area compete with us on the finished product. If we were to depend solely on domestic steel, the probabilities are that we would be forced to curtail our operation considerably or, even worse, be forced out of business because:

1. The domestic steel producers would raise the price of our raw material to the point that we would no longer be competitive or we would have to curtail our operation considerably in order to stay in the market, which was the case prior to 1955.
2. In our area there are not enough wire rods produced by the basic steel producers to supply the market.
3. Operating costs would increase due to the fact that the domestic rods available to us at the present time are not as high in quality as we can obtain from overseas.

I have enclosed a brief description of our operation. We were faced with serious import competition five years ago. We did not run to the government and ask for protection. We sat down and used the term I like to think of as "Yankee Ingenuity." We became more efficient and produced a better quality product and were able to compete with foreign competition.

I might conclude by saying that the steel industry, the labor unions, along with the government, should take a positive approach to this problem rather than the negative approach that has been taken. We should look at possible ways such as tax advantages and lower interest rates which would help us to compete with foreign imports domestically and also encourage exports. There are many other ways that this problem can be solved constructively, I am sure, rather than frantically trying to restrict imports through high tariffs or quotas—which the basic steel industry would like for us to do to protect their own selfish interest.

If, in this country, we are going to survive economically and continue to be leaders in the world, we must be competitive in the world market. We cannot build a fence around this nation by quotas and duties and expect to survive economically now or in the future.

Sincerely yours,

JAMES L. WALKER, *President.*

I. Description of our operation

A. Our firm uses hot rolled wire rods produced by integrated steel mills and cold draws these wire rods into various sizes, grades and qualities of finished steel wire.

B. We use approximately 25 different types and grades of wire rods which are based on the diameter and chemical composition depending upon the end use requirement of the wire or wire product.

C. There are approximately 38 different types of wire and wire products that we manufacture. These are broken down into seven different catagories:

1. Industrial and manufacturers wire.
2. Concrete reinforcing wire products.
3. Chain link fencing.
4. Building material products.
5. Merchant wire products.
6. Farm and agricultural products.
7. Florist and fine wire products.

D. Manufacturing locations

	Total number of employees
Los Angeles, Calif. (headquarters)	324
Hayward, Calif.	52
Seattle, Wash.	24
Total	400

E. Geographic area of sales.

California, Arizona, Nevada, Utah, Idaho, Oregon, Washington, Alaska, Hawaii, Montana, and Wyoming.