

Mr. BURKE. You mentioned, Mr. Herkner, that your firm had 10 other competitors in the United States. Do any of these 10 companies have plants located overseas?

Mr. HERKNER. Yes.

Mr. BURKE. How many?

Mr. HERKNER. I believe of that, including ourselves, three.

Mr. BURKE. Thank you very much. I wish to commend you three gentlemen for your excellent testimony and the very graphic charts that you brought before the committee today. Your entire statement, with all the exhibits, without objection will be included in the record.

Mr. GEIER. Thank you, Mr. Chairman.

Mr. HERKNER. Thank you.

Mr. BURKE. Our next witness is Mr. Bernard J. Shallow. We welcome you to the committee and will you identify yourself for the record.

STATEMENT OF BERNARD J. SHALLOW, CHAIRMAN, ANTI-FRICTION BEARING MANUFACTURERS ASSOCIATION

Mr. SHALLOW. I am Bernard J. Shallow, chairman of the Anti-Friction Bearing Manufacturers Association.

Mr. BURKE. Thank you.

Mr. SHALLOW. We have filed a brief with the committee and ask that it be made a part of the record.

Mr. BURKE. The entire brief will be made a part of the record.

Mr. SHALLOW. Mr. Chairman, my purpose here this morning is to read a condensed statement, on behalf of the Anti-Friction Bearing Manufacturers Association.

On behalf of the AFBMA may I commend you for conducting these hearings on the future of U.S. foreign trade. No subject could be more topical or urgent to our association.

The AFBMA is a national association comprised of companies who account for more than 80 percent of this nation's output of antifriction bearings. This industry currently produces approximately \$1.2 billion of antifriction bearings annually, with a work force of more than 60,000 in plants located in 20 States.

INDUSTRY ESSENTIALITY OF NATIONAL DEFENSE

While the products of the antifriction bearing industry, in a very real way, are one of the cornerstones of any industrialized society, their posture in our program of national defense is even more important. Without bearings the defense capability of this country would not only be crippled, it would be ruined. Indeed, the historical record of this industry in times of national crisis—World War II, Korea, and Vietnam—provides indisputable evidence of the interrelationship between national security and a healthy, viable antifriction bearing industry.

FOREIGN COMPETITION

Historically, imports of bearings have not been a matter of real significance.

In recent years, however, the productive capacity of foreign producers, especially that of Japan, has burgeoned far beyond domestic