

December 11, 1939

Mr. Charles M. Joseph,  
Senior Attorney

Raymond Lewis,  
Inspector.

Rose Manufacturing Company.

As per your request to get conclusive evidence of interstate shipment on the goods worked on by the homeworkers mentioned in the indictment of this firm, I am submitting the following proof of the goods worked on by Mary De Pietro and Nicoletta Venturino, both homeworkers who have been mentioned in the indictment. This proof clearly establishes that the goods that they worked on in the indictment week has been definitely traced into interstate shipment.

As you will recall, we discussed the proof submitted with Mr. Sherr of the Department of Justice and he feels that the proof is more than adequate to meet the requirements of Justice to proceed with trial.

I am firmly convinced that the Rose Manufacturing Company is very anxious to settle. We should proceed with trial and I think if a positive position is taken that the case will probably be settled long before legal evidence will have to be presented at trial.

Proof of Interstate Commerce

The goods made by Mary de Pietro and Nicoletta Venturino, homeworkers of Rose Manufacturing Company mentioned in the indictment of August 28th have been traced in interstate commerce. More specifically, the goods made by these two women in the weeks mentioned in the indictment, namely April 17th to April 24th and May 1st to May 7th, respectively, have been traced to interstate shipments.

This is ascertained in the following manner:

- I. There have been 3, and only 3, tassel workers working for the Rose Manufacturing Company since October 24, 1938. This has been established as follows:
  - A.
    - (1) A close examination of homework handbooks submitted by most of the homework employees on the payrolls of the Rose Manufacturing Company.
    - (2) By interviews with over 50 homeworkers who had been seen both in their homes and in preliminary hearings prior to

Grand Jury testimony.

- (3) A further interview with all employees who had at any time in the past ever worked on tassels or who stated they knew anybody who worked on tassels.
- (4) Subsequent interviews with the three people who we have established worked exclusively on tassels and have ascertained from these people that they were the only three tassel workers in the last two years. To the best of their knowledge the firm did not and could not have any other tassel workers. Their statements were further substantiated by a check of their handbooks which established the quantities that they produced and the style numbers on which they worked.
- (5) Stock and shipment records show these 3 tassel workers able to produce total output of firm.

II. Of the three tassel workers, one Anna Mancuso worked exclusively on style No. 500, a brush tassel, and at no time during the last four years ever made a fringe tassel. The other two tassel workers, Mary De Pietro and Nicoletta Venturino worked exclusively on fringe tassels and never during the last two years made a brush tassel. We have signed statements at the New York Office from each of these 3 tassel workers taken in a joint interview, in which they each have given their handbooks and a definite statement as to the styles that they worked on, their underpayments, etc.

III. A further analysis of the production records of Mary De Pietro and Nicoletta Venturino indicate (1) that Mary De Pietro worked exclusively on Style No. 101, a medium sized tassel. There is no record of Nicoletta Venturino having worked on Style No. 101. (The firm made a practice of destroying the records in the homeworkers' handbooks and at no time kept the prescribed federal handbooks. The firm has further stated that it did not care to keep the prescribed handbooks as that would reveal them in violation.) From an examination of the homeworkers personally owned handbook which shows the full record from March 21 until August 1939 which covers the period in which the weeks in the indictment are mentioned in each particular case, Mary De Pietro worked exclusively on style 101. The following is an analysis of the production record of style 101; (See Exhibit marked Mary De Pietro)

The first week listed was March 22 to April 17. Though Mary De Pietro worked steadily, she did no work on style No. 101. In the week from April 17 to April 24 (the week mentioned in the indictment) she made 9 gross of style 101.

May 9 to 15 - 6 gross 9 dozen	-	style 101
May 15 - June 2	- 2 gross	style 101

Initials

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(1) Stock records show that on March 31, 1939 there were 38 gross of style number 101 on hand. Production records from March 31, 1939 to June 2, 1939, according to handbooks of these two employees (only De Pietro having worked on style number 101 during this period) show 21 gross 9 dozen produced, making a total of 59 gross 9 dozen on hand on June 2, 1939. The handbooks disclose no further production from June 2, 1939 to June 30, 1939. Shipment records from March 31st to June 30th show shipments of 61 $\frac{1}{2}$  gross all in interstate commerce, none shipped locally. This would indicate that 1 gross 9 dozen more were shipped than were in stock. The explanation of this is probably that 1 gross 9 dozen were produced between June 2nd and June 30th and not entered by the defendant in the handbooks.

Production - Total - 21 gross 9 dozen style 101.

The following is the record of all shipments for style 101 from April 1939 to July 1939, the period immediately following the production of style 101 as shown on Mary De Pietro's book:

April 1939	- 15 gross	- 100% interstate
May	- 22½ gross	" "
June	- 24 gross	" "
July	- 15½ gross	" "

This represents a total of 77 gross shipped between April and July, all of which were interstate. In other words, there was a 100% total shipment of style 101 and after the period of production by Mary De Pietro. There were no shipments of any kind made locally of this style during this period.

A further analysis of shipments:

August 1938	16 gross	- all interstate - 100%
September	2 "	- " " "
October 1938	36½ "	- " " "
November	16 "	- " " "
December	12½ "	- " " "
January 1939	20 "	- 18 interstate, 2 locally 90%
February	0	---
March	3-1/3 gross	- 2 interstate, 1-1/3 locally 60%

An analysis of the complete orders and shipments from August through July shows 183-1/3 gross of style No. 101 sold, of which 3-1/3 was intrastate and 180 was interstate, showing the general interstate character of this style number.

