Mr. Chairman, that completely summarizes what we had to say.
(Mr. Dawson's prepared statement follows:)

STATEMENT OF DAVID H. DAWSON, VICE PRESIDENT, E. I. DU PONT DE NEMOURS & CO.

I am David H. Dawson, a Vice President of E. I. Du Pont de Nemours and Company of Wilmington, Delaware. Du Pont welcomes this opportunity to express its views on tariff and trade proposals before this Committee dealing with the general subject of the balance of trade between the United States and foreign nations.

Du Pont manufactures and sells in the United States and foreign countries a widely diversified line of chemicals, plastics, and man-made fibers. In 1967 our total sales were more than $3 billion, of which $239 million were sales abroad of products manufactured in and exported from the United States. In that same year our total foreign business, which includes in addition to exports from the U.S., products manufactured and sold outside of the United States by consolidated subsidiaries and non-consolidated affiliated companies was about $619 million.[1]

Obviously, Du Pont has an important interest in, and can be importantly affected by, the tariff and trade proposals being considered by this Committee. In the limited time available I would like to try to explain to the Committee in some depth how we believe some of the present and proposed foreign trade policies affect our company.

TEXTILES

More than 30% of our more than $3 billion of sales in 1967 were to the textile mill products industry. Most of these sales were man-made textile fibers to textile mill operators. Obviously, the economic well-being of this industry is of the greatest importance to Du Pont, as it is to this country's balance of payments problems and to our economy.

What may not be so apparent, however, is the very high degree of economic interdependence between the various segments of the textile industry of which the man-made fiber producer is one, and how this interdependence operates most rigorously on the man-made fiber producer. The apparel manufacturer, for example, is free to import fabric; he is not necessarily dependent upon the textile mill operator. The textile mill operator, in turn, so far as his raw materials are concerned, may be the purchaser of imported man-made fibers. The domestic man-made fiber producer, however, is almost totally dependent upon the textile mill products industry for the consumption of the output of the fiber-producing plant, and indirectly dependent upon the apparel manufacturer to acquire fabric from a domestic mill in order to sustain demand for domestically produced man-made fibers. Thus, it is clear that imports of fabric and apparel have as great an effect on the domestic man-made fiber-producing industry as imports of the fibers themselves.

This Committee has already heard extensive and detailed testimony from representatives of the fiber, fabric and apparel segments of the domestic textile industry describing the import problem faced by each and its interrelation to the import problem of the other segments. We in Du Pont have satisfied ourselves, by independent analysis, that the views expressed by these individual segments of the textile industry are substantially correct. We are convinced that domestic man-made fiber producers, of which we are one, will be seriously and adversely affected should the Congress fail to recognize the serious import problems of the domestic textile industry.

For these reasons, Du Pont supports the domestic textile industry in its efforts to have the Congress enact appropriate textile quota legislation.

One aspect of the textile import problem deserve special mention because we believe it is one of the principal reasons why the United States has swung from being an exporter of textiles with a favorable trade balance of better than $500 million to its current position of being an importer of textiles with an unfavor-

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[1] Foreign business breakdown:

	In millions
Europe	$218
Canada	161
Latin America	129
Elsewhere	111
Total	619