

concessions, have been controlling. The volume of imports of umbrellas has been downward each year since 1959 except for a substantial rise in one year (1962) when the volume did not even closely approach the 1959 high. The volume of imports of frames has been at about the same level with moderate fluctuations since 1957, following a sharp decline from 1956. The volume of imports of frames as such, plus the much larger number incorporated in umbrellas, has followed much the same pattern as the imports of umbrellas. Data for 1964 indicate further declines in the imports of umbrellas and a continuation of the fluctuating but sideward movement in the importation of frames, as frames.

From Exhibit G it would appear that the quantities and the dollar volume of frames (only) between 1960 and 1966 from all countries have remained relatively static—ranging from a high of \$563,541 in 1962 to a low of \$338,872 in 1965 and \$385,504 in 1966. By dozens—1962 showed 142,828 dozen and the low of 103,108 dozen in 1966.

Referring to Exhibit I—eleven months in 1967 showed a low of 113,220 dozen for \$386,413.

Exhibit F which *concerns itself with umbrellas, shows an entirely different picture*. In 1961 we had a low of imports from all countries of 385,482 dozen and a high of 1,016,728 dozen in 1966. In value 1961 equaled \$2,456,388 and 1966 piled up \$7,629,102. Exhibit I shows eleven (11) months in 1967 with 594,194 dozen valued at \$6,530,193.

The latest F. T. 110 shows for 1967 the following :

Umbrellas, 1,486,000 dozen.

Valued at \$11,403,998.

Frames, 120,000 dozen.

Valued at \$527,918.

Now examine the Tariff Commissions reasoning in 1964 and apply it to the statistics of umbrellas 1960-1967. This then is "the bottoming out" in 1964 of 498,150 dozen which was low except for an "abnormal" rise in 1962 to 550,795 dozen *which in 1967* becomes a not insignificant 1,486,000 dozen value in excess of \$10,000,000. What has happened to the domestic frame industry in the process. It has been reduced to three (3) (down from eight (8)). Their share of the frame market was :

	Dozen (estimated)
1965 -----	700, 000
1966 -----	650, 000
1967 -----	600, 000

If in 1964 the Tariff Commission could have foreseen that there would be 1,486,000 dozen imported in 1967 would their decision have been different? We doubt it. Their decision was a rationalization of a preconceived determination. In other words, we couldn't win. The Commission determined that the major causes of the increase in the rate of importation lie elsewhere. It does not say what they are. We submit the major cause is the price differential created by the low labor rates and the tariff concessions. The difference in the landed cost of frames is considerable in some styles and sizes but the spread as far as umbrella bases and umbrellas is much greater. In addition the duty on umbrellas is 20% while the duty on frames is 30%. Hence, in an umbrella or a base, the frame lands at 20% duty. For these reasons the amount of frames imported is small relative to the quantity of umbrellas and bases brought in.

An example of the difference in landed cost is cited hereafter :

	Price per dozen (wholesale)	
	Domestic	Imported (landed price)
Frames:		
20-inch by 10-rib frame on nickel rod.....	\$4. 50	\$3. 50
Self-opening frame (men's).....	10. 50	7. 50
17-inch by 8-rib silver frame on nickel rod.....	4. 00	3. 15
19-inch by 16-rib silver frame on nickel rod.....	5. 50	4. 50
Umbrella prices:		
20-inch by 10-rib ladies' umbrella, nickel rod, nylon cover.....	18. 00	13. 00
Self-opening men's umbrella, nickel rod, nylon cover.....	26. 00	17. 00
19-inch by 16-rib ladies' umbrella, nickel rod, nylon cover.....	22. 50	15. 00