

The Honorable Hugh J. Addonizio, our former colleague, the mayor of the city of Newark. (See p. 1473.)

Mr. James G. Miles, vice president of Marketing Development. Mr. Miles.

**STATEMENT OF HUGH P. DONAGHUE, ASSISTANT TO THE
PRESIDENT, CONTROL DATA CORP.**

Mr. DONAGHUE. Mr. Donaghue.

The CHAIRMAN. All right, Mr. Donaghue. We would appreciate you identifying yourself. You represent the Marketing Development?

Mr. DONAGHUE. I am Hugh Donaghue, assistant to the president, Control Data, sir, and we have submitted a fairly lengthy brief on the subject.

Today I would just like to highlight a couple of the areas.

The CHAIRMAN. All right, with the understanding that your entire statement will appear in the record.

Mr. DONAGHUE. Yes, sir. Control Data is a major computer manufacturer of the United States with an annual sales volume in excess of \$350 million. Control Data and its subsidiaries operate principally in the United States, but also in over 25 other countries, with about 30 percent of Control Data's business currently being outside the United States.

We enforce and support the underlying principles of GATT, that is, the lowering of tariff barriers and the removal of quantitative restrictions among all countries. We endorse and support the extension of the President's trade agreement authority under the Trade Expansion Act.

We believe and recommend that it will be in the U.S. long-term interests to attain and permit the freest possible international trade. We believe that any restrictive quotas and/or tariffs will deleteriously affect both the United States and U.S. trade as well as world trade.

We believe and recommend that there is no need for protective tariff barriers and/or restrictive quotas against the import of computers and/or their related component into the United States.

For foreign trade-balance purposes it will be in the U.S. short-term as well as long-term interests to utilize in a maximum way those of its industries which have worldwide preeminence in technology, design, and manufacturing. And here again we point out the computer field as an example of this.

We recommend minimal tariffs because U.S.-proposed tariffs invite other countries to impose retaliatory tariffs against U.S.-made products making them less competitive in the marketplace.

Following the Kennedy round the U.S. exports of computers and related components have continued to increase. The Kennedy round agreement should not be abrogated or diluted. Due to certain trade restrictions in the area of export controls imposed by the U.S. computer trade will potentially be diverted to foreign countries who are being compelled to establish their own national consortia to manufacture computers, which will have the effect of diluting U.S. participation in the world markets.

I would just like to read our conclusions as stated in our brief, sir. It is only just about a page. There is a growing and increasingly com-