

industry was profitable and that many companies could be acquired reasonably." (p. 38)

In a year-end message on the state of the footwear industry in America, Merrill A. Watson, President of the National Footwear Manufacturers Association, noting the resurgence of the industry's manufacturers in late 1967, said that the year marked "the bottom of the cycle in shoe output and the beginning of an upward climb." (*Boot & Shoe Recorder*, February 1968, p. 91.) Press reports agree. In May, retail sales were from 5 percent to 31 percent ahead of May, 1967 in all categories. Figures for the March-April period reported in "*Footwear News*," May 2, 1968 indicated that retail sales boomed. Examples: *Atlanta*: Business shows over-all gains; *San Francisco*: Most run generally higher; *New York*: Strong period for most stores; *Cleveland*: 10-15 percent increase is registered; *St. Louis*: Gains made in all categories; *Pittsburgh*: Increase is noted in women's lines. A few cities reported sales were off, but industry spokesmen blamed fires, riots and the fear of riots. In Milwaukee, men's dress shoe manufacturers report that they are riding a wave of prosperity of incredible duration.

Another article in "*Footwear News*" of the same date, reports that one major manufacturing outfit says:

"not one week has gone by since then (late May or early June, 1967) in which it has failed to top figures of the year before. This means this year's regular business was better than Eastern business a year ago. *It is noted that these are pairage figures, not dollars.* The sales growth in terms of stores has come from existing accounts rather than from new accounts. * * * As a matter of fact, *factories here are not looking actively for new accounts at the present time.* * * * *With shoes as hard to get out of the factory as they are under present labor conditions and with the high volume of business it would be more surprising if makers were recruiting new accounts.* Most producers now are (neither) turning down new accounts nor wooing them, but they are taking a little closer look at the prospect's credit rating and general quality picture." (Emphasis supplied.)

The April 25, 1968 "*Footwear News*" stated that central Pennsylvania manufacturers are gearing for a fast paced summer. On the strength of a strong Easter season, practically all producers in the area are expecting the brisk demand to continue. All plants are operating at capacity level though still battling a critical labor shortage. One executive stated: "*If we could get more people, we could make more shoes.*" (Emphasis supplied.) Another executive said this Easter's business was ahead of last year's and "advance orders are tremendous." In the May 30, 1968 "*Footwear News*" a Bureau of Census report announced that March production of nonrubber footwear topped 1967 as well as month earlier levels.

IMPORTS FROM EUROPE CONTRIBUTE TO THE SUCCESS OF THE DOMESTIC INDUSTRY

A Bureau of Census report (April, 1968) with respect to non-rubber footwear stated that in 1967 there were 603,338,000 pairs of shoes produced domestically, and 129,134,000 pairs imported—a total of 732,472,000. Imports represent 17.6% of the total of which approximately 60,000,000 pairs or 45% came from Europe. Notwithstanding, 1967 was a banner year for domestic concerns.

Imported shoes contributed to the domestic success. Americans of all ages are more style conscious than ever before and the shoe has become an integrated part of the costume.

Today's fashion trends are influenced by European styles, principally from the high fashion salons of Paris, Rome and London. Imported and "imported looking" shoes are prestige items. Consequently, European imports are initiating new lines for American manufacturers. High style, expensive imports are copies or modified and mass produced to sell at popular prices. Increased production and sales for the domestic industry result. Consumers, unable or unwilling to pay the higher price of the originals are attracted to moderately priced domestic reproductions that have the "imported look."

An example of the above is the high, fitted women's boots introduced several years ago from France, England, Switzerland and West Germany. Handmade of the finest quality leathers and materials these boots retailed from \$40.00 to \$100.00. American molded reproduction in plastics and vinyls, selling at less than half the price of the imports, met with instant success. At first a fashion whim, the item soon became a "staple." Imports created the demand.