

**ANSWERS TO QUESTIONS RELATING TO TARIFF**

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**ANSWERS**

TO

**INTERROGATORIES PROPOUNDED TO  
MANUFACTURERS**

BY THE

**COMMITTEE ON FINANCE  
UNITED STATES SENATE**

**SIXTY-THIRD CONGRESS  
FIRST SESSION**

**RELATIVE TO THE BILL**

**H. R. 3321**

**TO REDUCE TARIFF DUTIES AND TO PROVIDE REVENUE FOR  
THE GOVERNMENT, AND FOR OTHER PURPOSES**

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Printed for use of the Committee on Finance

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**COMMITTEE ON FINANCE,**

**UNITED STATES SENATE.**

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## PREFACE.

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The answers to interrogatories propounded to manufacturers by the Committee on Finance are given in the exact form in which they were received by the committee, except where it was necessary to indicate the number of the question to which the answer is a reply.

The interrogatories submitted and the letter transmitting the same were as follows:

### LETTER OF TRANSMITTAL.

UNITED STATES SENATE,  
COMMITTEE ON FINANCE,  
Washington, D. C., May 24, 1913.

DEAR SIR: I inclose herewith certain interrogatories with explanatory statement. If you should decide to answer these questions, please forward your reply to the committee as early as possible.

Very respectfully,

F. M. SIMMONS,  
*Chairman.*

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### INTERROGATORIES PROPOUNDED TO MANUFACTURERS.

#### UNITED STATES SENATE.

#### *Committee on Finance.*

If answers to the subjoined interrogatories by manufacturers or by persons who have filed briefs or who have made written or oral protests with the Committee on Finance relating to the provisions of H. R. 3321 are received by the committee before that bill is reported back to the Senate by the Committee on Finance or before final action on it by the Senate, they will be printed for the use of Senators, but neither the report of the bill to the Senate nor final action by the Senate on the bill will be delayed for answers by those to whom these interrogatories are sent.

It is suggested that those who desire to answer shall answer each interrogatory separately and as fully as the information in their possession will permit and at the earliest practicable date and forward the same to the committee.

All interrogatories are required to be answered under oath and when answered by corporations shall be made under oath by the president, or by one of the principal officials of the corporations designated by him for that purpose.

The following questions are propounded by the majority members of the Committee on Finance:

1. What is the name, nature, and use of the commodity you produce?
2. What are the raw materials used in its production? State exact nature of material used.
3. Are the raw materials used by you produced in this country or imported? If imported, in whole or in part, whence are they imported, and what proportion of the whole is imported?
4. What is the cost per unit of the raw material of your product?
5. Give, also, if you can, the cost per unit of raw material of this commodity in foreign countries? State figures for each country.
6. What part of your production of this commodity do you export? To what countries and in what quantities and values and what rates of duty are paid at the several foreign ports of entry?

7. Are you interested in any other concern exporting this commodity? If so, give name, amount of product exported, and the actual selling price of this product here and abroad.

8. What are the wholesale prices charged by you and by any concern in which you are interested for this commodity in the domestic market, and what were the prices charged by you and any concern in which you are interested for this commodity when sold in foreign markets during the first four weeks in January, first four weeks in April, first four weeks in July, first four weeks in October, 1912, and the first four weeks in January, 1913?

9. What was the cost of transportation of your product from your factory to the principal foreign markets, giving the names of markets for the periods specified in question 8?

10. What country or countries are your chief competitors in the sale of this commodity in the foreign markets to which you export?

11. Is there a tariff differential for or against you in any of the countries to which you export this commodity?

(a) If so, what is the amount of such differential?

(b) What rates of duty have you paid?

12. How many concerns are engaged in the manufacture or production of this commodity in this country?

13. Who are the principal producers?

14. Are any of these producers organized into a trust or combination to control the price or output, or for any other purpose, and have you any connection or interest, directly or indirectly, in such trust or combination?

15. What proportion of the production of this commodity in this country is produced by such trust? What proportion by the independent producers?

16. Is there any difference in the price charged for this product in the domestic market by the independent producer and the trust producer?

17. What were your wholesale prices f. o. b. factory of this commodity sold in the United States during the first four weeks in January, first four weeks in April, first four weeks in July, and first four weeks in October, 1912, and the first four weeks in January, 1913?

18. What were your wholesale prices of this commodity f. o. b. factory for export in foreign countries during the periods mentioned in question No. 17?

19. What was the cost of production in your plant per unit of your product for the fiscal years 1910 and 1912? Give cost of materials, labor, overhead charges, and depreciation charges in separate items and in as much detail as possible. In this connection, give capitalization as follows:

(a) Amount of common stock issued.

(b) Amount of preferred stock issued.

(c) Amount of bonds issued.

(d) Amount of actual cash or its equivalent in property received in consideration of the stocks and bonds given above.

(e) Rate of dividend paid on preferred stock.

(f) Rate of dividend paid on common stock.

(g) Rate of interest borne by bonds.

The above three items—(e), (f), and (g)—should cover each year for the past 10 years.)

(h) How much of your earnings for each of the years 1910, 1911, and 1912 have been credited to surplus and how much have been devoted to additions to the plant?

(i) Salaries paid during each of the foregoing years to each of your principal officials.

(j) Statement of assets and liabilities, 1910, 1911, and 1912.

(k) Comparative balance sheet for the years 1910, 1911, and 1912.

20. Give the value for which the property shown in the above statement of assets and liabilities was assessed for taxation in 1912.

21. Give transcript of your labor roll for the periods covered in questions Nos. 17 and 18. Let the transcript show separately:

(a) Skilled laborers.

(b) Unskilled laborers.

(c) Men.

(d) Women.

(e) Children of minimum age, stating the minimum age prescribed by your State law.

(f) Native born.

(g) Foreign born.

(h) Number who are citizens.



22. State amount of wages paid per annum for the years 1910, 1911, and 1912, and total value per annum of your product for the same years.

23. State the character, quality, and age of the machinery used in manufacturing your product.

24. What is the total cost of production per unit of the same products as yours in competing countries? In answering this question give the exact source of your knowledge or information.

25. What is the percentage of labor cost to the total cost of a unit of product in competing countries? In answering this question, give exact source of your knowledge or information, stating the countries separately.

26. Give the cost of transportation from your factory to the principal markets in this country, naming the markets.

27. What is the cost of transportation from the principal points of production in competing countries to the markets in this country? In answering this question, give the names of competitive countries.

28. What part of the duty under the Payne-Aldrich law represents your profit as a manufacturer?

29. Have you a pecuniary interest in the maintenance of a high-tariff rate on this commodity?

The following questions are propounded by Senator La Follette, a minority member of the Committee on Finance, on behalf of the minority members of that committee:

1. What is the nature and use of the commodity which you produce?
2. What are the raw materials used in its production?
3. What is the amount of the production of this commodity in this country?
4. What is the amount of the consumption of this commodity in this country?
5. How many concerns are engaged in the manufacture of the commodity under consideration?
6. Who are the principal producers?
7. What are the ruling market prices of this commodity in this country?
8. What are the ruling market prices of this commodity in competing countries?
9. What is the total cost of production per unit of product in this country?
10. What is the total cost of production per unit of product in competing countries?
11. What is the percentage of the labor cost to the total cost of a unit of product in this country?
12. What is the percentage of the labor cost to the total cost of a unit of product in competing foreign countries?
13. What is the cost of transportation to the principal markets in this country from the principal points of production in this country?
14. What is the cost of transportation to the principal markets in this country from the principal points of production in competing foreign countries?
15. What part of the existing duty represents the difference in the cost of production between this and competing foreign countries?
16. What part of the existing duty represents the profit of the American manufacturer?



# ANSWERS TO INTERROGATORIES PROPOUNDED TO MANUFACTURERS.

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## LITHOPONE.

KREBS PIGMENT & CHEMICAL CO., NEWPORT, DEL., BY H. J. KREBS,  
PRESIDENT.

NEWPORT, DEL., *June 20, 1918.*

Mr. F. McL. SIMMONS,  
*Chairman Committee on Finance,  
United States Senate, Washington, D. C.*

DEAR SIR: On my return from a trip West, I have hurried to comply with your request for answers to interrogatories propounded to manufacturers. They are all self-explanatory.

I would but add that this business started to produce lithopone (our only product) in February, 1902, and we did not succeed in making any headway, so to speak, until six or eight years had elapsed. We were forced repeatedly to increase our production in order to reduce cost, said production having been increased from 713,000 pounds in 1902 to 11,500,000 pounds in 1912. If this policy had not been pursued we should have long ago been in the bankruptcy courts, and I can truthfully say that without the protection afforded by the Payne tariff we should have had no chance whatever to develop the business.

During the first 10 years of our activity the competition from German manufacturers was very keen. During the last two years Europe and America have found themselves on the high crest of a wave of prosperity, now rapidly waning, which has for the present largely eliminated German competition, as Europe is consuming all they have had to offer. This abnormal state we expect in the near future will be reversed, and I believe you will be convinced from our figures that it is an impossibility without protection for a manufacturer here in America to meet the prices at which the German manufacturers are able to sell their product here.

I beg further to point out that the undoubted effect of the cut from 50 per cent ad valorem under the Payne tariff law to 10 per cent ad valorem under the Underwood bill will have the effect of crushing out all small manufacturers, so that only the largest and most aggressive manufacturers will be able to exist in this country, who will have to fight it out with the foreign manufacturers of the same caliber. That seems to be a very undesirable condition.

Before concluding, would respectfully point out that the Underwood bill seems to have singled lithopone out for an exceptionally heavy cut, it being reduced from 50 to 10 per cent ad valorem, as above named, which is far in excess of the average, and I venture to state that this has been caused by the want of understanding of the conditions under which we are working.

Respectfully submitted.

KREBS PIGMENT & CHEMICAL CO.  
H. J. KREBS, *President.*

ANSWERS TO INTERROGATORIES PROPOUNDED TO MANUFACTURERS  
BY THE UNITED STATES SENATE.

No. 1. Name: Lithopone, our brand "Ponolith." Nature: White pigment. Use: Interior paints, linoleum, oilcloth, shades, rubber, etc.

No. 2. Spelter, sulphuric acid, barytes ore, coal (bituminous), minor chemicals, etc.

No. 3. We import all we use of barytes from Germany.

No. 4. For 1912, 1.980 cents per pound. Zinc, 1.108 cents; sulphuric acid, 0.169 cent; barytes, 0.314 cent; coal, 0.175 cent; minor chemicals, etc., 0.214 cent; total, 1.980 cents.

No. 5. Cost not known. German lithopone selling freely in New York at 2½ cents c. i. f.

No. 6. We do not export.

No. 7. No.

No. 8. January, 1912, 3.50 cents; April, 1912, 3.50 cents; July, 1912, 3.44 cents; October, 1912, 3.51 cents; January, 1913, 3.56 cents. Domestic market; none sold in foreign markets.

No. 9. None transported.

No. 10. Germany is the principal foreign producer, also Belgium and Austria.

No. 11. None exported.

No. 12. Seven.

No. 13. Krebs Pigment & Chemical Co., Grasselli Chemical Co., New Jersey Zinc Co., N. Z. Graves Co., Beckton Chemical Co. (the Beckton Chemical Co. is understood to control the Harrison Bros. & Co.'s output of lithopone), Harrison Bros. & Co., Excelsior Mfg. Co. (this concern is not active on the market, as they are too small to produce lithopone at a competing price).

No. 14. Keenest competition exists, with the exception of the selling arrangement between the Beckton Chemical Co. and Harris Bros. & Co. We know of no understanding whatever among manufacturers.

No. 15. The production of the individual concerns not known to us.

No. 16. No trust producer.

No. 17. Our wholesale prices are enumerated under paragraph 8. F. o. b. factory prices would be lower, but there exists no definite figures on record that allow us to state the exact reduction; probably one-eighth cent.

No. 18. No prices for foreign markets.

No. 19. Cost of production:

	1910	1912
Materials.....	\$18.15	\$19.80
Labor.....	6.10	5.29
Overhead charges.....	4.37	3.91
Depreciation.....	1.66	.87
Total.....	30.28	29.87

*Stock issued.*

	December, 1910	December, 1912
No. 19a common.....	\$140,100	\$168,100
No. 19b preferred.....		35,000

No. 19c. Bonds, none.

No. 19d. No property; all cash.

No. 19e. Seven per cent annually, preferred.

No. 19f. Average, 10 years, 12.5 per cent.

No. 19g. No bonds.

No. 19h. No answer.

No. 19i. Salaries of principal officers:

	1910	1911	1912
President.....	\$1,800	\$2,000	\$2,400
Vice president.....	1,700	1,800	2,400
Secretary and treasurer.....	1,000	1,200	1,600

## No. 19j. Statement of assets and liabilities:

	1910		1911		1912	
	Assets.	Liabilities.	Assets.	Liabilities.	Assets.	Liabilities.
Cash.....	\$333.98		\$894.32		\$1,344.54	
Plant and equipment.....	145,191.58		222,165.73		263,508.88	
Notes received.....	10,750.00		12,223.84		6,500.00	
Raw materials.....	18,087.79		18,709.42		14,036.05	
Finished stock.....	28,005.00		27,018.10		33,331.84	
Accounts received.....	3,015.42		7,257.54		9,203.85	
Deposits and insurance fund.....		\$13,548.22		\$14,785.95		\$20,500.00
Capital.....		140,100.00		203,100.00		203,100.00
Surplus.....		11,123.24		11,879.95		42,071.51
Notes payable.....		15,000.00		37,456.66		45,000.00
Mortgage payable.....		5,500.00		5,500.00		5,500.00
Accounts payable.....		17,112.31		15,436.39		13,753.65
	205,353.77	205,353.77	288,149.75	288,149.75	329,925.16	329,925.16

## No. 19k. Condensed balance sheets:

*Condensed balance sheet for 1910.*

Product..... \$259,116.90

## EXPENSES.

Materials.....	\$133,920.64	
Wages and salaries.....	40,694.82	
Expenses.....	28,452.41	
Depreciations.....	11,048.22	
Insurance fund.....	2,500.00	
		216,616.09
Gain, 1910.....		42,500.81
Paid dividend, cash.....		34,315.00
		8,185.81
Carried over to surplus account.....		6,937.43
Surplus Jan. 1, 1911.....		14,123.24

*Condensed balance sheet for 1911.*

Product.....		\$235,619.80
<b>EXPENSES.</b>		
Materials.....	\$114,768.96	
Wages and salaries.....	40,931.74	
Expenses.....	27,875.64	
Depreciations.....	11,785.75	
Insurance fund.....	500.00	
		195,852.09
Gain, 1911.....		39,757.71
Surplus from 1910.....		14,123.24
		53,880.95
Paid dividend (10 per cent cash, 20 per cent stock).....		42,010.00
		11,870.95

*Condensed balance sheet for 1912.*

Product.....		\$399,625.02
<b>EXPENSES.</b>		
Materials.....	\$228,539.02	
Wages and salaries.....	60,923.39	
Expenses.....	44,407.05	
Depreciations.....	10,000.00	
Insurance fund.....	7,500.00	
		351,369.46
Gain, 1912.....		48,255.56
Surplus from 1911.....		11,870.95
		60,126.51
Paid dividend (common 10 per cent, preferred 7 per cent).....		18,055.00
		42,071.51

No. 20. \$30,000.

No. 21. Attached hereto, Appendix No. 1.

No. 21a. See transcript of pay roll, Appendix No. 1.

No. 21b. See transcript of pay roll, Appendix No. 1.

No. 21c. See transcript of pay roll, Appendix No. 1.

No. 21d. None.

No. 21e. None.

No. 21f. See (g).

No. 21g. Six.

No. 21h. Four.

No 22. Wages and value of product :

	1910	1911	1912
Product.....	\$230,114.90	\$235,619.80	\$399,625.02
Wages.....	40,604.82	40,931.74	60,923.39

No. 23. Mostly special machinery; thoroughly up to date; mostly new.

No. 24. Much lower.

No. 25. Labor some 50 per cent lower in Germany; see Tariff Glossary, Schedule A, page 216.

## No. 26. Cost of transportation:

	Rate on carloads.	Rate on less than carloads.
	<i>Cents.</i>	<i>Cents.</i>
New York City.....	10.5	14.0
Providence, R. I.....	15.0	20.0
Chicago, Ill.....	18.0	33.0
Cleveland, Ohio.....	16.0	23.0
Cincinnati, Ohio.....	16.0	23.0

No 27. Ocean freight very low.

No. 28. Average profit per pound during period covered by Payne-Aldrich tariff, 0.545 cent per pound; duty, 1.25 cents.

	1910	1911	1912
Price received.....	3.76	3.62	3.52
Less Payne duty.....	1.25	1.25	1.25
Cost of product.....	2.51	2.37	2.27
	3.13	3.15	2.99

It will be seen that if our price were reduced with 1.25 cents per pound, which is Payne duty, we would have suffered a loss—1910, 0.62 loss, or \$40,787.25; 1911, 0.78 loss, or \$49,590.12; 1912, 0.72 loss, or \$82,914.56.

No. 29. We are interested in having a suitable tariff maintained on our commodity, as we could not meet foreign prices on a low tariff basis.

## ANSWERS TO INTERROGATORIES PROPOUNDED TO MANUFACTURERS BY THE MINORITY MEMBERS.

No. 1. Nature: White pigment. Use, interior paints, linoleum, oil cloth, shades, rubber, etc.

No. 2. Spelter, sulphuric acid, barytes ore, coal (bituminous), minor chemicals, etc.

No. 3. Sixteen thousand eight hundred and sixty-six tons in 1911, according to the United States Geological Survey report. (Production has been increasing.)

No. 4. All native production plus some 20 per cent import.

No. 5. Seven.

No. 6. Krebs Pigment & Chemical Co., Grasselli Chemical Co., New Jersey Zinc Co., N. Z. Graves Co., Beckton Chemical Co., Harrison Bros. & Co., Excelsior Manufacturing Co. (not active).

No. 7. During 1912, 3.517 cents per pound.

No. 8. About 2½ cents per pound.

No. 9. About 3 cents per pound.

No. 10. Don't know.

No. 11. Our factory pay roll is about 20 per cent of our cost, to which should be added increased cost of labor expressed in higher cost of all materials bought.

No. 12. Don't know.

## No. 13. Cost of transportation.

	Rate on	Rate on
	carloads.	less than carloads.
	Cents.	Cents.
From Newport, Del., to—		
New York City.....	10.5	11.0
Providence, R. I.....	15.0	20.0
Chicago, Ill.....	18.0	33.0
Cleveland, Ohio.....	16.0	23.0
Cincinnati, Ohio.....	16.0	23.0

Do not know freight rates from other points of production.

No. 14. Don't know. Ocean freights very low. We pay on barytes one-tenth cent per pound.

No. 15. Taking 2 cents as foreign cost of production, 1 cent duty per pound would apparently place foreign producers on same footing as the home producers, as our cost is close to 3 cents, Payne duty  $1\frac{1}{4}$  cents.

No. 16. Our average profit up to 1913 was 0.545 cent; duty, 1½ cents.

## APPENDIX No. 1—Pay roll.

WEEK ENDED JAN. 26, 1912.

