

1927

committee have our full support. We urge you and the committee to take prompt action so that these bills may be reported favorably to the House for passage.

CHARLES M. BEEGHLY.

KEYSTONE STEEL & WIRE Co.,
Peoria, Ill., June 10, 1968.

Hon. WILBUR D. MILLS,
Chairman, Ways and Means Committee,
House Office Building, Washington, D.C.

DEAR CHAIRMAN MILLS: With the domestic markets for some of our products being half filled by imports, we at Keystone are vitally interested in the current hearings.

Since this subject has such a vital interest to us, we appreciate and are grateful for the opportunity your Committee is giving us to be heard. As one of the smaller steel producers, Keystone supports the statement being presented in behalf of the American Iron and Steel Institute members. We supplement that statement with one of our own stressing the impact that imports have had on this Company and its people.

On behalf of the men and women of Keystone—the employees, the shareholders, the vendors and the neighbors who have a stake in our business—I respectfully and earnestly urge the adoption of the legislation proposed by the American Iron and Steel Institute.

Sincerely,

WALTON B. SOMMER,
President and Chairman of the Board.

STATEMENT OF WALTON B. SOMMER, CHAIRMAN OF BOARD AND PRESIDENT,
KEYSTONE STEEL & WIRE Co.

I am Walton B. Sommer, President and Chairman of the Board of Directors of the Keystone Steel & Wire Company, Peoria, Illinois. I submit this statement to solicit your favorable consideration of appropriate legislative action to help equalize certain trade factors, the imbalance of which presently permits foreign steel products to consume so great a share of our domestic market.

The Keystone Steel & Wire Company was started by my grandfather and his father in Central Illinois in 1889. Today our Company has over 5,500 stockholders and with our subsidiary companies employs 6,300 people.

Back in 1889, we started this business by weaving galvanized steel wire into wire fencing for the farmer. The Company has progressed to today where we are capable of producing 700,000 tons of steel ingots in five open hearth furnaces at Bartonville, Illinois. This steel is rolled or cast into billets, some of which are then processed into rods in which form they are sold to subsidiaries and other manufacturers. Our finished products are various types of industrial wire, products for the farm market (under our Red Brand trademark for field fence and barbed wire), building and construction materials from nails to welded wire fabric for reinforcing concrete and plaster, etc. Our main plants are at Bartonville, Illinois, but with our subsidies, the National Lock Company in Rockford, Illinois, Mid-States Steel and Wire Company in Crawfordsville, and the Chicago Steel and Wire Company in Chicago and their various branch operations, we have active producing and distribution outlets from New York State to Florida to California to Seattle. The most recent addition to our corporate family by acquisition is the plant and properties of Wickwire Bros., a wire products fabricator in Courtland, New York.

While our production is centered in Peoria, Illinois, imports of steel and wire products through most of the customs districts have a sharp impact on our competitive climate. Those steel products which are our specialty such as wire rods, drawn wire, barbed wire, woven wire fence, nails and staples have had their domestic markets heavily infiltrated by imported steel from Europe and Japan. This is reflected by the 1967 statistics of U.S. imports of selected steel and wire products which Keystone produces, shown as a percentage of the U.S. market: wire rods, 46.1%; drawn wire, 15.1%; wire nails, 39.8%; barbed wire, 40.6%; and wire fence, 32.9%.

Important markets for Keystone's customers have also been diluted by imports. I refer to the fastener business where imports of bolts, nuts and rivets practically