Stock records show that on 3/31/39, <sup>the were</sup> 38 gross of style 101. Production records from that date to June 2, 1939 show 21 gross 9 dozen produced making a total of 59 gross 9 dozen. Shipment records from 3/31 to 6/31 show 61½ gross shipped in interstate - none local. This is further proof that Mary de Pietro production in week of indictment of style 101 went in interstate commerce.

In the case of Nicoletta Venturino we have the following picture. In the indictment week, week between May 1 and May 8 she worked on 7 gross fringe tassel style No. 777, Blue. (See Exhibit marked Nicoletta Venturino) From an analysis of the entire year's shipments by this firm of 777, Blue, it has been established that from August 1938 through August 1939 there have been 100% shipment in interstate commerce of this style 777 Blue, and no shipments whatsoever during this period in intrastate. There have been no shipments of any kind in 777 blue from August 1938 through February 1939.

Beginning March 1939 we have the following shipments:

FILE COPY	March 1939	- 1 gross interstate - 0 local - 100% interstate	Initials
	May	- 0 " " "	

June 1939	1 gross interstate - 0 local - 100% interstate
July "	None
August	None

In an analysis of Mrs. Venturino's and Mrs. De Pietro's handbook it has been ascertained from the records that where colors are mentioned Mrs. Venturino is the only one listed as working on blue 777. It has also been established from a close analysis of the shipments that in the week ending May 7th Mrs. Venturino made 5 gross blue 777 and that on May 8th 5 gross blue were shipped to Rasch and Gainer in Baltimore.

It is my contention that since 100% blue 777's went in interstate commerce in the last year and since Mrs. Venturino worked on blue 777 in May 1-7 presumption re. Section 15(b)(1) is that the goods on which Mrs. Venturino worked did move in interstate commerce.

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Initials
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ROSE MANUFACTURING COMPANY

Production Record of Fringe Tassel Worker

Mary De Pietro

<u>Week Ending</u>	<u>Style 100</u>	<u>Style 101</u>	<u>Style 102</u>	<u>Style 777</u>
3/31	39 * 6 - (46) 3 - (shantung cream)		6	
4/11 - 4/17	42			
4/17 - 4/24	14	4		4 (week mentioned in indictment)
4/27 - 4/28	25			4
5/3 - 5/8	10 <sup>6</sup>	9		
5/9 - 5/15	8 <sup>10</sup>	6 <sup>2</sup>		6
5/15 - 6/2	13 - (coru) 4 - (16) 5 <sup>10</sup> - (shantung) 2 - (cream) 4 - (total 54)	2 - (3)		5 (cream) 6 (white) 15 (coru)

\*Figures referred to above are gross.

Shipment Record of Style 101

	<u>Interstate</u>	<u>Local</u>	<u>% Interstate</u>
August 1938	16 gr.	None	100%
September	2 gr.	None	100%
October	36½ gr.	None	100%
November	16 gr.	None	100%
December	12½ gr.	None	100%
January 1939	18 gr.	2.	90%
February	--	--	--
March	2	1-1/3	60%
(Sub Total)	(103)	(3-1/3)	(3% approx.)
April	15 gr.	None	100%
May	22½ gr.	None	100%
June	24 gr.	None	100%
July	24½ gr.	None	100%
(Sub Total)	(86)	(None)	(100%)
Total.....	189	3-1/3	98%
August 1939	1	0	100%
September	19½	--	100%
October	9½	1	95%
November	10	1	92%

Explanatory Note: In the indictment week, April 17-24, Mary De Pietro worked on 4 gross style 101. From a careful check of the production of Nicoletta Venturino and Mary De Pietro it has been ascertained that Mary De Pietro has been the only homemaker doing style 101.

Following the indictment week we have the following shipping records: 100% shipment of all tassels style 101. After the entire year we have 98% shipment in interstate commerce. Further proof that the goods worked on by Mary De Pietro in the indictment week moved in interstate commerce are as follows: stock records as of March 31, 1939 show 38 gross on style 101. Production records from that date to June 2, 1939, 21 gross, 9 doz., making the total of 59 gross 9 dozen and shipping records from March 31 to June 31 show 61½ gross shipped in interstate commerce and no shipment made locally. This is further proof that the goods in style 101 made in the week 4/17-24/39 went into interstate commerce.

ROSE MANUFACTURING COMPANY

Production Record of Fringe Tassel Worker

Nicoletta Venturino

<u>Week Ending</u>	<u>Style 100</u>	<u>Style 101</u>	<u>Style 102</u>	<u>Style 777</u>
3/22 - 3/31	35 <sup>9</sup> *			
4/5 - 4/17	11			6
4/17 - 5/1	5 <sup>9</sup>			7
5/1 - 5/8	2 5			5 (Blue)
5/9 - 5/25	2 8 (Blue) 9 (54)			6 4 <sup>9</sup> 4 (Blue)
8/7	2			3 <sup>7</sup>

\*Figures referred to above are gross.

Shipment Record of Style 777 Blue

	<u>Interstate</u>	<u>Local</u>	<u>% in Interstate</u>
July 1938	None	None	--
August	"	"	--
September	"	"	--
October	"	"	--
November	"	"	--
December	"	"	--
January 1939	"	"	--
February	"	"	--
March	5	"	100%
April	5	"	100%
May	5	"	100%
June	1	"	100%
July	None	"	--
August	"	"	--

Explanatory note: It will be noted from an analysis of the production record and the shipment record that from July 1, 1938 to August 31, 1939 there has been 100% interstate shipment of style 777 blue and it will also be noted that in the indictment week May 1-8 Nicoletta Venturino worked on 5 gross style 777 blue. This would indicate that production in the week of May 1-8 of this style and color moved in interstate commerce. It will likewise be noted that the only 777 blues mentioned were on the books of Nicoletta Venturino; Mary De Pietro worked on style 777 but where colors were mentioned no blues were ever listed.