

as enacted by Congress provides for flexibility, and it does stimulate innovation by the foreign producers, and they have taken advantage of this and they have achieved a status in which most of their exports are treated in fact as noncompetitive.

Mr. CURTIS. I am not sure of the language we actually used. Did we use the term "competitive"?

Mr. STEWART. Yes, the statute uses the term "similar competitive article" and that is defined as a product which achieves substantially the same result or a substantially equal result when used in substantially the same manner.

Mr. CURTIS. I would suggest that I thought your criticism was directed along the line that in actuality the products were competitive, so this would be a problem of administration rather than the law itself, wouldn't it?

Mr. STEWART. We don't really think so, Mr. Curtis. We think the law is fairly administered by the Bureau of Customs and the quality of its administration provides great flexibility for the importers to avoid the use of American selling price at least on the majority of their imports.

Mr. CURTIS. Could we change the words so that they would be different?

Mr. STEWART. We would not recommend that. We think that this element of flexibility is desirable.

Mr. CURTIS. I thank the gentleman for yielding. I don't quite understand the point that you are making.

Mr. STEWART. The point is that the American selling price as a term has been used as a symbol of a very protectionist so-called system of appraising U.S. imports of benzenoid chemicals. The fact is that the majority of the imports are not subject to duty on the basis of the American selling price because the system has built in this important element of flexibility which allows the results of innovation to come in without being appraised on the basis of American selling price.

Mr. SCHNEEBELI. I don't know who wants to answer this question. Have you gotten any figures or made any projections as to how our domestic industry is going to fare under the new Kennedy round under the ASP approach?

Mr. MARSHALL. In the nature of a projection within my company, nor the ad hoc committee, has done work along that line. It so happens that Mr. Stewart has made such a projection for dyes and pigments and for another important group of products known as textile assistants. He did this in his capacity as general counsel for the Trade Relations Council of the United States of which our company is a member, which is why I am aware of it.

Mr. SCHNEEBELI. Do you have such figures?

Mr. STEWART. Yes, I have, Mr. Schneebeli, and I think it does contain important statistical information that bears on the subject matter of ASP and I would like to offer it for the record.

Mr. SCHNEEBELI. I would like to ask permission to put that in the record.

The CHAIRMAN. Without objection it will be made a part of the record.