

Therefore, the assumption is that they are importing them directly. Is that it?

Mr. PHILLIPS. I know for a fact that E. J. Korvette imports directly, Alexander's and Sears and Macy's import directly.

The answer to that is yes.

My testimony really was nothing but a repeat of what I have just said before the Tariff Commission.

I happened to procure this identical set of shirts from the Hecht Co. and Woodward & Lothrop in Washington. This exists in every city in the country, and New York is certainly no exception.

Mr. CONABLE. As a natural concomitant of this big increase in imports, there is some breakdown in the structure of distribution in this country. Is that correct?

Mr. PHILLIPS. What is pending before us is a complete breakdown of that happening. If that happens, if this price disparity continues to exist, then some of the major chains are going to make some major moves abroad.

The legitimate department stores in this country will then begin to make greater steps abroad, and then, which is happening right now, we and all of our counterparts and associates will make those steps, and everyone who competes with us will follow.

Mr. CONABLE. What I meant was that, as a matter of practice, you would normally distribute your shirts through some sort of agency, some sort of middleman. Is that correct?

Mr. PHILLIPS. Through a retailer, men's wear store.

Mr. CONABLE. Through area representation, and that person, independent or otherwise, would handle all sales to retailers for you, rather than you selling directly to retailers?

Mr. PHILLIPS. That is not the case in our company, but some people do operate that way. We do not. We sell directly to the retailers, as does our branded competition.

Mr. CONABLE. I think that is all.

Mr. BURKE. Thank you very much, Mr. Phillips.

Our next witness is Mr. Fred Bissinger.

Mr. Phillips, do you have any of the data that you have submitted in those pamphlets that you wish in the record?

Mr. PHILLIPS. I have submitted for the record, sir, the program of this meeting in Atlantic City, the advertising, and all of the shirts, and our prepared testimony covers all of the statistics.

Mr. BURKE. It won't be necessary for you to leave the shirts.

Mr. PHILLIPS. It might be the Representative's size, sir.

Mr. BURKE. It might be misunderstood. But it is important to leave whatever pamphlets you had there with respect to that meeting, and anything else that might be printed in the testimony.

Mr. PHILLIPS. Thank you.

Mr. BURKE. Mr. Bissinger, will you please identify yourself for the committee and proceed?