

U. S. DEPARTMENT OF LABOR  
WAGE AND HOUR DIVISION  
Washington

THREE INJUNCTION SUITS FILED AGAINST PULP AND PAPER  
FIRMS BY WAGE-HOUR DIVISION

An injunction suit was filed today against the Southern Kraft Corporation, 220 East 42nd Street, New York, N.Y., by Philip B. Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor, in the New York United States District Court. It seeks to permanently restrain from shipping in interstate commerce products which, it is charged, are made from pulpwood cut and produced in violation of the Fair Labor Standards Act.

The Southern Kraft Corporation has about 15,000 workers engaged in the cutting of pulpwood from which kraft paper, wrapping paper, paper board, paper bags and allied products are manufactured at various mills. The defendant corporation purchases pulpwood from persons, firms and corporations, called contractors, who are allotted areas of operation by Southern Kraft to cut pulpwood from lands and stumpage rights owned by the corporation.

A similar injunction was filed by Colonel Fleming against N. E. Spessard and Sons, Richmond, Virginia, on August 30. In this complaint, which was filed in the District Court for the Eastern District of Virginia, it charged that the defendants produce pulpwood in violation of the Fair Labor Standards Act, and sell it to the West Virginia Pulp and Paper Company, which has a mill at Covington, Virginia, where it is manufactured into paper and other items for commerce. This defendant employs 500 workers, who are engaged in the cutting of pulpwood, and is one of the largest producers of pulpwood in the South. One of the partners in the firm, Rutherford H. Spessard, is president of the American Pulpwood Association of New York.

The first suit of this kind was filed against the West Virginia Pulp and Paper Company of North Charleston, South Carolina, on August 28. This company buys pulpwood, which it is charged, was produced in violation of Sections 6 and 7 of the Act and has 1600 workers engaged in the cutting of pulpwood, from which they manufacture paper, pulp, etc., at their North Charleston mill.

These actions involving the so-called "hot goods" clause of the Fair Labor Standards Act, which forbids the shipment in interstate commerce of all goods produced in violation of the Act, are a part of the Wage and Hour Division's enforcement "drive" to bring the entire pulpwood industry, employing about 150,000 workers throughout the country, into full compliance with the Fair Labor Standards Act, it was stated.