Name.	Position.	Number of hours.	Wages.
J. Miller.....	Millwright.....	58	\$25.00
I. Woodward.....	Shipping clerk.....	58	20.00
J. Whann.....	Charge of washing vats.....	58	12.00
W. Bickling.....	Press foreman.....	58	25.50
T. Hanna.....	Presses.....	58	21.50
G. Ford.....	do.....	58	21.50
C. Clausen.....	Burr mills.....	58	9.00
R. Ruth.....	Press foreman.....	58	22.50
F. Hanna.....	Presses.....	58	21.50
F. Thompson.....	do.....	58	21.50
J. Cunningham.....	Burr mills.....	58	9.00
T. Draper.....	Dry room.....	53	15.00
A. Hargan.....	do.....	58	15.00
J. Callaway.....	Zinc department.....	58	14.50
C. Scarborough.....	do.....	58	15.00
E. Smith.....	do.....	58	13.00
W. Mitchell.....	Boiler fireman.....	63	18.00
J. Ford.....	Dry room.....	78	15.50
E. Miller.....	Machinist.....	58	15.00
W. Young.....	Storekeeper.....	58	12.00
W. Crawford.....	Barreling department.....	58	10.00
F. Chambers.....	Presses.....	58	10.00
G. Stewart.....	Fireman, furnace.....	73½	18.25
H. Walker.....	do.....	77½	19.50
L. Anderson.....	Muffle furnace.....	72½	18.00
H. Baldwin.....	Fireman, furnace.....	58	13.00
B. Fox.....	do.....	58	11.00
J. Thompson.....	Barreling department.....	58	12.00
T. Cole.....	do.....	58	10.00
H. Stewart.....	General helper.....	58	11.00
I. Snitcheer.....	Watchman.....	73½	12.00
W. Boukden.....	Sweeper.....	58	11.00
F. Ford.....	do.....	52½	9.05
J. Hamilton.....	Dry room.....	52½	10.00
J. Williams.....	do.....	52½	10.00
F. King.....	do.....	52½	9.00
J. Smith.....	Fireman, boilers.....	58	10.00
R. Elliott.....	Muffle furnace.....	58	11.00
J. Wilmer.....	do.....	63	11.85
E. Thompson.....	do.....	58	9.50
J. Bousden.....	Zinc department.....	58	11.00
J. Johnson.....	Barreling department.....	58	10.00
J. Reason.....	do.....	58	10.00
F. Davis.....	Muffle furnace.....	78	13.00



## APPENDIX NO. 1—Pay roll—Continued.

WEEK ENDED JAN. 26, 1912—Continued.

Name.	Position.	Number of hours.	Wages.
C. Thompson.....	Muffle furnace.....	78	\$13.00
J. Thompson.....	do.....	78	11.00
W. Hill.....	Driver.....	58	10.00
D. Leony.....	Barreling department.....	58	9.00
W. Barger.....	Laborer.....	58	9.23
I. Ruth.....	Errand boy.....	58	6.00
Horse and cart.....	Hauling.....	55	9.35
Total.....			695.73

WEEK ENDED APR. 26, 1912.

J. Miller.....	Millwright.....	58	\$25.00
J. Whann.....	Charge of washing vats.....	58	12.00
I. Woodward.....	Shipping clerk.....	53	18.30
T. Hanna.....	Presses.....	58	24.75
W. Bickling.....	Press foreman.....	58	25.75
C. Foord.....	Presses.....	58	24.75
C. Clausen.....	Burr mills.....	58	11.15
R. Ruth.....	Press foreman.....	58	28.75
P. Hanna.....	Presses.....	47 1/2	23.90
F. Thompson.....	do.....	58	27.75
J. Cunningham.....	do.....	58	13.40
T. Draper.....	do.....	58	15.00
A. Hargan.....	do.....	58	15.00
J. Callaway.....	Zinc department.....	58	14.50
C. Scarborough.....	do.....	61 1/2	15.65
W. Mitchell.....	Fireman, boilers.....	73 1/2	19.00
J. Foord.....	Dry room.....	63	13.50
F. Miller.....	Machinist.....	73 1/2	21.00
W. Young.....	Storekeeper.....	58	12.00
E. Frankhouser.....	Electrician.....	58	15.00
F. Chambers.....	Presses.....	58	11.00
G. Stewart.....	Fireman, furnace.....	77 1/2	18.75
H. Walker.....	do.....	61	16.25
L. Anderson.....	Muffle furnace.....	52 1/2	12.30
H. Bakwin.....	Fireman, furnace.....	68 1/2	16.25
B. Fox.....	do.....	62	14.75
J. Thompson.....	Barreling department.....	58	12.00
T. Cole.....	do.....	58	10.00
H. Stewart.....	General helper.....	58	11.01
I. Snitcher.....	Watchman.....	73 1/2	12.00
W. Bouden.....	Sweeper.....	58	12.50
E. Foord.....	do.....	58	10.00
J. Hamilton.....	Dry room.....	52 1/2	10.00
J. Williams.....	do.....	52 1/2	14.00
F. King.....	Presses.....	52 1/2	13.25
J. Smith.....	Fireman, boilers.....	61	11.75
R. Elliott.....	Muffle furnace.....	58	13.00
J. Wilmer.....	do.....	58	12.50
E. Thompson.....	do.....	58	9.50
J. Bouden.....	Zinc department.....	58	11.00
J. Johnson.....	Barreling department.....	54	10.00
J. Reason.....	do.....	54	10.00
E. Davis.....	Muffle furnace.....	61	13.75
C. Thompson.....	do.....	61	13.75
J. Thompson.....	do.....	61	11.75
Horse and cart.....	Hauling.....	55	9.35
Wm. Hill.....	Driver.....	58	10.00
W. Barger.....	Laborer.....	58	9.00
D. Leony.....	Barreling department.....	58	9.00
W. Knotts.....	Fireman, furnace.....	73 1/2	17.50
W. Hanna.....	Laborer.....	54	8.70
F. Fisher.....	do.....	54	8.70
R. Fisher.....	Wash room.....	66 1/2	12.60
J. Faulkner.....	Zinc department.....	69	13.25
H. Branson.....	Muffle furnace.....	58	10.50
W. Conlyn.....	Dry room.....	54	9.50
W. Elliott.....	Laborer.....	58	8.70
A. Stewart.....	do.....	58	8.70
L. Hainsworth.....	Errand boy.....	58	3.69
J. Ruth.....	do.....	58	6.00
Total.....			832.30

## APPENDIX No. 1—Pay roll—Continued.

WEEK ENDED JULY 26, 1912.

Name.	Position.	Number of hours.	Wages.
J. Miller.....	Millwright.....	58	\$25.00
J. Whann.....	Wash room.....	58	12.00
R. Ruth.....	Press foreman.....	58	20.00
W. Bickling.....	do.....	58	20.00
T. Hanna.....	Presses.....	58	15.20
P. Hanna.....	do.....	58	15.20
C. Foord.....	do.....	58	15.20
F. Thompson.....	do.....	58	15.20
J. Cunningham.....	do.....	58	15.20
F. Chambers.....	do.....	58	15.20
A. Hagan.....	do.....	58	16.90
T. Draper.....	do.....	58	16.90
F. King.....	do.....	58	16.90
H. Stewart.....	do.....	58	16.90
W. Mitchell.....	Fireman, boilers.....	73½	19.50
J. Smith.....	do.....	73	16.00
E. Miller.....	Machinist.....	58	15.00
E. Frankhouser.....	Electrician.....	58	15.00
W. Young.....	Storekeeper.....	58	12.00
O. Stewart.....	Fireman, furnace.....	73½	17.50
B. Fox.....	Muffle furnace.....	58	15.50
T. Cole.....	do.....	58	15.50
H. Branson.....	do.....	58	12.50
H. Walker.....	Fireman, furnace.....	77½	18.75
I. Anderson.....	Muffle furnace.....	52½	11.90
F. Dennis.....	do.....	42	9.45
W. Hanna.....	do.....	47½	8.20
J. Foord.....	Dry room.....	58	13.80
W. Conlyn.....	do.....	58	13.80
F. Fisher.....	do.....	58	13.80
C. Blanch, eld.....	do.....	58	17.10
O. Rhes.....	do.....	58	17.10
J. Callaway.....	Zinc department.....	58	15.00
A. Sindall.....	do.....	58	15.00
C. Scarborough.....	do.....	58	15.00
J. Faulkner.....	do.....	58	13.00
R. Fisher.....	do.....	58	10.00
W. Knotts.....	Fireman, furnace.....	73½	17.50
R. Elliott.....	Muffle furnace.....	58	15.00
J. Wilmer.....	do.....	58	15.00
E. Thompson.....	do.....	58	13.00
H. Baldwin.....	Fireman, furnace.....	77½	18.75
E. Davis.....	Muffle furnace.....	62	14.25
C. Thompson.....	do.....	58	13.00
J. C. Thompson.....	do.....	58	11.00
Wm. Elliott.....	Stone crusher.....	58	11.00
H. Camphor.....	do.....	58	10.50
J. Taylor.....	Stone wheeler.....	58	9.50
L. Lambert.....	do.....	58	9.50
J. Johnson.....	Barreling department.....	58	10.00
J. Reason.....	do.....	58	10.00
J. Beuden.....	Zinc department.....	58	12.00
Z. Morris.....	do.....	58	8.70
I. Harvey.....	Coal sifter.....	58	9.00
O. Comegys.....	Carpenter.....	49½	19.80
W. Bowen.....	Painter.....	54	12.00
A. Harvey.....	Laborer.....	52½	9.05
J. Spence.....	Blacksmith.....	53	12.00
J. Abel.....	Barreling department.....	50	10.00
J. Elliott.....	Laborer.....	58	8.85
J. Kirby.....	do.....	52½	8.00
E. Cook.....	Driver.....	42	6.40
H. Spence.....	Errand boy.....	58	5.00
L. Woodward.....	Shipping clerk.....	58	20.00
J. Thompson.....	Barreling department.....	58	12.00
A. Steward.....	do.....	58	11.00
W. Crawford.....	do.....	58	10.00
D. Leony.....	do.....	58	10.00
A. Leony.....	Paint bins.....	58	9.00
A. Sammons.....	Barreling department.....	58	9.00
A. Spence.....	Paint bins.....	58	9.00
E. Foord.....	Sweeper.....	58	10.00
W. Boulden.....	do.....	58	11.00
W. Hamilton.....	Ruhr mills.....	58	9.00
I. Snitcher.....	Watchman.....	58	12.00
W. Foord.....	Black ash tanks.....	58	12.00
W. Hill.....	Driver.....	58	10.00
Horse and cart.....	Hauling.....	58	9.35
F. Hainsworth.....	Laborer.....	58	9.00
J. Jackup.....	Coal wheeler.....	58	9.00

## APPENDIX No. 1—Pay roll—Continued.

WEEK ENDED JULY 26, 1912—Continued.

Name.	Position.	Number of hours.	Wages.
C. Clausen.....	Bohr mills.....	67	\$16.00
J. Knotts.....	Laborer.....	67	12.25
C. Boyd.....	do.....	58	10.00
L. Hainsworth.....	Errand boy.....	58	3.00
J. Ruth.....	do.....	58	6.00
W. Barger.....	Laborer.....	58	9.00
Total.....			1,103.20

WEEK ENDED OCT. 26, 1912.

J. Miller.....	Millwright.....	58	\$25.00
J. Whann.....	Wash room.....	58	12.00
W. Bickling.....	Press foreman.....	58	20.00
H. Ruth.....	do.....	58	20.00
T. Hanna.....	Presses.....	58	15.17
C. Boyd.....	do.....	58	15.17
F. Thompson.....	do.....	58	15.17
C. Foord.....	do.....	58	15.17
J. Cunningham.....	do.....	58	15.17
F. Chambers.....	do.....	52½	13.65
A. Hargan.....	do.....	58	16.10
T. Draper.....	do.....	58	16.10
H. Steward.....	do.....	58	16.10
F. King.....	do.....	58	16.10
W. Mitchell.....	Fireman, boilers.....	73½	19.50
J. Smith.....	do.....	73½	16.00
E. Miller.....	Machinist.....	58	15.00
E. Frankhouser.....	Electrician.....	58	15.00
W. Young.....	Storekeeper.....	58	13.50
O. Stuart.....	Fireman, furnace.....	88	21.25
B. Fox.....	Muffle, furnace.....	62	14.50
T. Cole.....	do.....	58	13.25
H. Branson.....	do.....	58	11.25
H. Walker.....	Fireman, furnace.....	61	15.00
L. Anderson.....	Muffle, furnace.....	58	15.50
F. Hanksworth.....	do.....	58	13.50
J. Foord.....	Dry room.....	52½	12.65
W. Conlyn.....	do.....	58	13.63
F. Fisher.....	do.....	58	13.63
O. Rhea.....	do.....	58	15.95
C. Blanchfield.....	do.....	47½	13.10
J. Callaway.....	Zinc department.....	58	16.00
C. Scarborough.....	do.....	47½	12.82
A. Sindall.....	do.....	58	16.00
J. Faulkner.....	do.....	58	14.00
R. Fisher.....	do.....	58	12.00
I. Woodward.....	Shipping clerk.....	58	20.00
J. Thompson.....	Barreling department.....	58	12.00
A. Steward.....	do.....	58	12.00
D. Leony.....	do.....	58	10.00
A. Leony.....	do.....	58	9.00
W. Crawford.....	do.....	58	10.00
A. Spence.....	Point bins.....	58	9.00
W. Boulden.....	Sweeper.....	58	12.00
E. Foord.....	do.....	58	10.00
W. Foord.....	Black ash tanks.....	58	12.00
W. Hamilton.....	Bohr mills.....	58	9.00
C. Clausen.....	do.....	61	15.80
W. Hill.....	Driver.....	58	10.00
Horse and cart.....	Hauling.....	65	9.35
W. Barger.....	Laborer.....	61	10.20
J. Ruth.....	Errand boy.....	58	6.00
I. Snitcher.....	Watchman.....	58	12.00
J. Spence.....	Blacksmith.....	58	12.00
A. Sammons.....	Barreling department.....	58	10.00
J. Abel.....	do.....	58	10.00
O. Comegys.....	Carpenter.....	58	19.80
W. Bowen.....	Painter.....	58	12.00
J. Jackup.....	Coal wheeler.....	58	9.50
W. Neville.....	Laborer.....	58	10.00
W. Faulkner.....	do.....	58	10.80
H. Baldwin.....	Fireman, furnace.....	58	15.00
E. Davis.....	Muffle, furnace.....	58	15.50
C. Thompson.....	do.....	58	15.50
J. C. Thompson.....	do.....	58	13.50

## APPENDIX No 1—Pay roll—Continued.

WEEK ENDED OCT. 26, 1912—Continued.

Name.	Position.	Number of hours.	Wages.
W. Knotts.....	Fireman, furnace.....	88	\$21.25
J. Wilmer.....	Muffle, furnace.....	62	14.50
R. Elliott.....	do.....	58	13.25
F. Thompson.....	do.....	58	11.25
W. Elliott.....	Rock crusher.....	47½	9.00
H. Camphor.....	do.....	58	10.50
A. Lambert.....	Rock wheeler.....	32	6.05
I. Harvey.....	Coal sifter.....	58	9.00
Z. Morris.....	Zinc department.....	58	12.00
J. Bouden.....	do.....	58	11.00
J. Johnson.....	Barreling department.....	53	9.60
A. Harvey.....	Laborer.....	58	11.01
E. Cook.....	Driver.....	58	8.85
J. Miller.....	General helper.....	58	15.50
J. Elliott.....	Laborer.....	58	8.85
J. Bailey.....	Barreling department.....	53	11.00
J. Covington.....	Laborer.....	26½	4.10
Total.....			1,082.58

WEEK ENDED JAN. 31, 1913.

J. Miller.....	Millwright.....	58	\$25.00
W. Bickling.....	Press foreman.....	58	20.00
R. Ruth.....	do.....	43	11.35
T. Hanna.....	Washroom.....	52½	12.65
C. Boyd.....	Presses.....	42	11.35
F. Thompson.....	do.....	42	11.35
C. Foord.....	do.....	42	11.35
J. Cunningham.....	do.....	42	11.35
F. Chambers.....	do.....	42	11.35
B. Fox.....	do.....	42	11.35
A. Hargan.....	do.....	42	10.95
T. Draper.....	do.....	42	10.95
H. Steward.....	do.....	42	10.95
F. King.....	do.....	42	10.95
W. Mitchell.....	Fireman, boilers.....	73½	19.50
J. Smith.....	do.....	73½	16.00
F. Miller.....	Machinist.....	62	16.55
F. Frankbouser.....	Electrician.....	58	16.00
W. Young.....	Stokekeeper.....	58	13.50
O. Stewart.....	Fireman, furnace.....	92	21.25
T. Cole.....	Muffle furnace.....	78	17.20
H. Branson.....	do.....	63	13.70
W. Charleston.....	do.....	69½	12.45
H. Walker.....	Fireman, furnace.....	42	10.00
L. Anderson.....	Muffle furnace.....	66	17.30
F. Dennis.....	do.....	42	10.55
F. Hainsworth.....	do.....	63½	13.50
J. Foord.....	Dry room.....	42	9.87
W. Conlyn.....	do.....	42	9.87
F. El-her.....	do.....	42	9.87
O. Rhea.....	do.....	42	10.65
C. Blanchfield.....	do.....	42	10.65
J. Callaway.....	Zinc department.....	42	11.22
A. Sim fall.....	do.....	42	11.22
C. Scarborough.....	do.....	42	11.22
J. Faulkner.....	do.....	42	9.75
R. Fisher.....	do.....	42	8.50
I. Woodward.....	Shipping clerk.....	58	22.57
J. Thomson.....	Barreling department.....	58	14.00
A. Steward.....	do.....	58	12.00
D. Leony.....	do.....	58	10.50
A. Leony.....	Paint bins.....	58	10.00
W. Crawford.....	Barreling department.....	58	11.00
A. Srence.....	Paint bins.....	58	10.00
W. Boul-len.....	Sweeper.....	58	11.00
F. Foord.....	do.....	52½	9.55
W. Foord.....	Black-ash tanks.....	42	8.72
W. Hamilton.....	Buhr mill.....	47½	7.80
C. Clavsen.....	do.....	47½	11.50
W. Hill.....	Driver.....	58	10.00
Horse and cart.....	Hauling.....	58	9.35
W. Barger.....	Laborer.....	52½	9.10
J. Ruth.....	Laborer.....	58	6.00
L. C. Snitcher.....	Watchman.....	58	12.00
J. Spence.....	Blacksmith.....	58	12.00

## APPENDIX NO. 1—Pay roll.

WEEK ENDED JAN. 31, 1913—Continued.

