There are two principal reasons for the health of the domestic industry. The first is the revolution in manufacturing techniques which has

come into the carpet and rug industry in the last 8 or 10 years.

For approximately 100 years before that, since the middle 19th century, carpets were made on a machine-powered loom by a weaving process very similar to the way other woven products were made, although it was, of course, a special kind of loom for handling the heavier work involved in carpets.

There was little change in the technique until the first tufting ma-

chine was introduced in this country in 1946.

Tufting didn't really catch on. It started out in 1946, after the war, in bathmats, and that kind of product. It didn't really catch on until the late 1950's.

In the tufting process, quite distinguished from the weaving process which had been used before, a prepared backing, a special backing that looks somewhat like burlap is run through a machine which has hundreds of needles which operate simultaneously, and at great speed, to insert individual tufts through that burlap backing.

The backing is then run through other machines which put on a rubberized substance on the back, to hold those tufts in, and then adds other layers of burlap and other things to give the carpet the necessary

body and other qualities.

This tufting process has tremendous economic advantages over the old weaving process. A tufting machine can produce 20 to 30 times as many square yards of carpet as a weaving machine, what we call a Wilton machine.

It uses only a fraction of the labor. The labor cost on a square yard

of carpet comes out to a few cents, 5 or 6 cents.

But apart from this economy in the manufacturing process itself,

the tufting process permits other very substantial economies.

Woven carpet produced by the old method has to be made out of colored yarns, and in the design that one wants. One has to use red and blue yarns, if he wants a red and blue carpet. The design has to be woven into the rug.

If a manufacturer wants to produce carpet in 30 colors, he has to produce each color on his machine, and keep it in stock, which, of

course, is very expensive.

With the tufting process, he produces carpet in gray goods, produces it in the natural color of the yarn, undyed. The carpet is made that way and stocked in rolls, then as he sells it, he runs the completed carpet, as it were, through a vat which puts dye in it, and there are now dyes which can, because of different kinds of yarn, already built into the carpet, cause the carpet to come out with several different colors in it.

There are also techniques recently being developed which permit

designs to be printed on these tufted carpets.

All of these techniques have established, as we referred to earlier, a revolution in the manufacturing of carpets, and the result of this has been that tufted carpets now constitute some 90 percent of domestic carpet and rug production.

The second reason for the tremendous health of the domestic carpet and rug industry is the expansion of the domestic market, which has

taken place in recent years.