

situation would be stabilized and this would be a very definite benefit not only to the ranchers but to the buyer, to the trade itself, which requires a stabilization of the price structure in order to operate competitively.

This is one of the requirements of their business. It is very bad for a buyer to have to go into a market and fear that his competitor can come into that market next week or next month and underbuy and therefore permit him to undersell.

Mr. ULLMAN. You have I think a unique situation. I know of no other world pricing system comparable to furs where in effect in the auction in New York the fur producers and buyers from all over the world get together and sell on a completely free market.

I don't think there is any other comparable situation and I am just wondering if you have any information about other nations? Do other nations have quotas and duties on furs and pelts?

Mr. HENDERSON. In general there is very little duty on raw pelts but there is a considerable duty in most of the nations on the importation of dressed pelts. Also I think I got the sense of your question. There are auctions abroad. There are extensive auctions in Scandinavia, Copenhagen, Oslo, Stockholm, and also in London, and these auctions themselves help build a world market price just in the same way that our American auctions do.

Mr. ULLMAN. Is your problem primarily in the raw pelt, or is it in the finished product, or is it in both?

Mr. HENDERSON. It is in the raw pelt.

Mr. ULLMAN. The bills that we have deal only with raw pelts. Therefore, the assumption is that you have no great problem in the area of finished furs?

Mr. HENDERSON. Except for the point that I brought up late in my report, the fact that there is a new dressing process that tends to imitate our colors and therefore would create a threat through the importation of dressed mink.

Except for this we are primarily concerned with the importation of raw pelts.

Mr. ULLMAN. That is your primary concern?

Mr. HENDERSON. Yes, sir.

Mr. ULLMAN. Do you feel that the New York auction is just one of a number of auctions around that world and that you could still maintain the auction if you had a quota system in effect?

Mr. HENDERSON. Without any question.

Mr. ULLMAN. And it would not interfere with the pricing system that has been established in the auction prices to your knowledge?

Mr. HENDERSON. We would assume that it would interfere in the sense that it would stabilize or tend to stabilize prices, sir.

Mr. ULLMAN. Thank you.

The CHAIRMAN. Any further questions?

Mr. BYRNES. Just one question.

The CHAIRMAN. Mr. Byrnes.

Mr. BYRNES. When you have so many business casualties what do they do with their breeding stock? They just pelt it, don't they?

Mr. HENDERSON. Yes, sir.

Mr. BYRNES. So in addition to the imports which have caused the disaster, there is a greater amount of domestic pelts going to the