Name.	Position.	Number of hours.	Wages.
A. Sammons.....	Barreling department.....	58	\$10.00
J. Abel.....	do.....	58	10.00
O. Commegys.....	Carpenter.....	58	19.80
W. Bowen.....	Painter.....	58	13.00
J. Jackup.....	Coal wheeler.....	47½	8.20
W. Neville.....	Barreling department.....	58	10.00
B. H. Gulick.....	Draftsman.....	58	30.00
H. Baldwin.....	Fireman, furnace.....	63	15.00
E. Davis.....	Muffle furnace.....	52½	12.80
C. Thompson.....	do.....	52	12.80
J. C. Thompson.....	do.....	52	11.05
W. Knotts.....	Fireman, furnace.....	73	17.50
J. Wilmer.....	Muffle furnace.....	72	16.95
H. Elliott.....	do.....	62	13.70
E. Thompson.....	do.....	58	10.65
W. Elliott.....	Hock crusher.....	58	11.00
H. Camphor.....	do.....	58	11.00
I. Harvey.....	Coal sifter.....	58	10.00
J. Bouden.....	Zinc department.....	42	8.72
Z. Morris.....	do.....	42	6.90
J. Johnson.....	Barreling department.....	58	11.00
A. Harvey.....	Laborer.....	47½	8.20
E. Cook.....	Driver.....	58	9.00
J. Miller.....	General helper.....	56½	12.00
J. F. Elliott.....	Laborer.....	58	9.50
J. Taylor.....	Hock wheeler.....	58	12.00
J. Halley.....	Barreling department.....	58	10.00
H. Ferguson.....	Laborer.....	47½	7.50
Total.....			1,020.31

I, C. T. Davis, secretary and treasurer of Krebs Pigment & Chemical Co., Newport, Del., do hereby swear that the above answers given to the interrogatories propounded to manufacturers are true and correct to the best of my knowledge and belief.

C. S. DAVIS,  
Secretary and Treasurer.

STATE OF DELAWARE,  
New Castle County, ss:

Sworn to and subscribed before me, James Perkins Groome, a notary public of the State of Delaware, this 21st day of June, A. D. 1913.

[SEAL.]

JAMES PERKINS GROOME,  
Notary Public.

## YELLOW PRUSSIATE OF POTASH.

THE PENMAN-LITTLEHALES CHEMICAL CO. (LTD.), SYRACUSE, N. Y.,  
BY WILL H. BLAIN, MANAGER.

SYRACUSE, N. Y., June 11, 1913.

Hon. F. McL. SIMMONS,  
Chairman Committee on Finance,  
United States Senate, Washington, D. C.

DEAR SIR: We have a copy of the interrogatories propounded to manufacturers in connection with the pending tariff legislation and desire to file answer to these to the best of our ability.

We beg to answer first the questions propounded by the majority members of the Committee on Finance, as follows:

Question 1. What is the name, nature, and use of the commodity you produce?

Answer. The article to which all our answers will refer is yellow prussiate of potash or potassium ferrocyanide, being one of the articles manufactured in our plant.

Question 2. What are the raw materials used in its production? State exact nature of material used.

Answer. The basic raw material used in the production of this article is spent oxide or spent iron mass, which is a mixture of iron borings and shavings used in gas works for the purification of coal gas. Intermediate raw materials are lime, muriate of potash, and carbonate of potash.

Question 3. Are the raw materials used by you produced in this country or imported? If imported, in whole or in part, whence are they imported and what proportion of the whole is imported?

Answer. Practically all the spent oxide we use is produced in the United States. We import a small quantity from Canada upon which we pay at present a duty of 10 per cent ad valorem under Treasury ruling. The lime we use is produced in the United States; the muriate of potash and carbonate of potash are both imported wholly from Germany.

Question 4. What is the cost per unit of the raw material of your product?

Answer. The cost of spent oxide during 1912 was \$3.70 per net ton; during 1911 the cost was \$3.31 per net ton. Lime costs us \$5.65 per net ton. Muriate of potash costs us \$38.60 per net ton, basis 80 per cent. Carbonate of potash costs us \$84 per net ton. Additional details regarding costs of raw material are given in answer to your question No. 10.

Question 5. Give also, if you can, the cost per unit of raw material of this commodity in foreign countries? State figures for each country.

Answer. We are unable to answer this question. We have made a number of attempts to purchase spent oxide in Europe, but this raw material is practically controlled by a German trust, and we have been unable to obtain competitive quotations. The cost of lime in Germany is about \$3 per ton and in Great Britain about \$2.25 per ton. We are unable to obtain any information regarding the cost of muriate of potash and carbonate of potash to German manufacturers. This information appears to be carefully guarded.

Question 6. What part of your production of this commodity do you export? To what countries and in what quantities and values and what rates of duty are paid at the several foreign ports of entry?

Answer. We do not export any yellow prussiate of potash.

Question 7. Are you interested in any other concern exporting this commodity? If so, give name, amount of product exported, and the actual selling price of this product here and abroad.

Answer. No; no export whatever.

Question 8. What were the wholesale prices charged by you and by any concern in which you are interested for this commodity in the domestic market, and what were the prices charged by you and any

concern in which you are interested for this commodity when sold in foreign markets during the first four weeks in January, first four weeks in April, first four weeks in July, first four weeks in October, 1912, and the first four weeks in January, 1913?

Answer. No export. Selling price of yellow prussiate of potash in the United States during the first four weeks of January, 1912, was 12.99 cents per pound; during first four weeks of April, 1912, 12.93 cents per pound; during first four weeks in July, 1912, 13.03 cents per pound; during first four weeks in October, 1912, 13.06 cents per pound; during first four weeks in January, 1913, 15.73 cents per pound.

Question 9. What was the cost of transportation of your product from your factory to the principal foreign markets, giving the names of markets for the periods specified in question 8?

Answer. No export.

Question 10. What country or countries are your chief competitors in the sale of this commodity in the foreign markets to which you export?

Answer. No export.

Question 11. Is there a tariff differential for or against you in any of the countries to which you export this commodity?

Answer. No export.

Question 12. How many concerns are engaged in the manufacture or production of this commodity in this country?

Answer. Three.

Question 13. Who are the principal producers?

Answer. The Henry Bower Chemical Manufacturing Co., of Philadelphia, Pa.; the Ballman-Frederichs Chemical Co., of Cincinnati, Ohio; the Penman-Littlehales Chemical Co., of Syracuse, N. Y.

Question 14. Are any of these producers organized into a trust or combination to control the price or output, or for any other purpose, and have you any connection or interest, directly or indirectly, in such trust or combination?

Answer. There is no trust, combination, or price understanding of any nature whatsoever among the domestic manufacturers, and, so far as we are aware, between any one of them and the European manufacturers. There is now, and during the time we have been in this business there always has been, the keenest competition among the domestic manufacturers and with the foreign manufacturers who export to the United States.

Question 15. What proportion of the production of this commodity in this country is produced by such trust? What proportion by the independent producers?

Answer. There is no domestic trust in the manufacture or sale of yellow prussiate of potash. All three domestic manufacturers are entirely independent to the best of our knowledge, and the combined production of these manufacturers represents about 68 per cent of the total consumption of yellow prussiate of potash in the United States, about 32 per cent being imported.

Question 16. Is there any difference in the price charged for this product in the domestic market by the independent producer and the trust producer?

Answer. This question does not require any answer, as there is no trust.

Question 17. What were your wholesale prices f. o. b. factory of this commodity sold in the United States during the first four weeks in January, first four weeks in April, first four weeks in July, and first four weeks in October, 1912, and the first four weeks in January, 1913?

Answer. Our product is not sold on the basis of f. o. b. factory. Practically all sales are made on the basis of freight paid f. o. b. New York. This is on account of the imported article, which is always quoted f. o. b. New York. Our wholesale price on yellow prussiate of potash during the first four weeks of January, 1912, was 12.99 cents; during the first four weeks of April, 1912, 12.93 cents per pound; during the first four weeks of July, 1912, 13.03 cents per pound; during the first four weeks of October, 1912, 13.06 cents per pound; during the first four weeks of January, 1913, 15.73 cents per pound.

Question 18. What were your wholesale prices of this commodity f. o. b. factory for export in foreign countries during the periods mentioned in question No. 17?

Answer. No export.

Question 19. What was the cost of production in your plant per unit of your product for the fiscal years 1910 and 1912? Give cost of materials, labor, overhead charges, and depreciation charges in separate items and in as much detail as possible. In this connection give capitalization, as follows:

Answer. In answer to this question we attach herewith special report giving full details of all costs of our production of yellow prussiate of potash during the years 1910, 1911, and 1912.

SPECIAL REPORT OF PRUSSIATE OF POTASH OPERATION.

*Subdivision of cost prices per pound and percentage of total cost represented by each account.*

	1912		1911		1910	
	Cost per pound.	Percentage cost per pound.	Cost per pound.	Percentage cost per pound.	Cost per pound.	Percentage cost per pound.
	<i>Cents.</i>		<i>Cents.</i>		<i>Cents.</i>	
Wages.....	1.650	12.47	1.77	13.84	1.719	13.637
Supplies.....	.162	1.22	.139	1.08	.08	.676
Spent oxide.....	3.109	23.37	2.822	22.06	2.735	21.74
Lime.....	.560	4.21	.612	4.78	.623	4.95
Carbonate of potash.....	1.726	12.98	1.692	13.23	1.705	13.56
Muriate of potash.....	1.128	8.47	1.155	9.02	1.194	9.49
Fuel.....	1.127	8.47	.914	7.41	.831	6.61
Machinery repairs.....	.614	4.67	.472	3.69	.265	2.11
Building repairs.....	.010	.07	.064	.50	.117	.83
Office.....	.112	.84	.099	.77	.083	.67
Freight and cartage.....	.350	2.63	.279	2.18	.279	2.32
Commission and cash discount.....	.705	5.30	.547	4.59	.697	4.66
Overhead charges.....	2.016	15.15	2.15	16.82	2.357	18.74
	13.278	99.85	12.789	99.97	12.577	99.98



*Subdivision of overhead charges.*

	1912	1911	1910
	Cents.	Cents.	Cents.
Light.....	0.002		
Taxes.....	.079	0.070	0.077
Management.....	.734	.607	.705
Laboratory.....	.065	.105	.053
Expense.....	.044	.192	.246
Traveling expense.....	.150	.088	
Special expense.....		.175	.373
Water.....	.043	.044	.077
Insurance.....	.143	.122	.143
Interest.....	.271	.338	.397
Power.....	.079		
Tear and wear.....	.406	.401	.394
	2.016	2.145	2.380

We further answer your subdivisions of this question, as follows:

(a) Amount of common stock issued.

Answer. Common stock issued, \$25,000.

(b) Amount of preferred stock issued.

Answer. None.

(c) Amount of bonds issued.

Answer. None.

(d) Amount of actual cash or its equivalent in property received in consideration of the stocks and bonds given above.

Answer. Common stock paid for in full at par in cash.

(e) Rate of dividend paid on preferred stock.

Answer. None.

(f) Rate of dividend paid on common stock.

Answer. None. This company has never paid a dividend since the date of organization in 1899.

(g) Rate of interest borne by bonds.

Answer. No bonds issued.

(h) How much of your earnings for each of the years 1910, 1911, and 1912 have been credited to surplus and how much have been devoted to additions to the plant?

Answer. Practically no additions have been made to our plant during the years 1910, 1911, and 1912. Any changes made have been comparatively small and have been charged up to our machinery repair account. For this reason, practically our entire profits are shown on balance sheets to the credit of profit and loss account. We call your attention to copies of balance sheets for each of the three years, which are attached herewith.

(i) Salaries paid during each of the foregoing years to each of your principal officials.

Answer. None of the principal officials or directors of this company have ever been paid a salary. The only salary paid by this company has been to the manager of the works.

(j) Statement of assets and liabilities, 1910, 1911, and 1912.

(k) Comparative balance sheet for the years 1910, 1911, and 1912.

Answer. As the best means of answering these questions, we attach herewith copies of our balance sheets for the years 1910, 1911, and 1912.

*Balance sheet, Dec. 31, 1910.*

ASSETS.		LIABILITIES.	
Real estate.....	\$7,700.00	Capital stock.....	\$25,000.00
Building.....	6,800.00	Bills payable.....	16,000.00
Machinery.....	16,877.00	John Penman.....	25,748.38
Blue building.....	3,000.00	Long & Bisby.....	8,150.00
Blue apparatus.....	2,500.00	Tear and wear.....	2,500.00
Bichromate.....	2,500.00	Syracuse account payable.....	626.68
Accounts receivable.....	6,291.23	Accounts payable.....	2,003.70
Cash.....	2,188.07	Profit and loss.....	7,307.49
Inventory.....	39,521.26	Syracuse branch.....	61.36
	87,397.61		87,397.61

*Balance sheet, Dec. 30, 1911.*

ASSETS.		LIABILITIES.	
Real estate.....	\$7,700.00	Capital stock.....	\$25,000.00
Building P.....	6,800.00	Bills payable.....	4,000.00
Machinery P.....	16,747.00	Jno. Penman.....	26,022.20
Blue building.....	3,000.00	Long & Bisby.....	6,605.14
Blue apparatus.....	2,500.00	Tear and wear.....	5,405.00
Accounts receivable.....	5,584.73	Accounts payable.....	2,394.11
Cash.....	6,208.91	Profit and loss.....	11,242.74
Inventory.....	33,459.01	Wages owing.....	1,367.36
Syracuse branch.....	32.0		
	82,036.55		82,036.55

*Balance sheet, Dec. 31, 1912.*

ASSETS.		LIABILITIES.	
Real estate.....	\$7,700.00	Capital stock.....	\$25,000.00
Building P.....	6,800.00	Bills payable.....	2,542.22
Machinery P.....	16,747.00	Jno. Penman.....	26,145.39
Blue building.....	3,000.00	Long & Bisby.....	6,524.23
Blue apparatus.....	2,500.00	Tare and wear.....	8,310.00
Accounts receivable.....	13,291.69	Accounts payable.....	1,031.75
Cash.....	5,712.41	Profit and loss.....	17,151.60
Inventory.....	32,403.92	Wages owing.....	1,786.97
Syracuse branch.....	329.14		
	83,492.16		83,492.16

Question 20. Give value for which the property shown in the above statement of assets and liabilities was assessed for taxation in 1912.

Answer. Property was assessed for taxation in 1912 at valuation of \$22,000, with a further assessment on personal property (representing machinery) at valuation of \$4,000.

Question 21. Give transcript of your labor roll for the periods covered in questions Nos. 17 and 18. Let the transcript show separately:

Answer:

	Periods first 4 weeks in --				
	January, 1912.	April, 1912.	July, 1912.	October, 1912.	January, 1913.
(a) Skilled laborers.....	6	3	3	3	5
Semi-skilled laborers.....	6	6	6	6	6
(b) Unskilled laborers.....	17	13	13	11	17
(c) Men.....	29	22	22	23	28
(d) Women.....	None.	None.	None.	None.	None.
(e) Children.....	None.	None.	None.	None.	None.
(f) Native born.....	10	7	9	9	11
(g) Foreign born.....	19	15	13	11	17
(h) Number who are citizens.....	14	9	12	12	17

Question 22. State amount of wages paid per annum for the years 1910, 1911, and 1912, and total value per annum of your product for the same years.

Answer. Total wages paid for 1910, \$12,710.72; 1911, \$14,522.49; 1912, \$14,130.70. Value of yellow prussiate of potash produced in 1910, \$79,699.82; 1911, \$86,099; 1912, \$95,045.05.

Question 23. State the character, quality, and age of the machinery used in the manufacturing of your product.

Answer. Aside from the boiler plant and electrical equipment, practically all the machinery used in manufacturing yellow prussiate of potash is specially designed for the work, and unless used for this purpose is practically worthless. We estimate that if put on the market as second-hand machinery, we could not obtain more than 20 per cent of cost price. Our machinery consists of special tanks, filters, evaporators, etc., together with an elaborate system of special conveying machinery. Most of our plant is comparatively new, the larger part having been installed about 1910.

Question 24. What is the total cost of production per unit of the same products as yours in competing countries? In answering this question give the exact source of your knowledge or information.

Answer. We have made several attempts to obtain this information, but are unable to do so. This information is carefully guarded by foreign manufacturers.

Question 25. What is the percentage of labor cost to the total cost of a unit of product in competing countries? In answering this question give exact source of your knowledge or information, stating the countries separately.

Answer. Our reply to this is the same as to question No. 24.

Question 26. Give the cost of transportation from your factory to the principal markets in this country, naming the markets.

Answer. The principal markets for our product are in the New England States, New Jersey, and near the Brooklyn district. Freight rate is universally 25 cents per 100 pounds.

Question 27. What is the cost of transportation from the principal points of production in competing countries to the markets in this country? In answering this question give the names of competitive countries.

Answer. We can not answer this question.

Question 28. What part of the duty under the Payne-Aldrich law represents your profit as a manufacturer?

Answer. Our statement of costs as filed herewith in answer to question No. 19 will show that there is practically no margin of profit on our yellow prussiate of potash department. Our balance sheets submitted herewith cover the entire business of our company, it being impossible for us with our present system of bookkeeping to file separate balance sheets for the prussiate of potash department. We would therefore ask you to bear in mind that our balance sheets show profits on other articles we manufacture in addition to yellow prussiate of potash. We therefore feel that the best answer we can make to this question is that the 4 cents per pound specific duty on yellow prussiate of potash under the Payne-Aldrich law is divided in proportion to about 3.5 to 3.75 cents per pound in covering the higher costs of production in America as compared with foreign countries, and about 0.25 to 0.5 cent per pound represents the proportion of the duty which is our profit as manufacturers.

Question 29. Have you a pecuniary interest in the maintenance of a high tariff rate on this commodity?

Answer. In answer to this question, we state without hesitation that we have a very vital interest in the maintenance of the high tariff rate on yellow prussiate of potash. It is impossible for the American manufacturers to compete in cost prices with the foreign trust, which not only regulates the selling price of this article in Germany, but has an agreement with the English and Scotch manufacturers. This trust does business in the United States through a branch house under the name of the Roessler & Hasslacher Chemical Co. of New York, which firm is simply a branch of the German trust.

This German trust not only practically controls selling prices in Europe, but they are also the owners of a patented process for the recovery of cyanogen by-product in manufacture of coal gas. Permits to use this process are issued to European gas works only on the condition that the cyanogen by-product must be sold to the German trust. By this and other means they practically control the supply of raw material, thus being able to dictate not only the price of their finished product, but also the price they pay for their principal raw material. This fact, in conjunction with the lower investment costs and much lower labor costs, enables the foreign manufacturers to produce yellow prussiate of potash at a price which can not be reached by the American manufacturers using spent oxide as the chief raw material.

In further connection with this matter, we desire to state that the Roessler & Hasslacher Co. control the American rights to the patented process referred to above. This patented process is used by only one gas works in the United States, namely, the Consolidated Gas Co. of New York. We are unable to obtain full particulars regarding the contract existing between the Roessler & Hasslacher Co. and the Consolidated Gas Co., but we understand that there is some arrangement in existence by which the Roessler & Hasslacher Co. control the disposal of the cyanogen by-product of the Consolidated Gas Co. This cyanogen by-product is, in turn, sold to the Henry Bower Manufacturing Co. of Philadelphia, for whom the Roessler & Hasslacher Co. act as selling agents. We understand that the contract between the Henry Bower Chemical Manufacturing Co. and the Consolidated Gas Co. is made in such a way that the cyanogen by-product is sold on a sliding scale based on the average selling price of yellow prussiate of potash in New York market. This, in turn, means that the Henry Bower Chemical Manufacturing Co. are protected as to profits. The proposed Underwood tariff bill reduces the duty on yellow prussiate of potash from 4 cents per pound to 1½ cents per pound, a reduction of 2½ cents per pound, or approximately 68 per cent of the existing duty. If this bill becomes law and the foreign manufacturers make a corresponding reduction in their selling prices in this country, the Henry Bower Chemical Manufacturing Co., through their friendship with the representatives of the German trust, will be allowed to continue in business because their profits are assured, while the other manufacturers will inevitably be forced to withdraw from further manufacture of this article.

