

Mr. LOEFFLER. It is in my written statement.

Mr. WATKINS. I have been listening to the gentleman ever since he started. Thank you very much.

Mr. MOSS. Of course, we are going to do a little research job on that.

Mr. LOEFFLER. Yes, sir.

Mr. MOSS. And find out how good your recollection is.

Mr. LOEFFLER. I am sure you will. I think I should say, Mr. Chairman, that I made that statement first in January, saying, "so far as I can offhand think of." I had a lot of research done, and in February repeated the statement again in a public forum, in which I think I phrased it in terms of "so far as I have been able to discover," and by the time we got to the Senate committee, I think I was able to state it more flatly, as I did there.

Mr. WATKINS. Thank you very much.

Mr. LOEFFLER. It was not made without considerable research.

Mr. MOSS. The statement is made without any qualification, so just on its face it falls because we had the Civil Aeronautics Act of 1938. If you want to qualify it, why, then we can get into narrowing the field, we might have a different answer.

Mr. LOEFFLER. That is a franchised industry, sir.

Mr. MOSS. Well, is it franchised? It has some certifications.

Mr. LOEFFLER. Yes, sir; that is what I mean by franchised. It is regulated.

Mr. MOSS. In 1938, yes. In any event—

Mr. LOEFFLER. I am sure you will be doing your research.

Mr. MOSS. Absent the qualification or any further qualification you might like to make—

Mr. LOEFFLER. When I explained that I only wanted to convey that I did not make the statement lightly, having—

Mr. WATKINS. Don't back off. You did research on it.

Mr. MOSS. Is selling one of your responsibilities? You are vice president of—

Mr. LOEFFLER. No, sir. I am vice president—law.

Mr. MOSS. And so your evaluation of impact on sales represents the consensus within your company rather than—

Mr. LOEFFLER. Yes, sir.

Mr. MOSS (continuing). Rather than a conclusion arrived at from any personal experience.

Mr. LOEFFLER. Yes, sir; this is based really upon my conversations with those in the company and studies which they have made and which I have seen.

Mr. MOSS. I am in the process of trying to—

Mr. LOEFFLER. I am also a director.

Mr. MOSS (continuing). Of trying to get a study which I recall being made, which illustrates a very interesting phenomenon. That sometimes when sales commissions are high, the earnings per man tend to reduce, and that if you lower them a little, you sometimes increase the earnings per man. You retain the best producers.

Mr. WATKINS. Mr. Chairman, would you yield just a minute?

Mr. MOSS. Yes, I will be very happy to yield.

Mr. WATKINS. I am rather disturbed, Mr. Chairman, working on this figure that these people would make, that we are going to put a