Of the remaining $29 million there is a variety of reasons, but briefly about $8 million of them are intermediates for use in our own plants which obviously are not susceptible to this sort of variation; $3 million of them are products which have already been granted special low rates which would not be affected by the special agreement if implemented. Five million dollars plus comprise agricultural chemical products and other products which we now manufacture in Europe.

Expansion of our agricultural chemical products is effectively limited by the foreign patent laws. Many European countries require local manufacture or compulsory licensing which effectively prevents exporting from this country on a continuing basis.

Another $6 million of sales comprise products where our market position is such that we found by experience that price reductions are immediately met by our competitors abroad, so that lowering our EEC prices by the amount of any foreign tariff reduction would not result in expanded volume.

Another $3 million comprises specialty products not competitive with any produced in the EEC and again price is not a factor. So we are left with a total of about $2.3 million where we agree that there is an opportunity for export expansion, but this is three and a half percent of our volume.

We have also reviewed products which we did not export in 1967 in an effort to determine whether we could expect export sales to be stimulated. We found no basis for such expectation. We can say with great definiteness that in the case of the Du Pont Co. the purported great opportunity for expansion of export markets if the special agreement is implemented is not the case.

As far as the American selling price is concerned we would support the opinion which has already been stated that the proposed deal is inequitable for our industry and for our company and should be rejected.

We completely support the position which has been expressed to you.

In the interest of brevity I would like to say only that we have included in our statement discussions of this difficult area of border tax. We support the conclusion that it will have adverse effects. We feel that these effects are as yet not completely defined so that it isn't possible to say just how great they are.

It will depend in large part on the reactions in the marketplace. We think they are real and that they demand the careful consideration of your committee in addressing yourself to this very complex problem.

We also endorse the recommendation that the question of tax incentives for exports be considered and that particular consideration be given to the recommendations of the National Export Expansion Council.

Finally, we support also the fact that the oil import quota scheme, which was put in for good reasons and which was entirely proper in our opinion, has become a very confusing situation as its use in chemicals has grown and that it has contributed to the poorer competitive posture of the American industry and as the Kennedy round proceeds it will become additionally important and the time is here when the Government should carefully consider the need for differentiating between energy and chemical uses of petroleum raw materials.