

Mr. FINKEL. Exactly, and may I make one point in connection with that. This refers to the Japanese portion of the industry. They have a trade association that has representatives here and they have their fingers on the pulse of this business here and during our hearings in the Tariff Commission they maneuvered the imports to create statistics to prove their points so that, while the hearings were going on, the imports went down and the minute the decision came out the imports raised.

Mr. BURKE. They are very clever.

Mr. BUSH. I wouldn't doubt this. The only question I would like to put on the record, Mr. Chairman, is that I am wondering basically whether in a handicraft industry we can be as restrictive and continue to get the best deal for the American people as in a more basic industry or a more technologically oriented industry or something of that nature. That is my only point.

Mr. BURKE. I think our witness is pointing out that, once you destroy your competition, then you are able to come in and raise your prices.

Mr. BUSH. I think that is true.

Mr. FINKEL. And this industry doesn't have far to go to be destroyed.

Mr. BURKE. How many years do you think you can last under the present situation?

Mr. FINKEL. I wouldn't look forward to more than another year or two. Everyone is losing money in this business, and has been.

Mr. BUSH. I wasn't debating that.

The figures were appalling. The only thing I would say in rebuttal to this is that if you set out raising of prices you see a massive international cartel, because some Italian guy would start making not just the handle but the rest of it.

Mr. FINKEL. He couldn't begin to compete with the Japanese.

Mr. BUSH. He would begin to compete with them if they kept raising the price beyond a point at which they were competitive. My point is that competition is going to come into the market at some price so that I can't fully subscribe to your view that lacking here there isn't going to be any control of prices from competition.

Mr. BURKE. Mr. Finkel, you made an excellent case here today. We wish to thank you.

This concludes our testimony here today, and our committee now stands adjourned until Monday at 10 a.m., when we will resume hearings on the trade laws.

Mr. FINKEL. Thank you for listening to me, sir.

(The following letters and statements were received, for the record, by the committee:)

POLAN, KATZ & Co., INC.
Baltimore, Md., July 9, 1968.

HON. WILBUR D. MILLS,
Committee on Ways and Means, House of Representatives, Longworth House
Office Building, Washington, D.C.

DEAR SIR: We have received a copy of a brief submitted June 21st, 1968 by Leonard E. Finkel, president of the Umbrella Frame Association of America, in connection with the public hearings held by your committee during June on the subject of Balance of Trade between the United States and Foreign Nations.

While Mr. Finkel in his brief tied in the mutual problem of the umbrella manufacturing end of our industry, it is our feeling that we should also make a statement.