Although I am listed to speak on behalf of the cycle parts manufacturers, I request permission to submit a brief at the end of the testimony on their behalf.

Mr. BURKE. Without objection, you may do so.

(The brief referred to was not received by the committee by the time the hearing went to press.)

Mr. WARRELL. I will limit myself to speaking about the bicycle tire and tube industry, which is very fairly typical of the industry today.

The bicycle tire and tube industry in the United States today is composed of three manufacturers. They are the Goodyear Tire and Rubber Company of Akron, Ohio; Uniroyal, Inc., New York City; and the Carlisle Corp. of Carlisle, Pa. All of these manufacturers are members of the Cycle Parts and Accessories Association, and through this trade association have participated in testimony concerning foreign import problems before various congressional committees in the past. Because bicycle tires and tubes are the major purchased cost component of a bicycle, and because of the increasing gains made by imported tires and tubes, we in the industry felt it best that a separate statement be made outlining our particular problems.

The facts that I present today will demonstrate the serious injury which has already been inflicted upon our industry under the existing tariff and labor standard bills already on the books, as well as the regulations and interpretations made concerning them. At one time, there were in excess of 15 manufacturers of bicycle tires in this country. This number has been reduced to three, through the competitive effects of our economic system. I mention this so that you will recognize that those companies that remain have done so through superior competence in the technical, manufacturing, and marketing fields of this market.

It will be pertinent to note that there are no manufacturers of bicycle chain in this country today, and only one manufacturer of bicycle brakes.

Since 1957, imported bicycle tires and tubes have made steady and relentless progress to take away more and more of the domestic market from our industry. This has been done solely on the basis of price, not technical skill or marketing excellence. Low-labor costs in foreign countries, both in Europe and Asia, have meant the difference. In 1957, 5.4 percent of the bicycle tires sold in the United States were brought in from abroad, and by 1967, foreign tires accounted for 44.3 percent. At this rate of increase, there will be no domestic bicycle tire industry by 1976. A table showing bicycle tire shipments for the years 1957 through the first quarter of 1968 is attached to this statement and marked "Exhibit A."

In addition to the substantial quantities of loose foreign tires coming into this country; that is, tires not mounted on bicycles, the domestic bicycle tire and tube manufacturers are also losing sales because of the import of foreign bicycles that, of course, are imported with foreign tires. If these figures are added to those just mentioned, the foreign manufacturers had over 50 percent of the total market in 1967.

Japan, which country accounted for over half of the tires imported into the United States, has labor rates of less than one-sixth that of