

market simply because they are going to the market to be finished in furs rather than held for breeding purposes.

Mr. HENDERSON. Yes.

Mr. BYRNES. The disastrous consequences are snowballed.

Mr. HENDERSON. Yes. This is about the only thing they can liquidate out of a mink ranch that goes out of business.

Mr. BYRNES. You have been in trouble for a long time so that most of the people that are still hanging on—like Harley Wittig here and a few others that are on the borderline—can't stand to hold out very long before salvaging what they can through selling out.

Mr. HENDERSON. Yes, sir. We have been through two disastrous markets in which the price has been largely below cost of production. We have the survivors, which are approximately 3,200 survivors. These people represent the tough, more skillful, more well financed or those people who have better access to credit, let's say, than those that have gone out.

Mr. BYRNES. Am I correct that the auction market makes advance payments to the ranchers in order to weather them through to the pelting time?

Mr. HENDERSON. Yes, sir.

Mr. BYRNES. The advance is then held out of the sale proceeds so that they are really forced into a sale because of their economic situation?

Mr. HENDERSON. In effect they are, yes, sir.

Mr. BYRNES. Thank you.

Mr. BROYHILL. Mr. Chairman.

The CHAIRMAN. Mr. Broyhill.

Mr. BROYHILL. Mr. Henderson, you refer to legislation that you are supporting requiring removal of dressed mink from the quota. What do you mean by dressed mink? Is it the pelt itself, or is it in some other form?

Mr. HENDERSON. The dressed mink is a tanned pelt which is processed and ready for cutting and putting into garments.

Mr. BROYHILL. And that is where they can do the counterfeiting?

Mr. HENDERSON. That is where they can imitate the color of other minks by chemical means and what I call counterfeiting the natural colors that are developed by skillful breeders.

Mr. BROYHILL. What other way could they be shipped which would prevent the counterfeiting? Are they ever shipped in live?

Mr. HENDERSON. No, they are all pelts, sir, either they are shipped in raw or in a dressed state, one of the two.

Mr. BROYHILL. One more question. How much is the markup on a mink pelt by the time it gets to the consumer? You refer to the latest price as being \$14.50, \$15 per pelt?

Mr. HENDERSON. Gross average for the pelt.

Mr. BROYHILL. What is that costing the consumer normally in the retail market? I mean made into a garment.

Mr. HENDERSON. May I refer that to my colleague, Mr. Westwood, who is president of Emba, and therefore a marketing expert. Mr. Westwood.

Mr. WESTWOOD. I will answer that as best I can. This figure varies and for the reasons that I will explain. You sell a raw pelt or a dressed pelt. It costs \$1.50 for the dressing or tanning process. It can go