

Prior to retiring on January 1, 1968, I was executive vice president of this company and the operating head. My service with this company extends from 1935 to the present time.

We have been in the business of fabricating transmission towers since 1937.

I am chairman of the ad hoc committee of Galvanized Transmission Tower Fabricators who, on June 21, 1966, filed a complaint with the Honorable Lester D. Johnson, Commissioner of Customs alleging that the Italian Government was subsidizing exports of cell transmission towers into this country.

This committee is comprised of representatives of nine principal domestic fabricators of transmission towers, with a total of 18 plants.

Galvanized electrical transmission towers are used by the utility companies to support high voltage lines for the transmission of electric power across country.

With me today is Mr. David Searls, a senior partner in the law firm of Vinson, Elkins, Weems, and Searls, in Houston.

Mr. Searls is counsel for our ad hoc committee.

Mr. Chairman, with your permission I would like to make a few brief comments concerning the problems that we face with respect to foreign imports of transmission towers and I have filed for your consideration and offered for the record a more complete statement.

The CHAIRMAN. That will appear in the record without objection. Mr. Gannaway.

Mr. GANNAWAY. Our company first became aware of the serious situation that we faced in the importation of transmission towers from Italy in 1964 when we lost a rather sizeable contract to an Italian fabricator. The amount of the contract was in the neighborhood of one and a quarter million dollars.

We lost this contract by something like \$70,000. At that time I visited with members of the TVA. I visited with our representatives in the House and Senate and we made a rather intensive study in an effort to convince the Tennessee Valley Authority that it was in our interest and the interest of this country to purchase these towers locally but the contract was eventually awarded to the Italians.

Imports of galvanized transmission towers have been increasing at an alarming rate since 1964.

In the year 1965, 25 percent of the total domestic market was furnished by foreign concerns.

We are a small company and, realizing that we were facing increased competition from foreign sources selling at prices significantly below what we at Flint could meet, we enlisted the help of other domestic producers and formed an ad hoc committee in early 1966, the purpose being to determine what was happening to our industry as a result of these imports.

Our investigation revealed that the Italian producers of electrical transmission towers shipping into this country were being subsidized in one way or another by the Italian Government under Italian law No. 639 of July 5, 1964, and in the amount of approximately \$25 per ton and also they were being subsidized in the amount of 7.8 percent of the export price under Italian law No. 570 of July 31, 1954, and as implemented by law number 1162 of November 15, 1964.