

plus imported frames, less exported frames. In 1962 the total number of umbrella frames used by the domestic umbrella manufacturers was 883,334 dozens, of which 142,828 dozens were imported umbrella frames.

An examination of Exhibit B shows, for the year 1962, the total domestic market of umbrellas to be in the amount of 1,425,859 dozens, of which 550,795 dozens were imported finished umbrellas. The percent of imports to the total market was 38.6%. Note the percentage for 1950 when it was 6.6%.

We now direct your attention to Exhibit C, which dramatically points up the impact of imports on the umbrella frame market. This Exhibit is compiled on the premise that every imported umbrella, as well as every imported frame, results in the loss of the sale of a frame, in each case, to the domestic producer.

Exhibit C, for the year 1962, on a total market of 1,425,859 dozens consisting of domestic frames plus imported frames, plus imported umbrellas, minus exported umbrella frames, minus exported finished umbrellas, shows a percentage of imports to the total market of 48.5%. This should be compared with the percentage in 1950 of 7.5%.

In an endeavor to bring the statistics closer to the present date, we refer to Exhibit F which contains statistics issued by the U.S. Tariff Commission dated March, 1967 for imports of umbrella frames imported from all sources in 1966 in the amount of 103,108 dozens.

Exhibit G shows umbrellas imported in 1966 from all sources reached an all time high of 1,016,728 dozens.

An examination of Exhibits F and G indicate that the quantity of umbrella frames has diminished over the years from 1960 to 1966, whereas the quantity of umbrellas imported has risen from a low in 1961 of 385,482 dozens to a high of 1,016,728 dozens in 1966. (By reason of the disparity in the Tariffs)

There are no existing statistics as to the combined production or sales of the three remaining umbrella frame manufacturers for the year 1967 but an educated guess would be that this would be approximately 600,000 dozens umbrella frames manufactured and sold in the domestic market. Assuming the total domestic consumption of frames for the year 1967 to be the equivalent of the total imports of frames, plus the total imports of umbrellas, plus the total sales of domestic frames, it is estimated that the domestic market is in excess of 2,200,000 dozens frames and umbrellas. Therefore, it is apparent that the domestic manufacturers have approximately 27% of the market. It is astounding—27% of the market and going down (See Exhibit J).

An examination of Exhibit J indicates that for the first quarter of 1968 combined frames and umbrellas imported equal 462,459 dozen compared to same period in 1967 when combined frames and umbrellas imported were 334,297 dozen—an increase of 128,162 or 38%. If this trend continues our share of the market will drop dramatically below the 27% we now have.

This is one painful aspect of the situation. The other very serious consideration is that in order to maintain this small percentage of the market the domestic manufacturer is obliged to sell his product at approximately the same price as the imported counterpart (largely from Japan). Therefore, two very important factors join to seriously prejudice and affect the domestic producer of umbrellas and umbrella frames.

1—Diminished volume

2—Prices that reflect losses

The statistical materials that are submitted herewith point up the dramatic impact of imports. Over the years the tide has been constantly and steadily rising.

In January 1964 the Tariff Commission in unanimously finding that the case for umbrellas and frames did not satisfy the criteria set forth under Section 301 (2) (1) of the Trade Expansion Act of 1962 stated:

"In the instant case, the Commission finds that any increase that may have occurred in imports of umbrellas and of umbrella frames in the most recent years is not attributable in major part to trade-agreement concessions. The concession on umbrellas became effective in 1950 and that on frames in 1951. The concessions tended to stimulate imports in the periods following the effective dates of the concessions and, presumably, since then have operated to maintain imports at higher levels than would have otherwise prevailed. The concessions, however, have become part of the conditions of trade during the past decade or so; the major causes of any increase in the rate of importation in the more recent years, of either umbrellas or umbrella frames, lie elsewhere.

This conclusion is substantiated by the pattern of imports in recent years which indicates that competitive factors in the trade, and not trade-agreement