We also desire to call your attention to the fact that there have always been large importations of yellow prussiate of potash into the United States and that the competition of the foreign manufacturers

has always been a fierce and aggressive one, and it is only by costly experimental work and by steady improvements in the working process that the American manufacturers have been able to remain in the field. We believe that the proposed reduction in duty will inevitably result in the elimination of the domestic manufacturers of this article, except in the special case of the Henry Bower Chemical Manufacturing Co., as stated above. It will also result in the complete domination of the market by the German trust or their representatives. We contend that the existence of the domestic manufacturers will result in such competition that consumers will be assured of the lowest possible price on this article, whereas if the German trust completely dominate the market they will be in position to fix this price at any figure they may feel inclined to make.

We believe that a serious injustice is being done the American manufacturers, and eventually the American consumers, by the reduction proposed under the present bill, and we trust this matter may receive consideration at your hands and the duty be fixed at a higher rate, which will allow for the continuance in business of the American manufacturers.

The questions propounded by Senator La Follette on behalf of the minority members of the Committee on Finance we desire to answer as follows:

Question 1. What is the nature and use of the commodity which you produce?

Answer. The article under consideration is yellow prussiate of potash or potassium ferrocyanide. It is a crystalline substance used principally in the manufacture of prussian blue and in the textile industry as a mordant. The proportion of the United States consumption is divided approximately about 75 per cent for the manufacture of prussian blue and 25 per cent in the textile industry.

Question 2. What are the raw materials used in its production?

Answer. The basic raw material used is spent oxide or spent iron mass, the discarded purifying material used by the gas works manufacturing coal gas. In addition we use in process of manufacture lime, muriate of potash, and carbonate of potash.

Question 3. What is the amount of the production of this commodity in this country?

Answer. Approximately 3,250,000 pounds.

Question 4. What is the amount of the consumption of this commodity in this country?

Answer. Approximately 5,000,000 pounds.

Question 5. How many concerns are engaged in the manufacture of this commodity under consideration?

Answer. There are three domestic manufacturers of yellow prussiate of potash.

Question 6. Who are the principal producers?

Answer. The Henry Bower Chemical Manufacturing Co., of Philadelphia, Pa.; the Bahlmen-Frederichs Chemical Co., of Cincinnati, Ohio; the Penn'n-Littlehales Chemical Co., of Syracuse, N. Y.

Question 7. What are the ruling market prices of this commodity in this country?

Answer. Yellow prussiate of potash is selling in the United States at the present time at approximately 16 cents per pound. About

50 per cent of our total production for the year is sold under contract at 13 cents per pound. We believe the other domestic manufacturers also have large quantities of their product sold at low prices.

Question 8. What are the ruling market prices of this commodity in competing countries?

Answer. According to the best information we can obtain, ruling market prices on yellow prussiate of potash in Europe are approximately 12.50 to 12.75 cents per pound.

Question 9. What is the total cost of production per unit of product in this country?

Answer. We can only answer this question so far as it regards our own production. During the past five years our prevailing manufacturing cost has been slightly under 13 cents per pound. Our lowest manufacturing cost on record during the last five years is slightly over 12.50 cents per pound.

Question 10. What is the total cost of production per unit of product in competing countries?

Answer. We are unable to obtain any information which will allow us to answer this question.

Question 11. What is the percentage of the labor cost to the total cost per unit of product in this country?

Answer. Twelve and one-half to 14 per cent.

Question 12. What is the percentage of the labor cost to the total cost of a unit of product in competing foreign countries?

Answer. We are unable to answer this question.

Question 13. What is the cost of transportation to the principal markets in this country from the principal points of production?

Answer. Twenty-five cents per 100 pounds gross weight.

Question 14. What is the cost of transportation to the principal markets in this country from the principal points of production in competing foreign countries?

Answer. We are unable to answer this question.

Question 15. What part of the existing duty represents the difference in the cost of production between this and competing foreign countries?

Answer. We are unable to obtain positive information regarding cost prices of yellow prussiate of potash in Europe. From the figures we have been able to obtain, however, we should say that 75 per cent of the existing duty of 4 cents per pound would approximately represent the difference in cost price of manufacture as between factories in the United States and in Europe.

Question 16. What part of the existing duty represents the profit of the American manufacturer?

Answer. We can only answer this question on the basis of our own factory costs. We would say that approximately three-fourths to 1 cent per pound represents the profit in the manufacture of yellow prussiate of potash. The balance of the existing duty represents the difference between manufacturing costs in the United States and in Europe.

Yours, faithfully,

THE PENMAN-LITTLEHALES CHEMICAL CO. (LTD.).  
WILL H. BLAIN, *Manager*.

DISTRICT OF COLUMBIA,  
City of Washington:

Subscribed and sworn to before me this the 12th day of June, 1913.  
[SEAL.]

SEBE NEWMAN,  
Notary Public.

My commission expires September 4, 1917.

SYRACUSE, N. Y., June 11, 1913.

HON. F. McL. SIMMONS,  
Chairman, Committee on Finance,  
United States Senate, Washington, D. C.

DEAR SIR: We take pleasure in placing on file with you replies to the interrogatories propounded by the members of the Senate Finance Committee as they have reference to yellow prussiate of potash.

Briefly supplementing our reply to these interrogatories, we desire to impress upon you particularly one or two matters in connection with yellow prussiate of potash, which we do not believe have received the attention of your committee.

One matter is that the consumption of yellow prussiate of potash in the United States is practically a fixed quantity not subject to variation because of difference in price and not dependent on change of tariff for increase or decrease of consumption. For instance, under the Wilson tariff of 1894 the duty on prussiate of potash was placed at 25 per cent ad valorem, and under this tariff the importations in 1896 were 1,056,562 pounds. Under the McKinley tariff of 1890 the tariff was 5 cents per pound specific and under this tariff the importations for 1893 were 1,047,910 pounds.

Of the total United States consumption of yellow prussiate of potash, the domestic manufacturers are producing about 68 per cent and about 32 per cent is imported. The Roessler & Hasslacher Chemical Co., of New York, is the American branch of the German trust which practically controls the manufacture and sale of yellow prussiate of potash in Europe. We contend that the proposed reduction in tariff under House bill 3321 to a tariff of 1½ cents per pound specific is altogether too radical a reduction, meaning, as it does, a cut of about 68 per cent from the existing tariff, and we contend that this reduction is discriminatory as against the domestic manufacturers and is not called for by any market conditions.

There has always been the keenest competition between the domestic manufacturers and the foreign manufacturers of yellow prussiate of potash, and statistics will bear out our assertion that the foreign manufacturers have always had a portion of the American trade in this article. Furthermore, the price for some years has been practically dominated by the German trust, and the domestic manufacturers have simply been allowed to exist. We contend that a radical reduction in duty now proposed will result in the elimination of the domestic manufacturers and have the effect of putting the German trust in complete command of the market on this article. We further contend that the existence of the domestic manufacturers is the best way to maintain lively competition in yellow prussiate of potash, and we ask that this matter receive your attention and that

either the present tariff be maintained or only a slight reduction be made.

Yours, faithfully,

THE PENMAN-LITTLEHALES CHEMICAL CO. (I/TD.),  
Per WILL H. BLAIN, *Manager*.

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### CLAY PIPES.

J. T. GIBMSOHEID, MILWAUKEE, WIS.

MILWAUKEE, WIS., June 10, 1913.

The FINANCE COMMITTEE OF THE SENATE,  
*Washington, D. C.*

GENTLEMEN: With reference to the amendment to the present tariff on the duty of importations of common clay pipes, I submit herewith my answers to the questions propounded in circular H. R. 3321, sent me by the Hon. R. M. La Follette, United States Senator of this State.

Question 1. What is the nature and use of the commodity which you produce?

Answer. Clay pipes made of clay and used for smoking.

Question 2. What are the raw materials used in its production?

Answer. Clay.

Question 3. What is the amount of the production of this commodity in this country?

Answer. This particular grade of clay is not produced in this country.

Question 4. What is the amount of the consumption of this commodity in this country?

Answer. None.

Question 5. How many concerns are engaged in the manufacture of the commodity under consideration?

Answer. Not any to my knowledge.

Question 6. Who are the principal producers?

Answer. Not any in this country to my knowledge.

Question 7. What are the ruling market prices of this commodity in this country?

Answer. My price to jobbers averages \$1.30 per box of 2½ gross each.

Question 8. What are the ruling market prices on this commodity in competing countries?

Answer. 67½ cents per box of 2½ gross.

Question 9. What is the total cost of production per unit of the product in this country?

Answer. As previously stated, to the best of my knowledge they are not manufactured here, although I have seen some other brands of clay pipes for sale.

Question 10. What is the total cost of production per unit of product in competing countries?

Answer. The price of manufacture in Germany is at a minimum, for the reason that the clay from which they are made is cheap and they are manufactured usually in the winter time when other business is slack.



Question 11. What is the percentage of the labor cost to the total cost of a unit of product in this country?

Answer. Can not answer this question, as I do not know of any manufacturers in this country.

Question 12. What is the percentage of the labor cost to the total cost of a unit of product in competing foreign countries?

Answer. I can not answer this question, as I do not know just what the cost of labor is for the manufacture of the same.

Question 13. What is the cost of transportation to the principal markets in this country from the principal points of production in this country?

Answer. Can not answer this question for the reason above stated.

Question 14. What is the cost of transportation to the principal markets in this country from the principal points of production in competing foreign countries?

Answer. The freight from f. o. b. Vollander, Germany (shipping point), to Chicago and Milwaukee is 20 cents per case of 2½ gross each. The duty per case is 37½ cents per case of 2½ gross per case, making total transportation charges 57½ cents per case, which plus the selling price at Vollander of 67½ cents per case of 2½ gross each makes entire total of \$1.24½ per case of 2½ gross.

From which you will note that inasmuch as I sell these pipes for \$1.30 per case of 2½ gross each my profit is 6½ cents a case of 2½ gross.

You will therefore observe that the high rate of duty about prevents my continuing in the importing of this commodity, and were it not for the fact that I have been established in this business for 31 years and have acquired during this long period a number of customers who desire to handle this article, I would have long since discontinued this business, and feel that you should recognize the fact that the duty should be entirely eliminated on this commodity. These goods, as previously advised, are not a luxurious article, but only used by the working people, and it would be to their benefit if they could buy the same at a less figure.

Question 15. What part of the existing duty represents the difference in the cost of production between this and competing foreign countries?

Answer. I can not answer this question, as I do not know where they are produced in this country.

Question 16. What part of the existing duty represents the profit of the American manufacturer?

Answer. I can not answer this question for the reason stated above.

I trust that I have answered these questions to your satisfaction and that I will in due time receive a favorable reply.

Yours, truly,

J. T. GIRMSCHIED.

Sworn and subscribed to before me this 10th day of June, 1913.

[SEAL.]

ALFRED P. TRESTER,  
Notary Public.

Copy to Hon. U. S. Senator Stone, Hon. U. S. Senator Thomas, Hon. U. S. Senator James, Hon. U. S. Senator Simmons, Hon. U. S. Senator La Follette.

## COMMON WINDOW GLASS.

CRESCENT WINDOW GLASS CO. (INC.), WESTON, W. VA., BY JOSEPH GRANT, SECRETARY AND MANAGER.

WESTON, W. VA., June 17, 1913.

The COMMITTEE ON FINANCE,  
United States Senate, Washington, D. C.

GENTLEMEN: We submit the following answers to the interrogatories propounded to manufacturers:

No. 1. The commodity we produce is common window glass used in windows, show cases, furniture, and picture frames.

No. 2. The raw materials used are sand, raw ground limestone, sulphate of soda, carbonate of soda, and ground coal or carbon.

No. 3. The raw materials used are all produced in this country.

No. 4. The cost is 24 cents per unit of the raw material of our product.

No. 5. We do not know the cost per unit of raw material in foreign countries.

No. 6. We do not export any of our product.

No. 7. We are not interested in any other concern exporting this commodity.

No. 8. We sold window glass at wholesale at the following discounts from the manufacturer's price list of January 1, 1901: For the first four weeks of January, 1912, 90-45-2½ per cent for single strength, 90-45-7½-2½ per cent for A double strength, 90-50-4-2½ per cent for B double strength. For the first four weeks of April, 1912, 90-30 per cent for single strength, 90-35 per cent for double strength. For the first four weeks of July, 1912, 90-25 per cent for single strength, 90-30 per cent for double strength. For the first four weeks of October, 1912, 90-25 per cent on single strength, 90-30 per cent on double strength. For the first four weeks of January, 1913, 90-20 per cent for the first three selling brackets single strength, 90-17½ per cent for the balance single strength, 90-22½ per cent for double strength.

Nos. 9, 10, and 11. See answer to No. 6.

No. 12. There are about 75 concerns engaged in the manufacture of window glass in this country.

No. 13. The principal producers are the American Window Glass Co., Pittsburgh, Pa.; Camp Glass Co., Mount Vernon, Ohio; Consolidated Window Glass Co., Bradford, Pa.; Empire Glass Co., Smethport, Pa.; Jeannette Window Glass Co., Point Marion, Pa.; and Tuna Glass Co., Clarksburg, W. Va.

Nos. 14, 15, and 16. None of these producers are organized into a trust or combination to control prices or output.

No. 17. See answer to No. 8.

No. 18. No glass exported.

No. 19. The cost of production in our plant per unit of product for the year.

	Materials.	Labor.	Over-head charges.	Depreciation.	Total.
1910.....	\$0.49	\$0.77	\$0.07	\$0.05	\$1.38
1912.....	.46	.73	.06	.05	1.32

- No. 19a. Amount of common stock issued, \$100,000.  
 No. 19b. Amount of preferred stock issue, none.  
 No. 19c. Amount of bond issue, none.  
 No. 19d. Amount of actual cash received, \$88,559.71.  
 No. 19e. Rate of dividend paid on preferred stock, none.  
 No. 19f. Rate of dividend paid on common stock 1908, none; 1909, 3 per cent; 1910, 6 per cent; 1911, none; 1912, none.  
 No. 19h. There was a loss for the years 1910 and 1911, and earnings for 1912 was credit to surplus.  
 No. 19i. \$2,400 paid per annum to the secretary for the years 1910, 1911, and 1912.  
 No. 19j. Statement of assets and liabilities, 1910-12:

## 1910.

## ASSETS.

Accounts receivable.....	\$255.27
Raw materials.....	34,506.88
Buildings and real estate.....	149,568.44
Office furniture supplies.....	639.50
Unexpired insurance.....	650.00
Prepaid interest.....	1,210.00
Loss.....	6,959.72
	<u>193,819.81</u>

## LIABILITIES.

Cash (overdrawn).....	\$38.72
Accounts payable.....	387.41
Bills.....	66,705.95
Undivided profits.....	26,687.73
Capital stock.....	100,000.00
	<u>193,819.81</u>

## 1911.

## ASSETS.

Accounts receivable.....	\$19,738.12
Bills receivable.....	6,327.76
Cash.....	3,865.21
Raw material.....	17,430.00
Real estate and buildings.....	149,568.44
Office furniture and supplies.....	639.50
Unexpired insurance.....	950.00
Prepaid interest.....	1,000.00
Window glass.....	19,989.71
Loss.....	3,597.36
	<u>223,016.10</u>

## LIABILITIES.

Accounts payable.....	\$7,163.60
Bills payable.....	82,831.59
Undivided profit.....	33,017.91
Capital stock.....	100,000.00
	<u>223,016.10</u>

1912.

## ASSETS.

Accounts receivable.....	\$11,756.24
Bills receivable.....	1,333.46
Cash.....	7,517.52
Raw material.....	19,850.00
Real estate and buildings.....	149,568.44
Office furniture and supplies.....	659.50
Window glass.....	24,000.00
	<u>214,665.16</u>

## LIABILITIES.

Accounts payable.....	\$1,820.54
Bills payable.....	81,273.33
Undivided profits.....	30,460.50
Capital stock.....	100,000.00
Gain.....	1,110.79
	<u>214,665.16</u>

No. 20. The property shown in the above statement of assets and liabilities was assessed for taxation 1912 at a value of \$92,760.

No. 21. Transcript of our labor roll:

First four weeks in—	Skilled labor.	Unskilled labor.	Men.	Women.	Children of maximum age.	Native born.	Foreign born.	Number who are citizens.
January, 1912.....	127	112	239	None...	None...	161	78	239
April, 1912.....	126	111	237	None...	None...	166	71	237
July, 1912.....	34	34	34	None...	None...	28	6	34
October, 1912.....	127	54	181	None...	None...	137	44	181
January, 1913.....	129	113	242	None...	None...	192	50	242

No. 22. Wages paid and value of products:

	Wages paid.	Value of product.
1910.....	\$163,051.00	\$279,833.10
1911.....	87,344.27	137,063.74
1912.....	186,351.95	312,403.34

No. 23. We use no machinery in manufacturing window glass directly; we have three gas engines for producing the power to operate pumps, elevators, and volume blowers and the machinery for mixing the raw material. The machinery is about 6 years old.

Nos. 24 and 25. We do not know the cost of production per unit in competing countries.

No. 26. The cost of transportation from our factory in cents per hundredweight is as follows: Pacific coast points, 90; Washington, D. C., 15; Chicago, Ill., 20; Louisville, Ky., 18; New Orleans, La., 47; Baltimore, Md., 15; Boston, Mass., 22½; St. Louis, Mo., 22½; Newark, N. J., 20; New York, N. Y., 18; Philadelphia, Pa., 16; Pittsburgh, Pa., 15; and Galveston, Tex., 43.

No. 27. We are unable to give cost of transportation from points in competing countries to the markets in this country.

Nos. 28 and 29. We are interested in the maintenance of a tariff sufficiently high to enable us to sell our product in this country at a price that will net us a reasonable profit.

Given under my hand this 19th day of June, 1913.

JOSEPH GRANT,  
*Secretary and Manager of Crescent Window Glass Co.*

STATE OF WEST VIRGINIA,

*County of Lewis, to wit:*

I, B. S. Stathers, a notary public in and for the said county and State, do hereby certify that on this day Joseph Grant personally appeared before me in my said county and State, and, being by me duly sworn, did depose and say that he is the secretary and manager of the Crescent Window Glass Co., a corporation, organized and doing business under the laws of the State of West Virginia, with its principal office and place of business in the city of Weston, in the county of Lewis, State of West Virginia; that he has made the answers set out upon pages one to four, inclusive, hereto attached; that he has made the said answers with great care and deliberation; that they are made with the best of his knowledge and belief and that he believes them to be true; and I further certify that my notarial commission expires on the 15th day of August, 1915.

Given under my hand and notarial seal this 19th day of June, 1913.

[SEAL.]

B. S. STATHERS,  
*Notary Public, Lewis County, West Virginia.*

ALLEGANY WINDOW GLASS CO., PORT ALLEGANY, PA., BY H. R. HILTON,  
SECRETARY AND TREASURER.

PORT ALLEGANY, PA., June 5, 1913.

