cent of this country's dutiable imports. Mink is the only one of these 32 commodities as to which a world market price is set in auctions conducted in the major markets. These are free and open auctions execpt in the United States where the ranchers insist on controlled prices.

In most other auctions throughout the world mink sells for what it will bring based on prices openly and competitively bid by buyers from many countries in the world. Of the world consumption of 32 million mink in 1967 the Tariff Commission reported that the U.S. production was 6 million and that approximately 93 percent of that production or 5,580,000 skins were sold in the U.S. auctions.

The prices realized in these auctions bear little relation to world prices received in European auctions for there are approximately 60 million skins sold in such auctions. For these reasons the domestic mink ranchers are inevitably a part of the world fur market. They cannot isolate themselves.

Domestic prices unless influenced by legislatively created U.S. monopoly or semimonopoly are inevitably geared to world demand and supply. And monopoly can do the U.S. consumer no good and in the long run would be a serious detriment to the U.S. mink rancher, one-sixth of whose production is exported to other countries.

Third, the Tariff Commission study of mink. Aside from the marketing problems the domestic mink ranchers have experienced, they unfortunately have failed to recognize that they are not only a part of the international mink market but also are participants in the international fur market.

The recent exhaustive study by the U.S. Tariff Commission established that the problems of the domestic mink ranchers have resulted largely from economic conditions in the major consuming countries and not from U.S. imports of mink furskins.

Mr. Sharp, counsel for the Scandinavian Fur Agency, will summarize the facts found by the Tariff Commission. There has been some criticism of the Tariff Commission report because it did not explicity state what impact imports had on the domestic mink producers.

Despite this, no one can read this report—and it is an exhaustive report on the subject—and come to any conclusion other than that factors other than imports have been the cause of the difficulties the domestic mink ranchers have occasionally experienced.

Fourth, quotas and embargoes on furs don't work.

I should like to now turn to why, clearly aside from the facts I have recited above, the American Fur Merchants' Association is opposed to import duties on raw mink fur skins, whether it be in the form of specific quota bills now pending before this committee, or the Herlong quota bill.

Experience has taught those of us in the fur industry that with a commodity highly sensitive to styling and fashion in addition to the usual economic factors, quota limitations or embargoes simply don't work. Let's look at a couple of historic examples:

Foxes.—In 1939, production of silver foxes by U.S. ranchers reached 350,000 skins. They were protected by a duty of 37½ percent.

Not being satisfied with this protection the American ranchers at the height of the fashion demand for this fur succeeded in having an