

been more serious and complex than they are today. Hence, the baffling nature of the current market demand.

In the meantime, judging by the *rapid depletion of the balance of this season's production of mink and wild furs* to date, it is *conceivable* that the market will face *an acute shortage of merchandise* well ahead of next season's opening in December. Ironically enough, the mink producing industry has recently indicated that there will be a *reduction of 15 to 20 percent* in the 1968/69 pelt crop.

Speaking of the resurgence of market activity, it should be emphasized that *Europe has played a dominant role from the outset*, and continues to do so. It is not unreasonable to state that overall price levels realized might well have been 10 percent less than those actually registered.

Obviously, as things now stand, *future prospects for the mink industry appear indeed bright*. This should be particularly gratifying to producers who are presently in the midst of a new breeding season.

It is hoped that domestic and world problems (to which reference was made earlier) will be less disturbing in the days ahead. An *era of peace is necessary to attain long term stability to all trades and industries*, and the economy as a whole.

GENERAL COMMENTS

The new Emba mutation—"LILANA" (pale purple mink)—met with a good *initial response* by the trade. A *top price of \$550.00 per pelt* (males) *was recorded*.

The Tariff Commission's report was recently concluded and sent to the White House. No action by the President is anticipated in the near future.

The CHAIRMAN. We thank you, Mr. Sharp.

We thank all of you for bringing to us your views.

Are there any questions of these gentlemen?

Mr. BROYHILL. Mr. Sharp, I do not represent a district that grows mink. I represent a district that uses mink. Of course, in the preceding statement you pointed out that 50 percent of the ranchers are the so-called backyard ranchers raised by moonlighting.

I had thought it might be a good industry to start in my district, even though it is only getting about 12 percent of the market, but then I learned that it was a distressed market, that the ranchers were in trouble.

But you seem to contradict it in your statement. What are the facts in regard to the mink industry? Is it a distressed market or has it been a distressed market? What are the actual facts?

Mr. SHARP. Mr. Broyhill, as Mr. Dreisin testified, there is no doubt that some of the ranchers have had problems at times. The problem essentially has been, of course, the price which they could get for their skins, price of course, determining the amount of profitability in the business.

There can be no question also but that over the last 20 years the cost of production has increased. This is true of the labor, the feed, and the cost of housing.

At the same time there is no question but that there are new mutations which bring extremely high prices when introduced but when produced in large volumes the price declines, the price obtained in the earlier auctions from the fur. The new fur declines and as the price declines it becomes a less popular fur, and the ladies don't like it as well so they turn to other mutations.

Frequently, this results in the fact that a mink rancher will buy at a high price new breeding stock of a new mutation which has just come out and by the time he goes through 3 or 4 or 5 years of producing enough mink to get them on the market in the New York auction that fur is completely out of style.