Hon. F. M. SIMMONS,

*Chairman Finance Committee,*

*Senate Office Building, Washington, D. C.*

DEAR SIR: In response to the 29 interrogatories propounded to manufacturers by your committee, the Allegany Window Glass Co. begs to submit the following:

No. 1. Window glass; a transparent metal used to admit light into inclosed buildings.

No. 2. Silica, limestone, carbonate or sulphate of soda and ground coal.

No. 3. All produced in the United States. Sulphate of soda was imported in years 1909-10 when demand exceeded production in this country.

No. 4. 18.2 cents per 50-foot box single strength.

No. 5. 8.59 cents per 50-foot box single strength.

Nos. 6 to 11 inclusive. This company has never exported window glass and does not know of any ever having been exported from the United States.

No. 12. About 65.

No. 13. The American Window Glass Co. is the largest manufacturer having a machine capacity that produces 33 to 40 per cent of all the window glass made in the United States. Hand plants,

ranging from 18 to 60 pot capacity each, produce about 50 per cent. The balance by hand plants converted over into machine factories and now experimenting with new machines under different patents.

No. 14. Do not know of any trust or combination that controls prices. This company is privileged to sell where and at what prices it pleases.

No. 15. Do not know.

No. 16. Glass is being sold at different prices by different companies, but owing to better demand this year than at any time since 1905, the prices have been more uniform than at any time for seven years. This company sells its products at about 5 per cent higher price than the machine plants and most of the hand plants. There seem to be three selling discounts prevailing at this time based more on quality than on any other factor.

No. 17. The wholesale prices of this company f. o. b. factory averaged on the unit of 50-foot single-strength glass were for January, 1912, \$1.56 per box; April, 1912, \$1.57 per box; July, 1912, \$1.56 per box; October, 1912, \$1.71 per box; January, 1913, \$1.92 per box. The last two months sales quoted were made under a wage scale 40 per cent higher to skilled workmen than paid in the preceding blast or year.

No. 18. None exported owing to difference of 65 cents per unit box in cost of labor and repairs. Impossible to export in competition with the cheap labor of Belgium.

No. 19. See statements attached, Exhibit A, showing total cost of labor and material and cost per single strength box (our unit). Also amount realized from sales of product for 1910, 1911, and 1912.

No. 19a. \$100,000.

No. 19b. None.

No. 19c. None.

No. 19d. 100,000.

No. 19e. None issued.

No. 19f. Twenty-five per cent paid out of earnings for the years 1906 to 1912, inclusive.

No. 19g. None issued.

No. 19h. See Exhibit B. Surplus has been used in developing gas wells to supply fuel for the factory.

No. 19i. Two thousand dollars per year paid to secretary and treasurer, both offices filled by one person. No other salaries paid to officers of the company.

No. 19j. See Exhibit B herewith.

No. 19k. See Exhibit B herewith.

No. 20. \$25,000.

No. 21. See Exhibit C showing labor cost, skilled and unskilled, for January, 1912 and 1913. Factory not in blast in July and October, 1912.

No. 21a. Eighty-six.

No. 21b. Twenty-six.

No. 21c. One hundred eleven.

No. 21d. One.

No. 21e. None. Age limit in Pennsylvania 16 years.

No. 21f. Ninety-three.

No. 21g. Nineteen.

No. 21h. All.

No. 22. See Exhibit A.

No. 23. In hand manufacturing, machinery is only an auxiliary in the process. The boilers, engines, and box-making machinery are all in first-class condition. Also all tools used by the workmen. The tank and ovens are all modern and made as good as new each year.

No. 24. See page 804 in tariff schedule, hearings of January 8 and 9, 1913, before the Committee on Ways and Means.

This information was obtained from and through Belgian workmen employed by this company who formerly worked in Belgian factories and who got this information from friends and relatives employed in the Belgian factories. One of these workmen spent four months last summer in Belgium and obtained accurate data from his old associates.

Since January 8, 1913, the Belgian factories have given their skilled men an advance of 5 per cent, but since that date our factory cost has also increased 5 per cent by increase in lumber and in wages to snappers and other common labor.

No. 25. The proportion of labor to total cost varies but little in Belgium from our own, viz, about 56 per cent not counting office force.

No. 26. Fourteen cents to New York, Philadelphia, and Baltimore, 18 cents to Boston, 43 cents to New Orleans, 90 cents to San Francisco.

No. 27. From Belgium 19.3 cents to Atlantic ports, 14 cents to New Orleans, 35 cents to Pacific ports.

No. 28. Only as much as is necessary to make the difference between labor cost in Belgium and the United States. The competition among factories and between hand and machine plants prevents any use of any more of the tariff than is necessary to protect our workmen in a fair wage.

The blast of 1911-12 saw window glass sell at the lowest price in its history in the United States. It was also the year of the lowest wages to the skilled workmen and the year of heaviest losses to manufacturers. The Payne-Aldrich Bill was not a factor.

No. 29. No, other than to be put on an equal basis with Belgium at the prices at which they have and can again sell window glass in our markets.

Respectfully submitted,

H. R. HILTON,  
*Secretary and Treasurer.*

STATE OF PENNSYLVANIA,

*County of McKean, ss:*

On this 5th day of June, A. D. 1913, before me, a notary public in and for the county aforesaid, personally appeared H. R. Hilton, secretary and treasurer of the Alleghany Window Glass Co., who being duly sworn according to law says that the facts set forth in the foregoing report are true.

[SEAL.]

H. R. HILTON.

Sworn and subscribed before me the day and year last aforesaid.

R. L. SKINNER,  
*Notary Public.*

My commission expires May 29, 1916.

## EXHIBIT A.—Cost of operating.

## YEAR ENDING AUG. 31, 1910.

Operating expense.....	\$158,767.00	
Raw material.....	20,248.82	
General supplies.....	3,401.34	
Repair account.....	11,123.90	
General expense.....	4,561.22	
Box shop.....	18,432.93	
Office expense.....	4,180.11	
Due from sales.....		\$2,732.27
Inventory of glass.....		16,669.68
Received from sales.....		196,319.46
Profit and loss.....		78.31
Loss for year.....		4,918.60
	220,718.32	220,718.32

## YEAR ENDING AUG. 31, 1911.

Operating expense.....	\$90,041.52	
Raw material.....	12,509.39	
General supplies.....	2,600.12	
Repair accounts.....	7,289.50	
General expense.....	5,115.46	
Box shop.....	10,047.19	
Office expense.....	3,955.07	
Due from sales.....		\$557.01
Inventory of glass.....		31,010.21
Received from sales.....		117,069.84
Profit and loss.....		71.61
Gain for year.....	17,159.42	
	148,711.67	148,711.67

## YEAR ENDING AUG. 31, 1912.

Operating expense.....	\$73,292.88	
Raw material.....	14,233.73	
General supplies.....	2,210.43	
Repair account.....	4,962.34	
General expense.....	6,008.92	
Box shop.....	8,257.45	
Office expense.....	1,011.41	
Due from sales.....		\$2,467.07
Inventory of glass.....		36,192.34
Received from sales.....		80,308.46
Gain for year.....	5,987.71	
	118,967.87	118,967.87

## Production and cost, year ending Aug. 31, 1910.

## TOTAL PRODUCTION OF 50-FOOT BOXES.

	Number.	All reduced to 50-foot single.
Single.....	58,491	58,491
Double.....	49,784	65,257
32-ounce, 100 feet in cases.....	3,120	12,180
Total 50-foot boxes single.....		135,928



## Production and cost, year ending Aug. 31, 1910—Continued.

## COST.

	Total cost.	Cost per box.
Blowing.....	\$35,348.56	\$28.911
Gathering.....	26,586.06	19.516
Flattening.....	9,510.20	7.003
Cutting.....	13,712.45	10.009
Total skilled labor.....	85,157.27	62.526
Snapping.....	16,579.92	12.163
Packing.....	1,809.91	01.394
Other labor.....	20,247.45	14.803
Fuel.....	31,631.85	25.421
Water.....	240.00	00.176
Raw material.....	20,248.82	14.814
General supplies.....	3,401.39	02.499
Repair account (including labor).....	11,124.90	08.165
General expense.....	4,561.22	03.319
Box shop (including labor).....	18,432.91	13.532
Office supplies and salaries.....	4,180.11	03.088
Total.....	220,718.32	1.62.020

## Production and cost, year ending Aug. 31, 1911.

## TOTAL PRODUCTION OF 50-FOOT BOXES.

	Number.	All reduced to 50 feet, single.
Single.....	26,600	26,600
Double.....	22,524	36,037
12 ounces, 100 feet, in cases.....	2,356	9,425
Total single-strength boxes.....		72,062

## COST.

	Total cost.	Cost per box.
Blowing.....	\$19,665.09	\$27.288
Gathering.....	15,232.94	21.137
Flattening.....	5,296.75	7.350
Cutting.....	7,047.47	11.084
Total skilled labor.....	48,182.25	66.859
Snapping.....	9,200.05	12.891
Packing.....	979.15	1.358
Other labor.....	12,819.27	17.788
Fuel.....	18,570.80	25.770
Water.....	200.00	.277
Raw material.....	12,509.39	17.358
General supplies.....	2,600.12	3.608
Repair account (including labor).....	7,289.50	10.115
General expense.....	5,115.46	7.098
Box shop (including labor).....	10,047.19	13.942
Office supplies and salaries.....	3,955.07	5.488
Total.....	131,558.25	182.552

*Production and cost, year ending Aug. 31, 1912.*

## TOTAL PRODUCTION OF 50-FOOT BOXES.

	Number.	All reduced to 50 feet, single.
Single.....	24,757½	24,757½
Double.....	20,210½	30,310½
32 ounces, 100 feet, in cases.....	2,821½	12,096½
<b>Total single-strength boxes.....</b>		<b>67,764½</b>

## COST.

	Total cost.	Cost per box.
Blowing.....	\$14,512.19	\$21.415
Gathering.....	11,508.68	17.000
Flattening.....	3,917.35	5.766
Cutting.....	6,317.04	9.322
<b>Total skilled labor.....</b>	<b>36,255.26</b>	<b>53.504</b>
Snapping.....	7,982.51	11.780
Packing.....	882.76	1.302
Other labor.....	10,579.71	15.618
Fuel.....	17,352.64	25.607
Water.....	240.00	.354
Raw material.....	14,233.71	21.004
General supplies.....	2,210.43	3.261
Repair account (including labor).....	1,982.31	2.923
General expense.....	6,028.92	8.867
Box shop (including labor).....	8,257.45	12.185
Office supplies and salaries.....	1,014.41	1.524
<b>Total.....</b>	<b>112,980.16</b>	<b>166.723</b>

## EXHIBIT B.

*Balance sheet.*

## YEAR ENDING AUG. 31, 1910.

	Assets.	Liabilities.
Cost of factory.....	\$92,533.26	
Inventory, raw material.....	4,661.80	
Invested in gas wells for use of factory.....	21,089.33	
Accounts receivable.....	7,022.32	
Inventory, glass on hand.....	19,401.95	
Bank account.....	671.09	
Dividends for years 1906 to 1910.....	15,000.00	
Loss for year.....	5,314.20	
Capital stock.....		\$100,000.00
Bills payable.....		25,500.00
Balance on hand Sept. 1, 1909.....		43,183.92
<b>Total.....</b>	<b>168,683.92</b>	<b>168,683.92</b>

*Balance sheet.*

YEAR ENDING AUG. 31, 1912.

	Assets.	Liabilities.
Cost of factory.....	\$92,553.26	
Inventory raw material.....	8,315.54	
Invested in gas wells for use of factory.....	28,302.17	
Accounts receivable.....	3,359.15	
Inventory of glass on hand.....	38,179.11	
Bank account.....	355.52	
Capital stock.....		\$100,000.00
Bills payable.....		37,318.00
Balance on hand Sept. 1, 1911.....		30,029.11
Gain for year.....		5,987.71
<b>Total.....</b>	<b>171,365.75</b>	<b>171,365.75</b>

YEAR ENDING AUG. 31, 1911.

Cost of factory.....	\$92,553.26	
Inventory raw material.....	11,000.00	
Invested in gas wells for use of factory.....	28,171.31	
Accounts receivable.....	3,690.30	
Inventory of glass on hand.....	31,576.22	
Bank account.....	182.77	
Dividends paid.....	10,000.00	
Capital stock.....		\$100,000.00
Bills payable.....		37,681.80
Balance on hand Sept. 1, 1910.....		22,869.72
Gain for year.....		17,159.42
<b>Total.....</b>	<b>177,713.94</b>	<b>177,713.94</b>

**EMPIRE GLASS CO., BY THOMAS W. CAMP, PRESIDENT, AND J. S. WALKER, TREASURER.**

No. 1. Manufacture of window glass.

No. 2. Raw materials in making window glass are sand, limestone, coal carbon, and sulphate of soda. In addition to these articles, some manufacturers use arsenic, antimony, soda ash, and cullet or broken glass.

No. 3. All the raw materials we use are made in this country.

No. 4. Cost per unit of above raw materials, 15 cents plus.

No. 5. Do not have figures for this item, but it is generally understood that foreign materials are cheaper.

Nos. 6, 7, 8, 9, 10, and 11. These questions refer to exports of window glass and we have never exported a box.

No. 12. There are about 60 concerns engaged in the manufacture of window glass. In addition to this there are some idle concerns that could be easily put in operation if there was enough profit in the business to warrant them in starting.

No. 13. Factories of the producers range in capacity from 18 to 60 pots. The largest being the American Window Glass Co., Consolidated Window Glass Co., Jeannette Window Glass Co.

No. 14. None of the producers are organized into a trust, although the American Window Glass Co. is the largest concern and produces about 40 per cent of the production in this country.

No. 15. There is no trust.

No. 16. Prices on window glass depend largely on the quality manufactured; that is, that at a stated discount for the general market some concerns will be able to obtain higher prices on account

of superior quality and others will be offering a concession below the market.

No. 17. Prices January, 1912, \$1.22; April, 1912, \$1.48; July, 1912, \$1.60; October, 1912, \$1.67; and January, 1913, \$1.92.

No. 18. We exported no glass.

No. 19. Cost per unit 1910: General labor, \$0.283; skilled labor, \$0.623; fuel, \$0.135; materials, \$0.31; general expenses, \$0.082; total, \$1.433. Year 1912: General labor, \$0.338; skilled labor, \$0.489; materials, \$0.246; fuel, \$0.237; general expenses, \$0.16; total, \$1.47.

No. 19a. Amount of common stock issued \$142,200.

No. 19b. No preferred stock.

No. 19c. No bond.

No. 19d. We bought this plant at receivers' sale; the book value was over \$300,000.

No. 19e. Have paid no dividends.

No. 19f. No dividends.

No. 19g. No bonds.

No. 19h. For the year 1910 put \$13,220.59 of our earnings in plant. In the year 1911, we put \$5,539.76 of our earnings in plant; year 1912, \$3,629.18 went in plant, but our operations for this year showed a loss.

No. 19i. Salary of president is \$1,000 per year; vice president is not salaried; secretary and treasurer, \$1,000 per year.

No. 19j. Statement of assets and liabilities for the years 1910, 1911, and 1912, as follows:

	Aug. 31--		
	1910	1911	1912
<b>RESOURCES.</b>			
Plant and gas wells.....	\$155,420.59	\$160,960.35	\$161,589.52
Inventories.....	10,587.56	35,312.95	32,777.65
Accounts receivable.....	11,390.37	9,081.07	11,569.50
Cash account.....	4,412.43	2,591.51	.65
Bills receivable.....	11,892.88	2,771.84	250.00
Treasury stock.....	57,800.00	57,800.00	57,800.00
	251,533.83	268,526.75	267,011.32
<b>LIABILITIES.</b>			
Capital stock.....	200,000.00	200,000.00	200,000.00
Bills payable.....	20,250.00	12,000.00	15,500.00
Accounts payable.....	9,887.87	12,266.23	7,988.87
Resources over liabilities.....	230,137.87	221,266.23	223,488.87
	251,533.83	268,526.75	267,011.32

No. 20. Property assessed for 1912 for taxation, \$38,455.

No. 21. We were only in operation of January, 1912, skilled labor for this period, \$4,749.71; unskilled labor, \$1,859.48. First four weeks April, 1912: Skilled labor, \$9,020.02; unskilled labor, \$2,758.08. Plant idle in July; unskilled labor, \$1,338.09. Three weeks October, 1912: Skilled labor, \$0,771.53; unskilled labor, \$2,448.00. First four weeks January, 1913: Skilled labor, \$11,114.37; unskilled labor, \$3,009.30. In the above blowing, gathering, flattening, cutting, and snapping is included in the skilled trade.

No. 21c. Number of men employed, 155.

No. 21d. Number of women employed, 2.

No. 21e. Employ no children.

No. 21f, g, and h. Most of our employees are American-born citizens, but we have a few Belgium workmen.

No. 22. Wages paid for the year 1910, \$115,932.09; value of products, \$188,554.89. Wages paid 1911, \$119,200.55; value of product, \$177,123.80. Wages paid 1912: \$60,695.84; value of product, \$100,321.37.

No. 23. We manufacture glass by hand from tanks. Plant has been built since 1890. Window glass making is one of labor and the tanks used are the same throughout the country. In other words, aside from making glass from machinery, there has been no improvement in many years over the system now used. While machinery is displacing some hand factories, it is unable to produce the amount or quality that this country needs.

Nos. 24 and 25. Have no first-hand information on these questions.

No. 26. Our principal markets are as follows: New York, rate 16 cents; Philadelphia, rate 16 cents; Syracuse, rate 10 cents; San Francisco, rate 90 cents; Chicago, rate 21 cents; Washington, rate 18 cents; Richmond, rate 24 cents; St. Louis, rate 25 cents; Troy, rate 12½ cents; Boston, 18½ cents; Pittsburgh, rate 14 cents.

No. 27. Our principal competition comes from Belgium, and we understand they have a rate of 35 cents per hundred to San Francisco and are able to reach Gulf ports and St. Louis at a cheaper rate than the Pennsylvania manufacturers.

No. 28. All that the Payne-Aldrich law does for us is to confine competition among American manufacturers. This has been so keen that the rates in the larger sizes of the Payne-Aldrich bill have not been taken advantage of.

No. 29. We are interested in the high tariff because if we are not protected it would mean the loss of our industry.

Replying to the questions of Senator La Follette, we are pleased to answer as follows:

No. 1. We manufacture window glass.

No. 2. Raw materials, limestone, salt cake, sand, coal carbon.

No. 3. The production in this country is about 7,000,000 boxes per year, with capacity enough in the country to easily double this amount.

No. 4. Consumption is about 7,000,000 boxes per year.

No. 5. There are about 58 concerns in the window-glass business.

No. 6. The largest producers are the American Window Glass Co., Consolidated Window Glass Co., Jeanette Window Glass Co.

No. 7. The ruling discounts are 90-20 first three brackets single, 90-17½ above first three brackets single, 90-22½ per cent double. Manufacturers' list January 1, 1901. Freight equalized with Pittsburgh or Columbus.

No. 8. Belgium is our competitor and prices have been advanced by them, but their selling price for first bracket third quality single has been 75 cents per box, while the cost of the American manufacture has been about \$1.50.

No. 9. Cost per unit of production for 1912 was \$1.47 per box.

No. 10. Do not have first-hand information as to their costs.

No. 11. Labor cost per unit is about 60 per cent of total cost.

No. 12. Do not have this information.

