Thank you, sir.

Mr. Gillis, if you will identify yourself for the committee we will be glad to recognize you.

STATEMENT OF JOHN GILLIS, VICE PRESIDENT, AND MEMBER BOARD OF DIRECTORS, MONSANTO CO.

Mr. GILLIS. My name is John L. Gillis. I am a vice president of Monsanto Co. and a member of its board of directors. I have responsibility for the worldwide sales of all Monsanto products.

I appreciate the opportunity to comment upon the matters now being considered by your committee. Although it is not possible to provide you with great detail and data in this brief time, an appearance here was considered essential because the issues before you so vitally, and in my judgment, uniquely affect my company.

Monsanto is a highly diversified, internationally oriented chemical and manmade fibers manufacturers. A profile of the company shows that, 1967 sales totaled $1.6 billion. Twenty-two percent of these sales are made abroad as U.S. exports or by foreign subsidiaries.

Total employees number 59,000, 45,000 of whom are located in 43 U.S. plants and the balance are situated in 15 foreign countries.

We, at Monsanto, are involved daily in worldwide competition. We understand the effects of trade policy in the major countries and we have responded repeatedly in the past to the requests of the Congress and the U.S. Government agencies for constructive comment on U.S. trade policy. The proposed Trade Expansion Act of 1968 and other measures you are considering would have a deep and lasting effect on Monsanto in the future. For all of these reasons it would seem that Monsanto's views may be of value to this committee.

My statement will summarize briefly three recommendations covered in detail in a written statement provided yesterday to this committee by Monsanto. They are:

1. Retain the American selling price system of valuation by eliminating title IV of H.R. 17551.
2. Enact legislation which would control imports of manmade fibers and their products.
3. Provide access to world-priced feedstocks for U.S. petrochemical manufacturers.

With regard to American selling price, the valuable time of the committee will be conserved by not repeating the important points made in testimony by the Synthetic Organic Chemical Manufacturers' Association urging retention of ASP. Monsanto fully supports that statement.

It seems necessary, however, to emphasize to the committee how elimination of ASP would affect a large benzenoid producer. A number of our products would definitely be discontinued, others would stagnate. The sure result will be a lessening of our ability to provide new jobs and new products.

In 1967, Monsanto's U.S. benzenoid sales of over $300 million were 19 percent of its total sales—much higher than the average of 8 percent for the entire industry. Eight thousand of our 45,000 employees in the United States are in the production of benzenoids. We produce per-