

through the hands of a dealer or directly to a manufacturer. Both sit in a sale and buy.

When this reaches the manufacturer he has the manufacturing cost. In order to work mink so they can be fit to a pattern like cloth, the manufacturers use what they call a letting out process or they take a skin that is wide and short and they drop it to the length of a garment to make a strip which is part of the beauty of the garment.

This letting out process is done by slicing the pelt diagonally in strips a quarter inch wide and sliding along and resewing them. There is approximately \$10 to \$15 labor cost in the manufacture of the garment per skin, so you have the cost of the raw material which we supply, you have the cost of the labor, and so forth that goes into the manufacture of the garment, and you have the cost of the design.

The designer creates the design and the fashions that make this desirable to the woman so you have the cost of the design. In trying to arrive at the answer to your question as to what the price is from the rancher, what the rancher gets, to what the consumer pays in general terms, and this could vary widely, it would be approximately double the price of the raw skin.

Mr. BROYHILL. Just double?

Mr. WESTWOOD. At the least double, from there on up, depending on the design, the exclusivity of the design, and reputation and resource of the manufacturer. If a dealer buys it he has to have a markup to the manufacturer. The manufacturer has to distribute it to the stores at a wholesale price. The stores retail it so I would think that double would be a very minimum, probably two and a half or three times the cost, but it would be a justifiable markup.

When it goes through the distribution channels each person that contributes to this, as in other products, is entitled to pay for the part of the service and the thing that he does in the manufacture and distribution.

Mr. BROYHILL. What about in the garments where they—I have heard of the letting out process and of mink sides—take the pelt and use only the most luxurious of the fur and make a stole or a full coat, with no other material involved other than possibly the lining.

Would the markup on that garment only be double what the rancher gets? There is not much labor involved in a garment like that, is there?

Mr. WESTWOOD. This business is very competitive, especially with the influx of imported pelts. The fur business is very competitive. The person who can buy a cheaper pelt and put it on the market cheaper by shortcut methods has driven the price down to where actually the product that the woman gets is in many cases not quite as good but she is unable to tell the difference in many cases. The competition of the lower priced pelts coming in and sometimes different methods of—

Mr. BROYHILL. Is a \$14, \$15 pelt a low-priced pelt or is that a good pelt we are talking about?

Mr. WESTWOOD. Last year and this year this is an average priced pelt, which would be a good pelt. It wouldn't be a top pelt, but it would be a good pelt.

Mr. BROYHILL. It seems to me that there is somewhat more than a double markup in this thing.

Mr. WESTWOOD. These skins are not the size of a buffalo hide. The female skin is maybe 18 inches long and a male skin 24 inches long.