No. 13. We equalize freights with Pittsburgh or Columbus, according to which is the nearest to destination. Rates from Pittsburgh to New York are 18 cents; Boston, 18½ cents; Philadelphia, 16 cents; San Francisco, 90 cents; Albany, 18 cents; Rochester, 13 cents; Troy, 18 cents; Newark, 18 cents; Richmond, 20 cents; Savannah, 40 cents; and from Columbus to New Orleans, 41 cents; Cincinnati, 9½ cents; Detroit, 11½ cents; Chicago, 15 cents; Indianapolis, 11½ cents; Milwaukee, 17 cents; St. Louis, 18 cents.

No. 14. We understand there is a rate from Antwerp to San Francisco of 35 cents and that through rates are made to interior points cheaper than we can reach them.

No. 15. Do not have figures prepared for this.

No. 16. For the year 1912 our operations showed a loss, so that the only thing that the present duty did was to keep out importation while our own people were competing among themselves.

#### STATE OF PENNSYLVANIA.

*County of McKean, ss:*

On this 20th day of June, A. D. 1913, before me, the subscriber, a notary public in and for the county aforesaid, personally appeared Thos. W. Camp, president, and J. S. Walker, treasurer of Empire Glass Co., who, being duly sworn according to law, say that the facts set forth in the foregoing report are true.

THOS. W. CAMP, *President.*  
J. S. WALKER, *Treas.*

Sworn and subscribed before me the day and year aforesaid.

[SEAL.]

HALLIE A. WALKER,  
*Notary Public.*

My commission expires January 31, 1915.

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#### STAINED-GLASS WINDOWS, ETC.

HENRY HUNT. PITTSBURGH, PA.

PITTSBURGH, PA., *June 6, 1913.*

Hon. F. McL. SIMMONS,  
*Chairman, Washington, D. C.*

DEAR SIR: Inclosed you find answers to some of the questions asked for in your statement of May 24, and to make matters as clear as possible to your committee I also inclose photograph (not printed) of drawing of window as made for the Artistic Industries Exhibition of the Pittsburgh Art Society, held in Carnegie Library, this city, with the actual cost of production to me and the labor cost as produced in England.

Yours, very truly,

HENRY HUNT.

## ANSWERS TO MAJORITY MEMBERS' QUESTIONS.

No. 1. Stained and leaded glass windows, painted or otherwise, for churches and residences, sometimes called art glass.

No. 2. Glass, antique, cathedral, pot metal, and flashed sheet. Came lead, wire solder, steel, linseed oil, turpentine, red lead, whiting, oleic acid, and mineral colors for painting.

No. 3. All except the mineral colors and certain of the antique glasses, pot metals, cathedrals, and flashed sheet.

No. 6. Never export.

No. 7. No.

No. 10. Am a member of the National Ornamental Glass Manufacturers Association, an association formed for promoting the interests of persons engaged in making leaded glass. Initiation fee, \$10; dues, \$10 per year; and its members furnish their products for such prices as the individual member may see fit; this association does not regulate or control prices at which its members shall sell at; the main object of the association being to keep track of importations, see that the proper duties are assessed, if possible, and not refunded, and to educate the people of our country to purchase their home products.

No. 29. I certainly have, as the only work that I can get in competition with foreign labor would be that work in which preference is given to an American product and not the lowest foreign quotation.

## ANSWERS TO MINORITY MEMBERS' QUESTIONS.

No. 5. Possibly 500.

No. 6. Henry Goodhue, of Boston, Mass.; D'Ascenzo Studios of Philadelphia, Pa.; Gorham Co., J. & R. Lamb, Castle, London Co., of New York City; Emil Frei, of St. Louis, Mo.; Munich Studio, of Chicago, Ill.

No. 7. From \$4 per square foot upward, according to design, materials, and thoroughness of construction, execution, and detail.

Nos. 9, 10, 11, and 12. Unit. Pittsburgh Art Society Exhibit. One light 15 by 30 inches, figured as  $3\frac{1}{2}$  square feet.

<i>Cost in Pittsburgh.</i>		<i>Cost in London, England.</i>	
8 hours, cartoon, at 65 cents.....	\$5.20	8 hours, at 31½ cents.....	\$2.50
24 hours, painting two fires, at 65 cents.....	15.60	24 hours, at 31½ cents.....	7.50
17 hours, cutting and glazing, at 35 cents.....	5.95	17 hours, at 18 cents.....	3.06
	26.75		13.06

The approximate cost of labor per square foot on this unit was \$8.45 per square foot in Pittsburgh, as against \$4.12 if produced in London. The materials that were used cost \$2.35, all of which is of domestic manufacture, with the exception of the glass colors and the two small pieces of glass that are shown colored upon photo (not printed), the other glass having been made in Clarksburg, W. Va.

In connection with my English cost, I wish to state that I was born in England, and served six and one-half years as an apprentice at Ward & Hughes, and worked in other shops there previous to coming

to this country, and at no time would the wages be more than I have stated for this unit and the technique in which it is carried out in.

The glass painter and cartoonist is figured as being paid £3 a week, and the cutter and glazier 9 pence per hour, and that £1 equals \$5.

The American wage as given is the wages that I paid to my help, and in some cities in this country they receive more than this.

No. 15. No part of it, seeing the duty is only 45 per cent ad valorem.

No. 16. No part.

STATE OF PENNSYLVANIA,

*County of Allegheny:*

Personally appeared before me, a notary public in and for the Commonwealth of Pennsylvania and county of Allegheny, Henry Hunt, who, being duly sworn according to law, deposes and says that all of the answers to the above questions are true to the best of his knowledge and belief.

Sworn to this 7th day of June, A. D. 1913.

[SEAL.]

JOHN WEAVER,  
*Notary Public.*

My commission expires March 28, 1915.

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GRANITE.

GRANITE MANUFACTURERS' ASSOCIATION OF QUINCY, MASS., BY T. J. DUNPHY, SECRETARY.

QUINCY, MASS., *June 2, 1913.*

*To the honorable Finance Committee of the  
United States Senate, Washington, D. C.*

GENTLEMEN: We herewith submit our replies to your interrogatories:

No. 1. Granite monuments and granite finished for building purposes; mostly monuments.

No. 2. Just granite.

No. 3. Produced in this country.

No. 4. From 60 cents per cubic foot to \$1.75 for ordinary sizes; extraordinary sizes up to \$1 per cubic foot.

No. 5. Can not answer.

No. 6. Not any.

No. 7. No.

No. 8. This question not applicable to our business, as we have no unit to sell by. Different sizes and designs vary the price. We have no foreign market.

No. 9. No foreign market.

No. 10. No foreign market.

No. 11. No foreign market.

No. 12. Probably 600, but in our city of Quincy, Mass., 160.

No. 13. No principal producers. Producing centers in New England are: Quincy, Mass.; Barre, Vt.; Rockport, Mass.; Milford, Mass.; Westerly, R. I.; Concord, N. H.; Milford, N. H. Many medium-sized and small concerns in all of these places, and the same condition exists in about all localities where granite is produced in the United States.



No. 14. No.

No. 15. None.

No. 16. None.

No. 17. Can not answer, as we have no stated selling price. Every producer goes it alone.

No. 18. Nothing exported.

Nos. 19, 20, 21, 22, and 23. Can not answer, as we have about 130 members, and have no statistics.

Nos. 24 and 25. We can only answer this by stating that the minimum wage for our granite cutters is \$3.25 per day of 8 hours, and the wage in Scotland is \$1.35 per day of 9 hours. Our information is obtained from members who keep in touch with affairs at their former homes.

No. 26. No principal market. Product goes all over the country.

No. 27. Can not answer, but the ocean freight is very light.

No. 28. Our exhibits show that there is no profit on account of the Payne-Aldrich law. The present duty does not suffice.

No. 29. Our only interest is to get a tariff that will make the monuments cut in Scotland cost at least as much as a domestic monument, same size and design. The exhibits accompanying our protests are figured on prices quoted to our members on Scotch monuments, and the Quincy price is figured on actual cost as per our agreement to pay our workmen with 10 per cent margin added.

Regarding the list of questions from the minority members of your committee, would state that any of those that we were capable of answering have been answered in the foregoing.

Yours, truly,

THE GRANITE MANUFACTURERS' ASSOCIATION.  
T. J. DUNPHY, *Secretary*.

COMMONWEALTH OF MASSACHUSETTS,

*Norfolk, ss:*

QUINCY, June 2, 1913.

Then personally appeared before me the above-named T. J. Dunphy, secretary of the Granite Manufacturers' Association, and made oath that the foregoing statements are true to his best knowledge and belief.

WILLIAM T. DONOVAN,  
*Justice of the Peace.*

### STEEL AND BRONZE CASEMENT SASHES.

INTERNATIONAL CASEMENT CO. (INC.), JAMESTOWN, N. Y., BY T. H. RINGROSE, PRESIDENT.

The following are in reply to the questions by the majority members of the Committee on Finance:

No. 1. Casement window sashes made in steel and bronze, used for public buildings, college buildings, fine residences, and other buildings requiring permanent weather-tight window sashes.

No. 2. Rolled steel shapes, bronze hardware.

No. 3. Rolled steel shapes are imported from Germany. The materials imported form 20 per cent of the total cost of raw materials.

No. 6. None.

No. 7. No.

Nos. 8, 9, 10, and 11. We can not reply to these questions as we do no export business.

No. 12. Two, including ourselves. There is also a small firm manufacturing a similar product of a lower grade.

No. 13. This is an infant industry in this country. A large amount of this work is produced in England.

Nos. 14, 15, 16, 17, and 18. The reply to question 13 covers these questions.

No. 19. Amount of common stock issued, \$18,400. We have issued no preferred stock or bonds.

Nos. 20, 21, and 22. Being an infant industry we can not reply to these questions.

No. 23. High speed saws, emery disks, emery wheels, drilling machines, power punches, oxy-acetylene welding outfit. All new and up to date.

No. 24. In our product we can not figure unit cost. We can buy f. o. b. Liverpool, England, at 30 to 35 per cent lower than our f. o. b. factory costs. If we buy in England and add 40 per cent we arrive at the approximate cost of manufacturing in the United States.

The president of our company was for two years previous to our manufacturing engaged as an importer of this product and has the complete price lists of English manufacturers.

No. 25. In England the labor, including overhead expenses, averages 65 per cent of total factory cost. Our superintendent was engaged for many years in this industry in England and he gives us this information.

No. 26. Cost of transportation, Jamestown, N. Y., to New York, 39 cents per 100 pounds; Chicago, 39 cents; Boston, 43 cents; Cincinnati, 37½ cents; Kansas City, 90 cents.

No. 27. Cost of transportation from Liverpool, England, to New York, 22 cents per 100 pounds; Chicago, 60 cents; Boston, 22 cents; Cincinnati, 60 cents; Kansas City, \$1.05.

No. 28. Five per cent.

No. 29. We have a pecuniary interest in the maintenance of a high tariff rate on this commodity inasmuch as if the proposed rate of duty comes into effect we shall be compelled to go out of business. The English manufacturers can sell f. o. b. Liverpool 30 to 35 per cent lower than our manufacturing costs, and yet it is proposed to reduce the tariff from 45 per cent to 12 per cent. (See par. 106, H. R. 3321.)

Respectfully submitted.

INTERNATIONAL CASEMENT CO.  
T. H. RINGROSE, *President*.

STATE OF NEW YORK,  
*Chautauque County:*

Subscribed and sworn to before me this 14th day of June, 1913.

[SEAL.]

H. P. SHELDOX,  
*Notary Public.*

The following replies are in answer to Senator La Follette's questions on behalf of the minority members of the Committee on Finance:

No. 1. Casement window sashes made in steel and bronze used for public buildings, college buildings, fine residences, and other buildings requiring permanent weather-tight window sashes.

No. 2. Rolled steel shapes, bronze hardware.

No. 3. We would estimate that less than \$100,000 of this commodity has been produced in this country.

No. 4. Estimated about \$400,000 per year, all of which has been imported prior to 1913.

No. 5. Two, including ourselves. There is also a small firm producing a similar article of a lower grade.

No. 6. Crittall Casement Co., Detroit, and ourselves in the United States.

Nos. 7, 8, 9, and 10. We can not figure unit prices on our commodity.

No. 11. Seventy-five per cent average.

No. 12. Sixty-six per cent average.

No. 13. Cost of transportation, Jamestown, N. Y., to New York, 39 cents per 100 pounds; Chicago, 39 cents; Boston, 43 cents; Cincinnati, 37½ cents; Kansas City, 90 cents.

No. 14. Cost of transportation from Liverpool, England, to New York, 22 cents per 100 pounds; Chicago, 60 cents; Boston, 22 cents; Cincinnati, 60 cents; Kansas City, \$1.05.

No. 15. Forty per cent.

No. 16. Five per cent.

Respectfully submitted.

INTERNATIONAL CASEMENT CO.  
T. H. RINGROSE, *President*.

STATE OF NEW YORK,  
*County of Chautauque:*

Subscribed and sworn to before me this 14th day of June, 1913.

[SEAL.]

H. P. SHELDON,  
*Notary Public.*

CRITTALL CASEMENT CO., DETROIT, MICH., BY C. W. DAVOCK, SECRETARY AND TREASURER.

DETROIT, *June 2, 1913.*

F. M. SIMMONS,

*United States Senator,*

*Chairman Committee on Finance, Washington, D. C.*

DEAR SIR: Following are answers to interrogatories propounded to manufacturers inclosed with your letter of May 24:

No. 1. Our production consists exclusively of steel and bronze casement sashes and frames used for windows in residence, office, store, school, bank, library, and other high-class buildings. We do not manufacture the cheaper and less highly finished steel sash as made for industrial buildings. Our steel sash are made up by cutting rolled steel bars or extruded bronze sections to length, welding the corners and fittings by the oxy-acetylene process. Fitting with bronze hinges, bronze butts, and bronze adjusters. Cleaning of scale and rust with acid or by sand-blasting and painting or enameling as required.

No. 2. Raw materials used are: rolled mild steel bars of special shapes, all imported from Manstaedt & Co., Kolk. Cologne, Germany; extruded bronze sections of special shapes made by American manufacturers, and bronze castings and forgings for fittings partly made in the United States and partly imported from England.

No. 3. More than 90 per cent of our raw material is made up of the special rolled steel bars mentioned above as being imported from Germany. The United States steel mills will not undertake to roll these difficult shapes, claiming their men are not skilled in the work and that it cuts down their production.

No. 4. Cost of material f. o. b. Antwerp is \$0.0297 per pound; present duty on these bars is \$0.004, making duty 13.7 per cent. Proposed tariff (Schedule C, par. 106) makes proposed ad valorem duty 12 per cent or a reduction in our raw material of only 1.7 per cent. The duty on our finished product according to new bill will be reduced from 45 to 12 per cent and put in the same class with our raw material.

No. 5. Cost of German material as above, \$0.0297 per pound; cost of English material as above, \$0.0277 per pound. This latter is not rolled accurate enough for our purpose.

No. 6. We export less than 2 per cent of our product, all this going to Canada with 30 per cent ad valorem duty. On account of low labor rates on English imports we can only sell in Canada when a premium is obtained for quick delivery.

No. 7. Not interested in any other concern exporting this commodity.

No. 8. We have no definite wholesale prices, our product being a specialty. Each job is figured separately depending largely upon the amount of labor required to manufacture.

No. 9. The only foreign shipments ever made went to Toronto, Canada, in September and October, 1912; freight rate was 30 cents per 100 pounds.

No. 10. England is our chief and only competitor in Canada.

No. 11. There is a tariff differential in favor of English importations into Canada: (a) Amount is 10 per cent; (b) we have paid 30 per cent ad valorem duty.

No. 12. Two including ourselves. There is also a small shop manufacturing a lower grade of similar product.

No. 13. English manufacturers are the principal producers. The two principal United States concerns have been established within 13 months and are the first to attempt the manufacture of this product in the United States.

No. 14. Not to our knowledge.

No. 15. See No. 14.

No. 16. See No. 14.

No. 17. We had established no manufacturing plant in January and April, 1912. Each job is figured separately, depending principally on the amount of labor required.

No. 18. The only two jobs exported were sold at the same f. o. b. factory prices as United States orders.

No. 19. We did not start to manufacture until July, 1912. See No. 4 for cost of materials. Our overhead, so far as we can determine in our short existence, should be 125 per cent on direct labor. Up to January 1, 1913, it was 100 per cent, due to cost of organizing. All equipment is new with practically no depreciation to date.

No. 19a. Capital stock issued, \$69,600.

No. 19b. Preferred stock, none.

No. 19c. Bonds, none.

No. 19d. Actual cash, \$14,600.

No. 19c. None.

No. 19f. None to date.

No. 19g. None.

No. 19h. No earnings to date.

No. 19i. Yearly salaries, 1912: President, \$2,700; vice president, \$2,100; secretary treasurer, \$2,100.

No. 19j. Financial statement December 31, 1912:

ASSETS.		LIABILITIES.	
Cash.....	\$12,376.69	Notes payable.....	\$10,288.79
Accounts receivable.....	5,262.95	Accounts payable.....	5,301.31
	-----	Accrued wages.....	716.10
Inventory stock.....	17,639.61	Capital stock.....	50,000.00
Furniture and fixtures.....	9,761.19	Surplus.....	1,029.69
Tools.....	513.79		
Patterns.....	468.13		
Tools.....	957.52		
Machinery and equipment...	2,460.25		
Patterns and dies.....	167.65		
Critical contracts.....	33,870.76		
Unexpired insurance.....	120.00		
Commissions.....	1,379.96		
	-----		
	67,358.89		67,358.89

Sales office opened April 1, 1912; manufacturing started July 1, 1912.

No. 19k. Revenue statement December 31, 1912:

Material.....	\$985.31
Salaries.....	\$6,995.90
Advertising expense.....	1,018.66
Selling expense.....	2,974.48
	-----
	10,989.04
Rent and light.....	1,116.77
Office supplies.....	82.59
Power and gas.....	25.35
Tools (replacements).....	9.24
Labor, productive.....	2,835.77
Labor unproductive.....	691.98
Erecting and glazing.....	493.87
Telephone and telegrams.....	316.20
Commissions.....	71.62
Incidentals.....	791.98
Freight and express.....	237.69
Postage.....	297.58
Cartage.....	78.70
Taxes and insurance.....	\$530.61
Unexpired insurance.....	120.00
	-----
	110.61
Discount and interest.....	281.78
Repairs buildings.....	62.78
Repairs machinery and equipment.....	15.15
Accrued wages.....	716.10
	-----
	20,139.31
Operating expenses.....	995.00
Stock in process.....	597.00
Sales.....	11,131.27
Less.....	-----
	7,716.07
	-----
	20,139.31

Sales office opened April 1, 1912; manufacturing started July 1, 1912.

No. 20. Principal assets accumulated after time that valuation was made:

No. 21a. Skilled laborers: January, none; April, none; July, 2; October, 17; January, 1913, 29.

No. 21b. Unskilled laborers: January, none; April, none; July, 1; October, 1; January, 1913, 1.

No. 21c. Men: January, none; April, none; July, 3; October, 18; January, 1913, 30.

No. 21d. Women, none.

No. 21e. Children, none.

No. 21f. Native born: Do not know.

No. 21g. Foreign born: Do not know.

No. 21h. Number of citizens: Do not know.

No. 22. Not operating 1910 and 1911; wages 1912, \$3,510.75; value of product, \$11,131.27. Note: Our pay roll for April, 1913, was \$2,026.65 as compared with the above figures for the entire six months period of operation in 1912.

No. 23. Punch presses, milling machines, drill presses, saws, oxy-acetylene welding apparatus, iron bending and straightening machines. All good quality and new.

No. 24. As stated in paragraphs 8 and 17 we can not figure unit costs on our product but we can buy f. o. b. London, England, at prices 25 to 35 per cent lower than our f. o. b. factory costs. In other words, if we buy in England and add 40 per cent we get the approximate cost of manufacture in the United States. We have price lists of English manufacturers which give us the above information.

No. 25. Labor averages 66 per cent of total cost in England. We have been advised by English casement makers that they figure 11 per cent profit. If the cost of material (which cost we have) and profit is deducted from selling prices we have, gross labor costs will be obtained. This labor cost contains 122 per cent overhead.

No. 26. Cost transportation from factory to New York 58½ cents per 100 pounds; Boston, 65½ cents; Cincinnati, 38½ cents; Chicago, 37 cents; St. Louis, 46 cents; Kansas City \$1.66; New Orleans, 61 cents.

No. 27. Cost transportation from London, England, to New York, 22 cents per 100 pounds; Boston, 22 cents; Cincinnati, 61 cents; Chicago, 60 cents; St. Louis-Kansas City, \$1.06; New Orleans, 21 cents. Our only competitive country is England.

No. 28. Averages 5 per cent.

No. 29. Yes, as stated above.

#### SENATOR LA FOLLETTE'S QUESTIONS.

No. 1. See paragraph No. 1 above.

No. 2. See paragraph No. 2 above.

No. 3. Less than \$100,000 worth of this commodity has ever been produced to date in this country.

No. 4. Estimated from \$300,000 to \$100,000 per year, all of which has been imported previous to 1912.

No. 5. See paragraph No. 12 for United States of America, number of foreign manufacturers not known.

No. 6. International Casement Co., Jamestown, N. Y., and ourselves in the United States.

No. 7. See paragraph No. 17 above.

No. 8. See paragraph No. 24 above.

No. 9. See paragraph No. 24 above.

No. 10. See paragraph No. 24 above.

No. 11. Seventy-six per cent average, labor cost includes overhead.

No. 12. Sixty-six per cent average, labor cost includes overhead.

No. 13. See paragraph No. 26 above.

No. 14. See paragraph No. 27 above.

No. 15. Forty per cent.

No. 16. Five per cent.

We respectfully call to your attention the following points which we think will be of interest in connection with our product.

*A new industry.*—We were the first to undertake the manufacture of this product in the United States, starting April 1, 1912. A month or two later the International Casement Co., of Jamestown, N. Y., started up.

*Competition.*—Steel casement sashes and frames have been imported from England for years under the existing 45 per cent duty and no one in this country has dared to undertake their manufacture, even with this protection until we started. The reason for this was that a large amount of skilled labor is required which can be obtained at from one-third to one-half the price in England. The labor is by far our largest item of cost. Our present competition is with our one United States competitor mentioned above and with all the English companies.

*Present duty.*—See Schedule C, paragraph 199, 45 per cent ad valorem.

*Proposed duty.*—Will probably come under new Schedule C, paragraph 108 now changed to 106 under "sashes" and "frames" at 12 per cent ad valorem. This places our finished product in the same paragraph with our raw material which is imported as noted above.

*Wanted.*—We should like to have the words "sashes" and "frames" stricken out from paragraph 106. We would then go back to the schedule which corresponds to the present law, paragraph 199, and means a reduction from 45 to 25 per cent. By reducing overhead and labor rates we might struggle along under this reduction, but a reduction from 45 to 12 per cent will put us completely out of the manufacturing business.

Yours, very truly,

CRITTALL CASEMENT CO.

C. W. DAVOCK, *Secretary-Treasurer.*

STATE OF MICHIGAN,

*County of Wayne, ss:*

Clarence W. Davock, being duly sworn, deposes and says that he is the secretary and treasurer of the Crittall Casement Co., a corporation duly organized and existing under the laws of the State of Michigan; that he has subscribed the annexed answers to the interrogatories propounded and that the answers aforesaid are true.

CLARENCE W. DAVOCK.

Subscribed and sworn to before me this 6th day of June, A. D. 1913.

[SEAL.]

CHAS. R. CHRISTIE,

*Notary Public, Wayne County, Mich.*

My commission expires November 10, 1913.

## AUTOMOBILES, ETC.

FORD MOTOR CO., DETROIT, MICH., BY L. B. ROBERTSON, ATTORNEY.

DETROIT, MICH., *June 11, 1913.*The SENATE FINANCE COMMITTEE,  
*United States Senate, Washington, D. C.*

GENTLEMEN: In answer to interrogatories propounded to manufacturers by your committee we beg to submit the following:

No. 1. We are engaged in the manufacture of automobiles and automobile parts.

No. 2. In such manufacture, among other raw materials, we use large quantities of aluminum, purchasing same in ingots.

No. 3. Such material is both produced in this country and imported, and on account of a lack of sufficient production in this country, and inability to purchase same during the past year, we have been obliged to import nearly our entire requirements, and have so imported over 2,000,000 pounds out of a total used of 2,500,000 pounds.

No. 4. The cost per pound has varied from \$0.2010 per pound f. o. b. New Kensington, N. Y., to \$0.2725 f. o. b. Detroit, with a freight rate of \$0.16 per 100 pounds from New Kensington and \$0.27 per 100 pounds from New York.

No. 5. Can not state.

No. 6. We use approximately 11 pounds of aluminum per automobile, and this year are exporting about 25,000 cars. These are shipped to all foreign countries, and no special foreign import duty can be based upon the aluminum parts as the duty is on complete machines.

No. 7. No.

No. 12. One.

No. 13. The Aluminum Co. of America.

No. 14. This company absolutely controls the price and output, and through its subsidiary, the Northern Aluminum Co. of Canada, also controls the price on all imports. (See testimony of hearings before the Ways and Means Committee on Schedule C, pp. Nos. 1501-1502.) We have absolutely no connection with that company.

No. 15. All produced by such trust.

No. 16. The Aluminum Co. of America absolutely controls the price.

No. 29. None whatever. We are, however, much interested in such tariff as may be levied being on a specific instead of an ad valorem basis, so that we may know our actual costs at all times. Being obliged to purchase in large quantities, it is, of course, obviously impossible to obtain immediate delivery, and under the proposed ad valorem duty, to be levied at the time of import, there would be no stability to the amount of tariff paid, as the Aluminum Co. of America, having control of the market, could at all times fluctuate the price at their pleasure, and importers and manufacturers would be absolutely at its mercy so far as duty paid was concerned; and even were they able to purchase abroad at a satisfactory price, this might be varied greatly by the date of delivery, and the collection of a 25 per cent ad valorem duty at the date of import would thus work a great hardship upon the importer who had contracted his finished product on the basis of the purchase price of his aluminum.



We suggest, therefore, that such duty, if any, as is provided by the pending bill on its final passage should be specific and at as low a rate as will produce the required revenue.

FORD MOTOR CO.  
L. B. ROBERTSON, *Attorney.*

STATE OF MICHIGAN,  
*County of Wayne, ss:*

L. B. Robertson, being first duly sworn, says that he is attorney for the Ford Motor Co., and makes the above annexed statement in its behalf, being thereto fully authorized. That he has read the foregoing statements and same are true as of his own knowledge, except as to such matters as are stated on information and belief, and as to those matters he believes them to be true.

L. B. ROBERTSON.

Subscribed and sworn to before me this 11th day of June, A. D. 1913.

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### CAST-IRON PIPE.

R. D. WOOD & CO., PHILADELPHIA, PA., BY WALTER WOOD.

PHILADELPHIA, PA., *May 29, 1913.*

F. M. SIMMONS,  
*Chairman, United States Senate, Washington, D. C.*

DEAR SIR: In response to your circular letter, we hand you our reply.

The gist of it you will find at the bottom of the first page.

It is practically this—

We are willing to be satisfied with a less duty than the difference of cost of wages here and abroad.

But the duty should be such as would permit us to cover the cost of our securing cheap foreign iron.

Yours, very truly,

WALTER WOOD.

MAY 27, 1913.

F. M. SIMMONS,  
*Chairman, United States Senate, Finance Committee,  
Washington, D. C.*

DEAR SIR: We beg to acknowledge the receipt of the interrogatories propounded to manufacturers.

Both of us appreciate that a general set of questions to be effective must naturally take the form that yours have assumed.

Our business, however, is of such a character that less elaboration is necessary.

We manufacture cast iron pipe—an article which is used for the street mains of water and gas companies.

The largest size is 60 inches in diameter; the smallest 4 inches in diameter.

Our largest competitor is England, where the normal price of pig metal at seaboard is from \$11 to \$12 per ton.

The basis of cost in our manufacture is the price of pig iron.

The next is wages.

From our experience, which has extended over a long series of years, and somewhat intimate acquaintance with our foreign friends and their methods, we believe the difference of cost in the conversion of pig iron into pipe abroad and in the United States, is approximately \$1.50 per ton (on a foreign cost of \$8 per ton).

This is caused by the difference of wages (which are 40 per cent to 50 per cent higher here than abroad) and the higher interest charges for capital in this country.

If we had a protection of \$1 per ton over and above the cost of delivering foreign metal to our foundries on the Delaware River, we believe we would be able to protect the extra cost of manufacturing in the United States—namely, \$1.50 per ton—by thorough and skillful application to the details of the business.

The duty on cast-iron pipe consists of—

Duty on pig iron.....	\$1.00
Cost of freighting foreign pigs.....	2.00
Protection for conversion in United States into pipe.....	1.00
<b>Total.....</b>	<b>4.00</b>

If pig iron could be imported free, we could manufacture with \$3 duty on pipe.

We can not hold our trade even in nearby ports at lower figures.

The foreign rates of freight to the Gulf of Mexico and the Pacific seaboard are such as will cause us to lose all business in those localities, and which business we have had for practically 70 years.

Andrew Carnegie says that the iron business is either "prince" or "pauper."

The above figures are based upon normal conditions.

At present the conditions abroad are most abnormal.

CITY OF PHILADELPHIA,  
*County of Philadelphia, ss:*

On the 27th day of May, A. D. 1913, Walter Wood, being duly affirmed according to law, doth depose and say that the facts set forth in the above statement are true and correct to the best of his knowledge, information, and belief.

WALTER WOOD.

Affirmed and subscribed before me the day and year first above written.

[SEAL.]

RICHARD J. SELTZER,  
*Notary Public.*

My commission expires March 25, 1917.

## CUTLERY.

## CUTLERY MANUFACTURERS OF THE UNITED STATES, BY HOMER A. CURTISS, MERIDEN, CONN.

MERIDEN CUTLERY Co.,

*Meriden, Conn., June 6, 1913.*

Hon. F. M. SIMMONS,

*Chairman Committee on Finance, Washington, D. C.*

DEAR SIR: Referring to certain interrogatories forwarded to Meriden Cutlery Co., and other table cutlery manufacturers, under date of May 24, would say that the undersigned was one of those chosen by the manufacturers to represent them before the Ways and Means Committee of the House.

I inclose a copy of statement presented to them, also refer to testimony before that committee as shown on page 1132, volume 6, and additional brief on page 1418 of same volume. The names affixed to this statement embrace practically all of the manufacturers in this line.

We respectfully submit that it is impossible to formulate data answering these questions. The products of each of these manufacturers cover thousands of items or patterns, ranging in value from 30 cents to \$10 per dozen, and in each of these patterns material coming from different parts of the world is used, such source varying from time to time.

Each unit of value, therefore, would cover so many initial products, and so many elements entering into the cost, that it would be beyond our power to tabulate them in any statement of reasonable length.

We are, therefore, obliged to rest our case on the general statement covering averages given in the statement affixed and brief above referred to, which we are willing to verify by our books; and we feel that it is unjust to these manufacturers to reduce the duty as contemplated in paragraph 134.

Respectfully,

HOMER A. CURTISS.

Representing American Cutlery Co., Chicago, Ill.; Clement Manufacturing Co., Northampton, Mass.; Goodell Co., Antrim, N. H.; Lamson & Goodnow Manufacturing Co., Shelburne Falls, Mass.; Landers, Frary & Clark, New Britain, Conn.; Meriden Cutlery Co., Meriden, Conn.; The Ontario Knife Co., Franklinville, N. Y.; Northampton Cutlery Co., Northampton, Mass., and John Russell Cutlery Co., Turners Falls, Mass.

(Inclosure.)

## THE WAYS AND MEANS COMMITTEE.

*House of Representatives, United States of America:*

The manufacturers of the articles included under the heading table cutlery submit the following statistics of their industry:

The total capital employed is \$5,286,903.30, of which \$3,188,452.65 is invested in the plants, the balance in merchandise and open accounts.

The value of the average annual production for the last four years was \$3,386,203.16; for the year 1911, \$3,472,416.14.

The average annual net earnings on this business for the past four years was \$229,302.36; in 1911 the net profit was \$231,113.99, or about 1.13 per cent on the capital employed.

There are at present 2,929 men, 113 women, and 55 boys employed in the manufacture of table cutlery; in all, 3,127 persons.

The average daily earnings of the workmen (for a 10-hour day) are as follows:

Stone grinders.....	\$3. 15
Handle grinders and finishers.....	2. 72
Forgers, hardeners, and temperers .....	2. 56
Polishers.....	2. 62
Burnishers.....	3. 02
Platers.....	4. 42
Machinists.....	3. 12
Unskilled laborers.....	1. 80
Women (9-hour day).....	1. 22

In 1908, at the instance of the manufacturers, the tariff on these products was reduced to the lowest figure at which foreign competition could be met, and the standard of wages and working conditions maintained. That the rate is by no means prohibitive is shown by the following table of imports:

Year ending—	Value of imports.	Duty paid.	
		Amount.	Rate.
June 30, 1909.....	\$91,619.75	\$48,496.90	51 1/2
June 30, 1910.....	192,971.44	83,486.75	43 1/2
June 30, 1911.....	198,915.42	86,391.58	43 1/2
June 30, 1912.....	247,531.45	103,911.23	42

<sup>1</sup> Old tariff.

This decrease in the rate of duty, amounting to between 8 and 9 per cent, was suggested by the parties most affected, in perfect good faith, as the most that could be borne without curtailment of wages and leave any profit whatever for themselves. It has resulted in a steadily increasing importation and keen competition with foreign-made goods and probably as small net earnings as for any other industry in the United States.

Nearly all European-made cutlery is manufactured in Sheffield, England, and Solingen, Germany.

The British board of trade reports on the cost of living and wages and conditions of workers, both in Germany and England (published 1908), and those of the special agents of our own Department of Commerce and Labor show the reasons for the low cost of production, which enables these Sheffield and Solingen concerns to pay the present rate of duty and sell their merchandise in this country. Much of the work is done in the homes of the men under conditions which in the United States would be impossible or intolerable, and the wage earners receive but from 30 to 55 per cent of the amounts paid for like services in the United States. Two examples will suffice:

	Sheffield.	Solingen.	United States (average).
Stone grinders..... per day.....	\$1.02-\$1.42	\$1.22	\$3.15
Unskilled labor..... do.....	.50-.96	\$0.69-.85	1.80

The Bureau of Commerce and Labor reported that the average rate of wages of unskilled laborers was \$0.0797 in Germany and \$0.1019 in Great Britain per hour. (Bulletin No. 54 (1904).)

The British board of trade reports (1908), which are very exhaustive and carefully compiled publications, make the following statements:

In Solingen unskilled laborers receive 21s. (\$5.10) per week; forgers, 30-36s. (\$7.29 to \$8.64); stone grinders, 30s. (\$7.29); hardeners, 24-25s. (\$5.85 to \$6.01).

Many of these workers supply their own tools, power, and working space. In such instances it is estimated that a reduction of 30 per cent should be made from these weekly earnings. The item of factory overhead cost to the proprietor is thus greatly diminished.

In Sheffield platers may earn 40 shillings (\$9.72) per week; laborers, 20 to 24 shillings (about \$4.86 to \$5.84) per week.

Capt. G. L. Carlen, special agent of the Department of Commerce and Labor, in his report (1909, p. 63) states that one reason for the low cost of production (in the Solingen

district) is the fact that under the present system it is not necessary to maintain extensive works; about all that is necessary is a receiving and serving-out department, assembling room, and offices for accountants. He further states that he was informed that 3 marks (about 69 cents) a day are looked upon as wages in general in the Solingen district. (In the United States no cutlery is manufactured in the homes of the workers.)

Special Agent Henry Studniczka in his report (1910) states that the grinders in Sheffield earn \$6.08 to \$8.52 per week and that much of the work is done by apprentice boys, who receive from \$1.46 to \$4.86 per week (p. 17).

Inasmuch as the larger part of the table cutlery cost is represented by the labor therein and the factory expense, it is evident from the foregoing facts and figures that a further decrease in the tariff rate can only result either in a serious reduction in the wages paid or withdrawal from the business by the American manufacturers. We respectfully ask that the present tariff rates on table cutlery remain unchanged.

American Cutlery Co., Chicago; Clement Manufacturing Co., Northampton, Mass.; Goodell Co., Antrim, N. H.; Lamson & Goodnow Manufacturing Co., Shelburne Falls, Mass.; Landers, Pray & Clark, New Britain, Conn.; Meriden Cutlery Co., Meriden, Conn.; Northampton Cutlery Co., Northampton, Mass.; The Ontario Knife Co., Franklinville, N. Y.; John Russell Cutlery Co., Turners Falls, Mass.

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**THE ONTARIO KNIFE CO., FRANKLINVILLE, N. Y., BY J. L. BURRITT,  
SECRETARY.**

No. 1. Butcher knives, kitchen knives, paring knives, putty knives, bread knives, slicing knives, shoe knives, and table cutlery, all of which were included in paragraph 154 of the tariff act of 1909 and in paragraph 134 of the present House bill.

No. 2. The principal raw materials are steel, cocobolo, ebony, boxwood, beech, walnut, aluminum, tin, lead, antimony, copper, brass, coal, bone, beeswax, tallow, grindstones, emery, garnet paper, carborundum, and a large variety of abrasive materials.

No. 3. Less than 10 per cent of our raw materials are imported, consisting principally of cocobolo, ebony, boxwood, aluminum, emery, walrus hide, buffalo hide, and a small portion of our steel.

No. 4. Of every dollar of cost of our goods, not including overhead expenses, 30 cents is raw material and 70 cents is labor.

No. 5. We have not exact figures of the several countries, but J. L. Burritt, the secretary of this company, spent much time in Germany a year ago investigating the cost of raw materials, the cost of labor, and the cost of cutlery, and by these investigations it was found that the raw material which costs us 30 cents costs the German manufacturer about 25 cents.

No. 6. We have several times made effort to obtain export trade, but have been absolutely unable to do so because we have found it absolutely impossible to compete with the manufacturers of Germany, France, and England outside of our own country.

No. 7. We are interested in no other concern of any sort.

