

Mr. BURKE. Thank you very much.

Are there any questions?

Mr. BATTIN. Mr. Chairman.

Mr. BURKE. Mr. Battin.

Mr. BATTIN. I would just like to thank Mr. Phillips. I have never heard him testify before. I think the charts that he presented and the visual aids of actually what has happened are most helpful. I unfortunately share your same belief as far as some of the actions of our negotiators in the past, and I too am hopeful that we will on this committee take a look at this whole problem and do something about it during this Congress.

Mr. PHILLIPS. We certainly hope so, sir.

Mr. BURKE. I would just like to commend you on your statement, and the point brought out that contradicts some of the statements that are being made here that there is no concern on the part of some people in this country about what is happening to some of our industries.

As has been pointed out here very graphically by you and the charts and the submission of this type of product, there are some real problems here in the country, and some people have to come up with some answers. The time is running short and your industry is just another one of the industries that is being injured by those who have their blinders on just like ostriches with their heads buried in the sand, and refuse to look at the problems as they exist.

You have given excellent testimony here, and the committee wishes to thank you.

One question from Mr. Landrum.

Mr. LANDRUM. Is it your judgment that the import quota bills introduced—I have forgotten the numbers, H.R. 11578 and others—put any particular gun at any of our trading partners' head? Is it that sort of a threat to any of our trading partners?

Mr. PHILLIPS. I don't believe so, sir. My primary hope is that our Government's representatives would be representatives of the people and be a little less concerned about the reaction of some of our trading partners. Their representatives are not the slightest bit concerned about our reaction, as you saw by the previous speaker.

Mr. LANDRUM. Would it be your judgment, then, that H.R. 11578, introduced by Mr. Mills, is designed more to bring about an orderly entry of imports so as not to upset our local job economy?

Mr. PHILLIPS. It certainly is our position, sir. We have wholeheartedly endorsed that proposal and will do everything we can to make it successful, and we have endorsed it completely and that is in our prepared text which has been submitted to you.

Mr. BATTIN. I was curious about the difference in price there, and you say the quality is comparable. How about, if you know, the profit margin?

Mr. PHILLIPS. One of the more difficult aspects of this is that many retailers can get a higher profit margin by importing goods from abroad and by doing it themselves than by getting involved with the middle man, such as us, as unfortunately, in this day of profit squeeze, it is terribly tempting for many of them to buy foreign items.

Mr. CONABLE. If the gentleman will yield, I notice that most of those real bargains came from large New York City department stores.