

Importers, Inc. of New York. The Association is composed of importers of woolen and worsted fabrics from all of the major exporting countries in the world. I am associated with Iwai Co. of New York City. I have been affiliated with the clothing business since March 1918 in practically every phase of the business: retailing, wholesaling, and manufacturing. I have been engaged primarily in the styling and purchasing of woolen and worsted fabric used in men's clothing.

Since 1955, I have been self-employed as a broker importing men's wear worsted fabrics from Japan. I maintain my contacts with a number of the better quality retail operations as well as with the wholesalers to whom I attempt to sell merchandise. Based upon a lifetime of experience, I can state that the ultimate success of the better grade stores throughout the country in the sale of men's clothing is entirely upon their ability to get special styling, and better quality fabrics, than they are able to get from domestic mills, which specialize primarily in lower grade merchandise.

We are able to make fancy styles in this country and domestic mills are increasingly attempting to develop styled fabrics. However, the domestic industry largely destroys the purpose of having a special style because their production methods require longer runs. The foreign mills on the other hand, Japanese, English and Italian, find it profitable to make small warps (as small as four pieces to a style) enabling a large variety of exclusive styles.

What is obvious to us in the marketplace, is that foreign worsted and woolen cloths are selling on the basis of style and quality; whereas, domestic production is selling at considerably lower prices and does not offer the clothing manufacturer the same style features or the variety in styles which are available in the imports.

For example, silk and worsted fabric (which accounts for well over one-third of worsted fabric imports from Japan over the last several years) is a unique cloth which is strictly a development of Japanese styling, technique and ingenuity and a cloth which has not been duplicated anywhere else in the world, certainly not by our domestic mills.

Imported worsted fabrics are made of the finest grades of virgin wool from yarns spun in very high yarn counts and woven in finer constructions than cloth produced in American mills.

My judgment of the marketplace is that the average American price for worsted cloth runs from about \$2.80 to \$3.40 a yard. This is where the volume business is done by our domestic mills with perhaps a very minute percentage of production at higher price levels. In contrast, there is very little, if any, worsted material brought in from Japan under about \$4 per yard.

The Tariff Commission found the average landed value of Japanese worsteds was "about \$4 per linear yard, which is believed to be higher than the average wholesale price of men's domestic wool worsteds." The Commission also found: "The British imports are usually high-styled expensive fabrics averaging over \$5 per linear yard (duty-paid), and compete directly with a limited segment of the domestic production of wool apparel fabrics."

Whereas imports are confined primarily to the men's suits field with some imports utilized for high quality sport jackets, the domestic industry practically has to itself the much more rapidly growing men's slacks field and fabric for the women's trade.

Import data (see attached table) shows that imports of wool fabric have been declining over the last several years. Total imports dropped from 84.9 million square yards in 1965 to 67.1 million square yards in 1966 and 60.6 million square yards in 1967. For the same years, imports from Japan, the major supplier, dropped from 40.4 million square yards in 1965 to 37.7 million square yards in 1966, with a slight increase to 38.7 million square yards in 1967.

Certainly this shows a declining pattern of imports, not the "rapidly increasing" imports which the domestic industry would have you believe. Imports for 1968 so far are higher than 1967, but at about the same level as 1966.

Domestic worsted business has been booming, particularly in the polyester/worsted blends in which they specialize and in which imports can hardly compete.

I am in the market every day and there is more than ample evidence that domestic mills are solidly booked ahead and in many cases are not able to meet their customers' demands.

I participated in the Tariff Commission proceedings on textiles and apparel. I believe that this report has put the entire matter in perspective. The Commission found declining United States production of chiefly wool fabrics. However, it remarked: