

Despite increased imports, total manufacturing beef supply was markedly smaller in 1958 than in 1957, causing a sharp increase in prices for Utility and Cutter grade cattle. During the same period, despite the rapid increase in imports, average Choice steer prices rose from \$23.83 in 1957 to \$27.42 in 1958. This price increase was the result of the fact that domestic table beef supply dropped in 1957 and 1958.

In 1963 and 1964 domestic table beef supply jumped sharply upward, driving steer prices down correspondingly. In 1963, the year imports reached an all-time high, domestic manufacturing meat supplies reached the lowest point in recent history. Despite the size of imports in 1963, combined imported and domestic manufacturing beef supply was lower than in 1962!

The increase of imports to a small but important level during the past decade has been in response to demand created by continuing short supply of domestic manufacturing meats. There has been no alternative but to import supplemental quantities of meat to fulfill the needs of American consumers. Recognition of this problem and others affecting the raising of cattle and production of meat by major segments of the industry is witnessed by a recent "Prospectus for the Meat Industry" issued by the Senior Vice President of one of America's large meat companies which is a major importer-exporter of meat products (See Appendix VII).

Corporate action based on long range forecasts and the ability to produce high quality steers on the same basis as