management in the knitted outerwear industry of the United States and in the auxiliary supply industries dependent upon it.

I respectfully submit this, and I thank you.

Mr. BURKE. Thank you very much.

Mr. Korzenik, the record is being left open for you to submit any other statement you have.

Mr. KORZENIK. Thank you, sir.

I propose to submit a written statement elaborating these points in greater detail.

(The following statement was received by the committee:)

STATEMENT OF SIDNEY S. KORZENIK, EXECUTIVE DIRECTOR AND COUNSEL, NATIONAL KNITTED OUTERWEAR ASSOCIATION

The manufacture of knitted outerwear is one of the several segments of the textile-apparel complex that has experienced severe and increasing pressure from imports. As with all apparel, its products are generally labor-intensive, and it has been particularly vulnerable to competition from rival producers in low-wage areas of the world. Its difficulties are illustrative, therefore, of the impact and danger which imports present to the textile and apparel industry in general.

The kniteted outerwear industry is ordinarily defined to include those firms which knit yarns into a variety of end products, including sweaters, knitted shirts, knitted swimwear, knitted dresses and suits, knitted infants' and children's wear, knitted headwear, and other types of knitted outerapparel. Unlike the woven apparel industry, its raw materials consist of yarns, not woven fabrics. It is thus textile in character and is ordinarily so classified. But it turns out ready-to-wear.

The annual output of knitted outerwear was valued at about $1.3 billion in 1966, the last year for which official data are available. We estimate it to be no more than that, possibly less in 1967.

The knitted outerwear industry, like other branches of the apparel industry, is substantial in the aggregate, but consists of numerous small-business enterprises. Approximately 1,175 firms constitute the nation's knitted outerwear industry.

Plants manufacturing knitted outerwear are concentrated primarily in the eastern part of the country from New England down through New York, Pennsylvania and southward through the Carolinas. Other centers of production are in Cleveland and on the Pacific Coast. The industry conducts manufacturing operations in thirty-two states of the Union. The industry is not limited by its equipment or by its marketing organization to any particular fiber. It uses all fibers interchangeably. The shift from one type of yarn to another is effected as simply as doffing one core from the knitting machine and mounting another.

The distinctive and differentiating character of the nation's textile and apparel import problem arises from the operation of at least two special factors.

First, it is one of the most labor-intensive of the manufacturing industries of the country.

A second distinguishing factor is that the first type of manufacture which underdeveloped and low-wage areas of the world have entered or are most likely to enter in the initial phase of their industrialization is the production of textiles and apparel.

Both of these factors have operated with special force in knitted outerwear. In consequence, the rise in imports of knitted outerwear has been swift and continuous. While domestic production and shipments rose and well with good and bad years, total imports of knitted outerwear in every year throughout this period were higher than in the previous year.

In 1956 the total of such imports in all fibers amounted to less than 3 million pounds. We estimate that in that year it represented less than 2% of our market on a poundage basis. By 1967 this total rose to 64.4 million pounds, or more than 20 times what it was in 1956, and about 3½ times the total of only 5 years ago, as shown in Table 1. The quantity of imports has continued to increase in every month thus far reported in 1968 over the corresponding month of the previous year.