

Secondly, with respect to average earnings of our sales representatives and district managers by length of service, the figures are as follows:

AVERAGE EARNINGS, TOTAL SALES FORCE					
Service years	1962	1963	1964	1965	1966
0 to 1.....	(1)	(1)	(1)	(1)	(1)
1 to 2.....	\$6,264	\$6,103	\$7,323	\$7,353	\$6,290
2 to 3.....	6,936	6,938	7,784	8,435	7,167
3 to 5.....	7,976	7,615	9,593	10,033	8,742
5 to 10.....	9,082	8,939	10,866	12,139	10,788
Over 10.....	9,194	8,841	10,291	11,592	10,679

¹ Not available.

I hope this information is helpful to you and to your subcommittee and I want to assure you that if any further information would be helpful to you I would be pleased to try to supply it.

Sincerely yours,

ROBERT M. LOEFFLER,
Vice President-Law.

Mr. Moss. You indicate that the probable reduction in earnings of your salesmen would be to a figure of approximately \$5,200 if the recommendations of the—

Mr. LOEFFLER. Yes, sir; this is on the basis of 1966 figures.

Mr. Moss. And is this just a straight statistical study or do you make some assumptions as to what is going to happen in competition and its impact on you? What all goes into arriving at this \$5,200? It intrigues me.

Mr. LOEFFLER. This assumes that we had been able to make the same sales, which we in fact made during the calendar year 1966.

Mr. Moss. And it is just a simple statistical projection of the same number of sales at a lower return per sale.

Mr. LOEFFLER. Yes, sir.

Mr. Moss. That is all.

Mr. LOEFFLER. Yes, sir; that is what it was.

Mr. WATKINS. Mr. Chairman.

Mr. Moss. Mr. Watkins.

Mr. WATKINS. I wonder if you could refresh your memory? I don't know whether my homework is just exactly right. You testified before the Senate Banking and Currency Committee on the SEC bill that we have before us.

Mr. LOEFFLER. Yes, sir.

Mr. WATKINS. Do you recall or do you feel this way today or are these your remarks and do you still feel as you did then?

You said this:

I know of no statute in the history of the United States, absent wartime, which gave either a federal agency or a court the power to perscribe the price for a product or service in a competitive industry in accordance with whatever in its judgment it deems to be appropriate or reasonable.

Do you remember making those remarks?

Mr. LOEFFLER. Yes, sir; I made that statement.

Mr. WATKINS. Do you feel the same way now?

Mr. LOEFFLER. I feel exactly the same way now.

Mr. Moss. It is repeated on page 25.

Mr. WATKINS. I just wanted it clarified. I haven't read his whole report. I haven't read it at all, Mr. Chairman.