

Other manufacturers, who are highly dependent upon benzenoid chemical production include: General Aniline, Harshaw, Sherwin-Williams, American Aniline, Otto B. May, Southern Dye Stuff, Synalloy, Interchem, Sun Chemical and many others.

If the U.S. industry goes out of intermediate chemical production, it will not be long before it will be unable to compete in the finished product area as well. Foreign producers will control intermediate prices to such an extent that U.S. producers will not be able to compete effectively in finished products, because of the high price of intermediate chemicals needed to produce the finished products.

We therefore urge the committee not to alter the current ASP standard as it now applies to benzenoids and BON. Instead, we urge the committee to develop a system which would protect American producers from the predatory pricing and dumping tactics of our foreign competitors. Once these practices are eliminated or controlled in international trade, we would have little fear of our future even if the ASP standard is eliminated. Finally, as a chemical company, Pfister cannot endorse Ambassador Roth's statement that "It is the chemical industry itself which stands to be a major beneficiary of this legislation."

I wish to thank you.

The CHAIRMAN. Any questions of Mr. French? We appreciate so much your coming to the committee.

Mr. FRENCH. Thank you very much.

The CHAIRMAN. Mr. Fasoli.

STATEMENT OF JOHN M. FASOLI, DIRECTOR OF PUBLIC RELATIONS, AMERICAN CYANAMID CO.

Mr. FASOLI. Mr. Chairman, American Cyanamid Co. manufactures and sells chemicals, pharmaceuticals, agricultural, building, and consumer products. In its chemical line, Cyanamid includes approximately 1,650 benzenoid chemicals, generally classified as intermediates, rubber chemicals, dyes and textile chemicals, pigments, pesticides, medicinals, and other fine chemicals. The purpose of this brief is to place in economic perspective the effects of the Kennedy round of tariff reductions and the additional proposed changes in the tariff laws of the United States on the benzenoid segment of Cyanamid's business.

CYANAMID'S BENZENOID OPERATIONS—WORKERS—PAYROLL AND TAXES PAID

The early history of the Calco Chemical Co., acquired by American Cyanamid Co. in 1929, illustrates the birth and first stages of development of the U.S. benzenoid chemicals industry. Before the early 1900's there was virtually no benzenoid industry in the United States; our requirements of dyes and other chemicals were supplied from abroad, principally from Germany. World War I dislocated international trade; imports of essential chemicals were cut off and prices increased 1,000 percent and more. To meet these shortages a group of men formed the Calco Chemical Co. in 1951. A plant was built at Bound Brook, N.J., on the banks of the Raritan River. Their difficult job of pioneering was later described as "learning the hard way."