

The price curve then "wobbles" along through the sixties, sending American ranchers out of business at the rate of about 500 per year, at gross auction prices which never again attained anything like former levels of profit. The bar which is inserted to indicate the price-squeeze plateau can be read off to represent the following price averages:

1961 through 1967-----	\$17.19
1961 through 1966-----	17.71
1960 through 1967-----	17.98

In any case, the price-squeeze plateau can be taken to represent a rough measure of the cost of production on American ranches, since, at that level, dropouts, or failures, occur consistently from year to year and at a consistent and continuing rate. Specific cost of production data on domestic production is unavailable either from the industry or from the Tariff Commission, presumably because of its confidential nature. It must be noted, however, that true "take-home" prices for the rancher are from \$2 to \$2.60 less than gross average auction price, from which the rancher must pay an auction selling commission, an association deduction for promotion and market development and other incidental selling charges such as dressing—\$1.50—and shipping and insurance.

Continuing with the price curve, 1967 brought another crash market, even more severe than in 1961. Again imports surged upward at unheard-of rates, volume increasing from 4.8 million in 1965 to 5.7 million in 1966, a percentage increase of 16.2 percent in 1 year. In the selling season which followed this tidal wave of imports, that is 1967, the ranchers' gross average price fell below \$14, representing a price break of 28.1 percent, and forcing the sale of the 1966 crop far below cost of production.

At the end of the 1967 pelting season 1,000 domestic ranchers liquidated their breeding stock and dropped out, presumably as a direct result of the previous price break, together with the bleak prospects to be faced from a new selling season in 1968 hardly better than the previous one. These recent dropouts represented ranches of the average size of 400-500 breeder females, with a production potential of 1,500 to 2,000 pelts each per annum, well within the specifications spelled out by the Tariff Commission as serious, commercial enterprisers. The magnitude of this loss, spread across the States, can be imagined by remembering that \$100 or more of basic investment must be allocated to each breeder female held in production.

Based on the market response from successive selling seasons in 1967 and 1968, and again a far lower base has been drawn across the chart to indicate the disaster plateau—below cost. The casualty list is impressive, and will be described further on figure II following. A glance across figure I now reveals two deeply descending levels of price experience under the weight of which we have lost over half the mink ranchers of record as registered in 1962.

DOMESTIC RANCH PRODUCTION

Running midway across figure I is the dotted curve indicating the volume of domestic mink ranch production, as determined in the recent report of the Tariff Commission, dated April 9. Though this curve