4) Price -

(a) Seller's card or quoted price in effect on date order is received with allowance as follows:

(1) Not more than 1/2¢ per pound for minimum shipment of 5 tons for one buyer at one time to one destination.

(b) Emergency shipments of smaller quantities may be made at the 5-ton price only to a customer for whom the Seller has a 5-ton order on hand for the same material for immediate shipment, or five tons en route to the same destination.

(c) No protection against decline in Seller's price may be given.

(d) Red Lead containing 97 per cent or 98 per cent Pb_3O_4 shall be so marked on the package and shall besold at not less than ¼¢ and ½¢ per pound, respectively, over Seller's price for grades of lower Pb_3O_4 content.

(5) Delivery - F.O.B. cars Seller's shipping point, or by truck F.O.B. Buyer's premises.

(6) Transportation Allowance -

(a) Since transportation is included in the Seller's price, the actual freight paid by Buyer shall be allowed as deduction. No cartage allowance shall be made to Buyer for use of his own truck.

(b) If shipment is made by Buyer's boat, Seller may allow actual amount he would have paid for like transportation at minimum published tariffs in effect on date of shipment.

(7) Shipment - Shall be made at least within thirty (30) days from date order is received.

(8) Terms - Net thirty days, less 1 per cent for cash in ten days from date of shipment.

(9) Taxes - Any tax or other charge imposed by Federal Law upon the production and/or sale and/or shipment of lead oxides shall be added to the price to be paid by the Buyer on any transaction to which such charge is applicable.

ARTICLE II - CONDITIONS FOR SALE OF LEAD OXIDES IN LOTS OF AT LEAST TWENTY TONS

A. "Sale" or "Order" as used herein refers to any transaction whereby a Seller quotes on or becomes obligated to deliver material.

B. Whatever terminology may be used, the intent and meaning thereof shall conform to the following requirements of sale.

(1) Material - Dry oxides of lead, or mixtures consisting principally thereof, each grade of material to be specifically designated.

(2) Quantity - As agreed between Buyer and Seller, provided that each order or release shall be an amount not less than 20 tons to one destination and for account of not more than one Buyer.

(3) Period - As specified.

(4) Packages - As agreed between buyer and seller. Special packages required by Buyer shall be charged for according to cost.

(5) Price -

(a) Shall be determined by adding a differential, as agreed upon by Buyer and Seller, to the price of common lead at New York, the lead price applying to each order to be specified by the Buyer at the time order is placed as:

(1) The American Smelting and Refining Company's quotation at the close of the market on the day the order is received by Seller

or

(2) The American Smelting and Refining Company's quotation at the close of the market on a future date definitely agreed upon by Buyer and Seller when order is accepted

or

(3) The average quotation, as reported in one of the publications known as the American Metal Market and the Engineering and Mining Journal, for a future period definitely agreed upon by Buyer and Seller when the order is accepted. If the lead price is determined by the method herein outlined, Seller must require Buyer to specify before the beginning of the governing period the exact quantity of material to be priced in this manner. Deferred shipments shall be billed on the basis originally applicable thereto. Additional quantities required during the governing period shall be considered as new orders and shallbe priced in accordance with (a) or (b) above.

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(b) Emergency shipments of smaller quantities may be made on the 20-ton price basis only to a customer for whom the Seller has a 20-ton order on hand for the same material for immediate shipment, or 20 tons en route, to the same destination.

(c) No protection against decline in Seller's price may be given.

ARTICLE II. (Continued)

(d) Red Lead containing 97 per cent or 98 per cent Pb_3O_4 shall be so marked on the package and shall be sold at not less than 1/4¢ and 1/2¢ per pound, respectively, over Seller's price for grades of lower Pb_3O_4 content.

(6) Delivery -
(a) F. O. B. cars Seller's shipping point
or
(b) By truck complete within three days, F.O.B. Buyer's premises.

(7) Transportation Allowance -
(a) Since transportation is included in the Seller's price, the actual freight paid by Buyer shall be allowed as a deduction. No cartage allowance shall be made to Buyer for use of his own truck.

(b) If shipment is made by Buyer's boat, Seller may allow actual amount he would have paid for like transportation at minimum published tariffs in effect on date of shipment.

(8) Shipment - Shall be made at least within sixty (60) days from

(a) The date on which the price of pig lead governs the sale,
or
(b) The beginning of the period during which the average price of pig lead governs the sale.

(9) Terms - Net 30 days.

(10) Taxes - Any tax or other charge imposed by Federal Law upon the production and/or sale and/or shipment of lead oxides shall be added to the price to be paid by the Buyer on any transaction to which such charge is applicable.

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ARTICLE III - CONDITIONS FOR SALE OF BASIC LEAD CARBONATE (DRY WHITE LEAD)

A. "Sale" or "Order" as used herein includes any transaction whereby a member of the industry makes a quotation on or becomes obligated to sell and deliver material.

B. Whatever terminology may be used, the intent and meaning thereof shall conform to the following requirements of sale.

(1) Quantity - Any amount as agreed between buyer and seller.

(2) Period - As desired, to be specified.

(3) Packages - As agreed between buyer and seller.

(4) Price -

(a) Spot Sales - Seller's card or quoted price in effect on date order is received.

(b) Contract Sales -

(1) Seller's price on date contract is made with protection against advance or decline on the undelivered portion to the end of the current calendar quarter.

(2) On contracts extending beyond the current calendar quarter, the price applying to subsequent deliveries shall be seller's price in effect on the first day of the calendar quarter in which they are made, with protection against advance or decline on the undelivered portion to the end of each quarter.

(c) The price for minimum 20 ton lots for one buyer to one destination, shipped by rail in one carload, or delivered by truck within a period of three days, shall be not more than ¼¢ per pound less than that charged for smaller quantities.

(d) Emergency shipments of smaller quantities may be made at the 20 ton price only to those customers for whom the Seller has a 20 ton order on hand for the same material for immediate shipment, or a carload (20 tons) enroute, to the same destination.

(5) Delivery - F.O.B. cars Seller's shipping point, or by truck, F.O.B. Buyer's premises.

(6) Transportation Allowance - Since transportation is included in the Seller's price, the actual freight paid by Buyer shall be allowed as deduction. No cartage allowance shall be made to Buyer for use of his own truck.

(7) Shipment - (a) Spot Sales - Within 30 days from date order is received.
(b) Contract Sales - Within a period covered by the contract.

(8) Terms - Net thirty days, less 1 per cent for cash in ten days from date of shipment.

(9) Taxes - Any tax or other charge imposed by Federal Law upon the production and/or sale and/or shipment of white lead shall be added to the price to be paid by the Buyer on any transaction to which such charge is applicable.