No. 8. We submit herewith our catalogue No. 5. In January and April of 1912 we allowed to the large wholesale trade a discount of 50 per cent and 2 per cent for freight and 2 per cent for cash in 10 days from the prices set down in this catalogue. In October, 1912, and in January, 1913, the same discounts were allowed, with the exception of the aluminum handle goods, shown on pages 27 to 32, inclusive. On these goods, as a result of the advance made in the price of aluminum by the Aluminum Trust, we allowed only 40 per cent and 2 per cent and 2 per cent. The same prices obtain at the present time as in October, 1912, and January, 1913.

Nos. 9, 10, and 11. We have no export trade.

Nos. 12 and 13. The principal manufacturers are: Lamson & Goodnow Manufacturing Co., Shelburne Falls, Mass.; American Cutlery Co., Chicago, Ill.; Lauders, Frary & Clark, New Britain, Conn.; Clement Manufacturing Co., Northampton, Mass.; Northampton Cutlery Co., Northampton, Mass.; Meriden Cutlery Co., Meriden, Conn.; Ontario Knife Co., Franklinville, N. Y.; Goodell Co., Antrim, N. H.; John Russell Cutlery Co., Turners Falls, Mass. In addition to the above there are two or three smaller concerns.

Nos. 14, 15, and 16. There is no trust, combination, or agreement among any of the manufacturers of these goods.

No. 17. Answered in No. 8.

No. 18. We have no foreign trade whatever.

No. 19. See No. 22 for part of information wanted here.

No. 19a. Amount of common stock, \$250,000.

No. 19b. Amount of preferred stock (recently issued), \$5,000.

No. 19c. No bonds have been issued.

No. 19d. Full face value.

No. 19e. None so far: is to be 6 per cent.

No. 19f. Four per cent in 1908, 1909, 1910, 1911, and 1912.

No. 19g. No bonds have been issued.

No. 19h. Our earnings above the 4 per cent have been small and have been expended in additions to the plant.

No. 19i. The president and the secretary are the only two salaried officers of the company. Their salaries were \$1,800 and \$1,200, respectively, in 1910 and 1911. In 1912 they were \$1,800 each.

No. 19j and 19k. Assets and liabilities:

Dec. 31, 1910:

Total assets, not including good will.....	\$254,120.30
Liabilities.....	6,511.58

Net assets.....	247,608.72
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Dec. 31, 1911:

Total assets, not including good will.....	260,741.79
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Dec. 31, 1912:

Total assets, not including good will.....	312,506.65
Liabilities.....	36,713.24

Net assets.....	275,793.41
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No. 20. Our assessment is \$55,000.

No. 21. Transcript of labor roll for four weeks shown:

	January, 1912.		April, 1912.		July, 1912.		October, 1912.		January, 1913.	
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
Skilled laborers.....	251	\$12,709.58	251	\$12,267.58	263	\$12,429.53	262	\$13,081.06	267	\$13,122.82
Unskilled laborers.....	2	92.07	2	87.11	4	181.16	3	117.15	3	158.11
Men.....	189	11,067.62	187	11,019.05	194	10,905.89	193	11,419.05	195	11,544.76
Women.....	66	1,711.01	66	1,335.67	70	1,636.49	71	1,787.76	74	1,992.20
Children under 17 years.....	1	20.00			3	68.25	1	22.00	1	21.00
Native born.....	218	12,173.13	216	12,652.61	262	12,406.01	259	12,961.67	261	13,310.56
Foreign born.....	8	328.52	7	298.11	5	201.62	6	267.11	6	259.49
Number who are citizens.....	250		248		263		262		267	

## 1910.

Labor.....	\$128,969.75
Raw material.....	61,158.54
Depreciation.....	1,505.12
Overhead.....	19,102.27
Profit.....	23,136.07

Total value of product..... 236,871.75

## 1911.

Labor.....	153,053.56
Raw material.....	71,751.50
Depreciation.....	1,721.32
Overhead.....	21,311.16
Profit.....	26,996.99

Total value of product..... 277,867.53

## 1912.

Labor.....	176,118.57
Raw material.....	76,579.39
Depreciation.....	5,027.43
Overhead.....	21,992.81
Profit.....	25,048.62

Total value of product..... 305,096.82

No. 23. Presses, grinding machines, grindstones, polishing machinery, handle machines, lead-hardening furnaces, drilling machines, etc. All of our machinery is kept thoroughly up to date and fully in repair. We employ three machinists in this work.

Nos. 23 and 25. Taking 110 as our unit of cost, comparison may be made as follows:

	Our own.	Germany.
Labor.....	70	24
Raw material.....	30	25
Overhead, including depreciation.....	10	8
	110	57

It must be borne in mind, however, that the German laborer, out of his 24, pays for raw material and power that with us comes under the other two headings. The work is principally done in the homes of the workmen, and they supply their own power and wheels and abrasives. After supplying these they get but one-third the wage that our employees get. These figures are based on information obtained by the secretary of the Ontario Knife Co. when in Germany in 1912.

No. 26. Cost of transportation to principal markets:

	Minimum charge.	Rate.
	Cents.	Cents.
Boston.....	11	38
New York.....	29	34
Philadelphia.....	29	34
Atlanta.....	117	103
New Orleans.....	110	50
St. Louis.....	62	53
Chicago.....	54	46
Milwaukee.....	53	46
San Francisco.....	200	310
Seattle.....	200	310

No. 27. We have no definite information.

No. 28. The tariff on goods covered by paragraph 154 of the Payne-Aldrich law ranges from 40 per cent to more than 100 per cent and is equivalent to an average of 75 per cent ad valorem duty. It will be seen by the comparison made above in Nos. 24 and 25 that omitting the difference in freight rates it would take 93 per cent tariff to bring the German cost up to our cost, showing that under the Payne-Aldrich law we are not fully protected. Were it not that we are nearer to the trade and the consumers and better understand the wants of the trade and the consumers, and can serve them more promptly, the importation of German cutlery would very heavily increase under the present tariff. Even under the present conditions we hold copy of invoice dated October 31, 1912, being for goods bought in Europe by Samuel E. Bernstein, of 205 Grand Street, New York, on which he paid tariff running as high as 72 per cent and including several items on which the tariff was from 63 to 69 per cent. It is true that importations have included principally those goods on which the tariff was only 40 per cent, but importations have increased from \$94,619.75 for the year ending June 30, 1909, to \$247,531.45 during the year ending June 30, 1912. Because of the advantages we have, as the result of location and familiarity with our market and less time in which we can make and supply goods, we might be able to retain most of our trade, even if the tariff were made as low as 50 per cent ad valorem. This is, however, a doubtful basis. If the tariff is made much less than 50 per cent it is certain that some of the manufacturers will be put out of business as manufacturers. Some of them, for fear that the tariff will be less than 50 per cent, are already making arrangements to import partially finished knives from Germany. If this be done it will throw considerably more than half of the present employees in this line of manufacture out of employment. These statements are not based on any theory. They are based on actual facts. We ourselves have made ready to import some of our knives in case we find it necessary.

No. 29. We have no desire to maintain a higher rate of tariff than will permit us to continue in the manufacture of our line of goods and make a small profit. The competition among the American manufacturers has been so keen that prices have been reduced to the lowest possible point. We can not stand any reduction whatever from our present prices.

ONTARIO KNIFE CO.,  
J. L. BURRITT, *Secretary.*

Subscribed and sworn to before me this 3d day of June, 1913.  
[SEAL.]

EDGAR J. GRIERSON,  
*Notary Public.*

GENEVA CUTLERY CO., GENEVA, N. Y., BY H. L. HENRY.

GENEVA, N. Y., May 27, 1913.

Senator F. M. SIMMONS,  
*Senate Office Building, Washington, D. C.*

DEAR SIR: We have understood that it was the intention of the Finance Committee to formulate a list of questions which you would ask to have answered under oath, but this list of questions we have



been unable to procure, if same has been printed. Therefore, have made use of questions recently formulated by Senator La Follette, and I take pleasure in forwarding to you these questions, with answers, in hope that same will meet with your approval.

By preference I would appear in person before your subcommittee, but not having been able to make an appointment for that purpose, I am taking this means of submitting further testimony in this shape, which I trust will be agreeable to you.

Copies of this testimony are on the way to-day to the members of your subcommittee.

Very truly, yours,

H. L. HENRY,  
For Geneva Cutlery Co.

#### STANDARD RAZORS.

Question 1. What is the nature and use of the commodity which you produce?

Answer. Standard razors.

Question 2. What are the raw materials used in its production?

Answer. Steel, celluloid, rubber, German silver, oils, emery, grindstones, leather buffs, rouge, etc.

Question 3. What is the amount of the production of this commodity in this country?

Answer. Estimated from reports of different manufacturers to total less than 1,000,000 razors.

Question 4. What is the amount of consumption of this commodity in this country?

Answer. Estimated slightly over 3,200,000.

Question 5. How many concerns are engaged in the manufacture of the commodity under consideration?

Answer. Seven.

Question 6. Who are the principal producers?

Answer. Clauss Shear Co., Fremont, Ohio; Geo. W. Korn Razor Manufacturing Co., Little Valley, N. Y.; Challenger Cutlery Corporation, Bridgeport, Conn.; Torrey Razor Manufacturing Co., Worcester, Mass.; Geneva Cutlery Co., Geneva, N. Y.

Question 7. What are the ruling market prices of the commodity in this country?

Foreign cost.		United States equivalent.	Jobber pays (per dozen) (duty plus about 25 per cent).	Dealer pays (per dozen).	Consumer pay (each).
Marks.					
4.20.....		\$0.90	\$2.25-\$2.50	\$4.00-\$6.00	\$0.75-\$1.00
6.30.....		1.40	3.50	7.00	1.25-1.50
8.40.....		1.90	4.75	8.00-9.00	1.50-2.00
12.00.....		2.90	6.75	12.00-15.00	2.00-2.50
16.00.....		3.28	7.75	15.00	2.50

1 About.

2 And above.

Question 8. What are the ruling market prices of the commodity in competing countries?

Answer. Our labor is too high in this country to sell abroad, and we are therefore not familiar with foreign trade prices.

Question 9. What is the total cost of production per unit of product in this country?

Answer. Please refer to testimony on record of razor manufacturers H. R. 18642 under date of February, 1912, copy attached.

Question 10. What is the total cost of production per unit of product in competing countries?

Answer. Figures given in testimony attached on German sales prices. Refer also to United States customs records.

Question 11. What is the percentage of the labor cost to the total cost of the unit of product in this country?

Answer. Average of about 80 per cent. This depends slightly upon the grade or the price of the razor produced.

Question 12. What is the percentage of labor cost to the total cost of a unit of product in competing foreign countries?

Answer. As far as we know percentage would be about the same.

Question 13. What is the cost of transportation to the principal markets in this country from the principal points of production in this country?

Answer. Our product is mainly sold f. o. b. factory except for New York City trade, and in good-sized shipments transportation cost to that point would be less than 1 cent per dozen.

Question 14. What is the cost of transportation to the principal markets in this country from the principal points of production in competing foreign countries?

Answer. If shipped in large lots, approximately 5 per cent of consular invoice value. (By large lots we would mean, on both answers for questions 13 and 14, in lots of 100 dozen to the shipment.)

Question 15. What part of the existing duty represents the difference in the cost of production between this and competing foreign countries?

Answer. First bracket present tariff 35 per cent will barely half cover the difference in cost of production here and in Germany. On all other brackets, the present duty fairly covers difference in cost of production due to higher wages in the United States.

Question 16. What part of the existing duty represents the profit of the American manufacturers?

Answer. Taking an average, there is not now sufficient duty to cover the difference in cost between Germany and the United States. To prove this we call attention to the increasing imports and the fact that Germany now sells in the United States two and one-half times the combined product of American factories.

H. L. HENRY,  
*For Geneva Cutlery Co.*

STATE OF NEW YORK,  
*County of Ontario, ss:*

On the 27th day of May in the year 1913 before me personally came H. L. Henry to me known, who, being by me duly sworn, did depose and say that he is the treasurer of the Geneva Cutlery Co., Geneva, N. Y., and that the answers as above set forth are true statements to the best of his information, knowledge, and belief.

H. L. HENRY.

[SEAL.]

H. D. TARBELL,  
*Notary Public.*

[H. R. 18642—Razors finished and unfinished.]

FEBRUARY, 1912.

The Honorable COMMITTEE OF THE SENATE,  
Washington, D. C.

GENTLEMEN: We, representing razor-manufacturing interests, respectfully call your attention to the following facts:

The razor industry in the United States is in no combination, nor has there ever been sufficient protection to enable the American factories to produce and sell as many razors as has been imported each year.

Under the Payne tariff bill the importations of razors in 1910 were \$305,657; in 1911, \$375,835. The estimated importations for 12 months under the proposed Underwood bill, as made by the Ways and Means Committee and shown on page 50 of report 260, are \$800,000, an estimated increase of \$424,165 over the year 1911; whereas the entire production of all razor manufacturers in the United States has not yet reached the sum of \$400,000. On this basis the razor industry of the United States is wiped out of existence.

On Exhibit A, herewith attached, we submit five samples of imported razors, one under each classification of the present Payne tariff bill, with the "landed cost," including duty; and for comparison five similar American razors, with manufacturers' actual cost.

The representatives of the American factories will open their pay-roll books for your inspection. We submit below table of operatives' wages in Germany as compared with those in the United States:

	Weekly wages paid in	
	Germany.	United States.
Forgers.....	\$4.30-47.00	\$15.00-21.00
Dry grinders.....	4.30-5.70	12.00-18.00
Hardeners and temperers.....	4.30-6.00	15.00-21.00
Concealers.....	4.30-9.00	16.00-24.00
Polishers.....	4.30-5.70	12.00-18.00
Razor handle makers.....	4.30-5.00	9.00-15.00

Regardless of the cost of manufacture or importation, the price of a razor of guaranteed quality to the consumer has not changed during the last 20 years.

Experience under the present rate of 35 per cent on cheap razors, as shown by statistics on importation (109,329 dozen in year ending June 30, 1911, imported at an average cost of about 0.955 cents per dozen), proves conclusively that American manufacturers of razors can not compete under such rates, and yet it is proposed to make the same duty of 35 per cent on all razors.

In view of these facts, we request that your honorable committee do not permit the lowering of the present tariff on razors.

H. L. HENRY,  
Secretary and Treasurer, Geneva Cutlery Co.

WM. TURNER,  
President The J. R. Torrey Razor Co.

Representing Challenge Cutlery Corporation, Bridgeport, Conn.; Geo. W. Korn Razor Manufacturing Co., Little Valley, N. Y.; The J. R. Torrey Razor Co., Worcester, Mass.; International Cutlery Co., Fremont, Ohio; Geneva Cutlery Co., Geneva, N. Y.; Robeson Cutlery Co., Rochester, N. Y.; W. R. Case & Sons, Bradford, Pa.

## EXHIBIT A.

Razor No. 1.—German cost, 4.20 marks (\$0.9996):

No razor can be made in this country to compete.

Razor No. 2.—German cost, 6.30 marks (\$1.4914):

American cost—

Steel material.....	\$0.22
Handle material.....	.56
Forging, hardening, ready to grind.....	.31
Grinding, polishing, etching.....	1.19
Honing, handling, packing.....	.32
Total.....	2.60

Razor No. 3.—German cost, 8.40 marks (\$1.9992):

American cost—	
Steel material.....	\$0.20
Handle material.....	.55
Forging, hardening, ready to grind.....	.31
Grinding, polishing, etching.....	2.30
Honing, handling, packing.....	.39
Total.....	3.75

Razor No. 4.—German cost, 12.60 marks (\$2.9998):

American cost—	
Steel material.....	.20
Handle material.....	.55
Forging, hardening, tempering, ready to grind.....	.31
Grinding, polishing, etching.....	3.31
Honing, handling, packing.....	.41
Total.....	4.81

Razor No. 5.—German cost, 13.80 marks (\$3.2844):

American cost—	
Steel material.....	.20
Handle material.....	.75
Forging, hardening, tempering, ready to grind.....	.33
Grinding, polishing, stamping.....	4.28
Honing, handling, packing.....	.46
Total.....	6.02

NOTE.—It will be seen by the above on razor No. 1 (of which there were imported during the year ending June 30, 1911, 109,329 dozen) that it is impossible for the American manufacturer to even make any effort to secure business under this classification.

### FILES OF PRECISION.

AMERICAN SWISS FILE & TOOL CO., NEW YORK, N. Y., BY E. P. REICHEL, PRESIDENT.

NEW YORK, June 2, 1913.

Hon. F. M. SIMMONS,  
*Chairman Finance Committee,*  
*United States Senate, Washington, D. C.*

DEAR SIR: In compliance with your esteemed favor of the 24th ult., inclosing a list of interrogatories propounded to manufacturers, I beg leave to respond to the same seriatim, as follows:

No. 1. The name of the commodity we produce is "files of precision," so called because they are used in the finest kinds of metal work requiring exactness of shape and measurement and a great variety of cuts. As to the cuts, they differ from the common files in having 11 different kinds, while common files have only 5. These files must be frequently made to suit the work for which they are intended.

No. 2. The raw materials used in the production of files of precision is high-grade steel, mainly such as is called tool steel.

No. 3. Owing to the care taken with the manufacture of high-grade steel in England, about half of the steel we use must be imported, though we prefer American made steel wherever it is equally suitable for our purposes. For this steel we pay to the importer from 6 to 13 cents per pound, the average being about 10 cents per pound.

No. 4. We can not state the unit cost of this steel with any brevity, because there is a great variety of shapes and sizes, each costing a different price, but the average cost as above stated is 10 cents.

No. 5. We are unable to give the foreign cost from our own knowledge, as we buy the steel from importers, duty paid.

No. 6. We do not export files of precision to any extent, because our price is prohibitive in foreign markets, but have exported about \$500 worth of these files to educational and scientific institutions, or as samples called for by manufacturers requiring particularly good files, the amount of such exportations being about \$450 for the year 1912. In foreign markets we come in direct competition with our Swiss competitors, who can undersell us so greatly that we have never attempted to do business in foreign markets further than above stated.

No. 7. We are a perfectly independent concern, having no connection whatever with any other, and propose to remain so.

No. 8. The wholesale prices charged by us for our product in domestic market is from 50 to 60 per cent from the importers' list of files of precision, the same price being made to a few educational institutions to whom we have sold files outside of the United States.

No. 9. The cost of transportation to foreign markets consists of charges on small packages sent by express and paid by the consignee.

No. 10. The only country in which files of precision are made is Switzerland, although files taking the place of files of precision are made in Germany as well as in the United States, but are of inferior quality and lower prices.

No. 11. So far as we know there is no tariff differential either for or against us in any country.

No. 12. Ours is the only concern in the United States manufacturing a complete line of files of precision, though some similar files are made, as stated above, which, in a measure, compete with ours on the ground of cheapness.

No. 13. The producers of inferior files of precision are the Nicholson File Co., also Henry Disston & Sons, of Philadelphia, besides which there are a few smaller concerns who make a few kinds, but nothing like a complete assortment, and none of these manufacturers compete with us in quality.

No. 14. The Nicholson File Co. may properly be called a trust, having bought out and consolidated with themselves some of the principal file factories in the country. They also made an offer to us to sell out to them, which we declined about eight years ago.

No. 15. The amount of files of precision produced by competitors, such as the Nicholson File Co., is comparatively small.

No. 16. The difference in the price charged for files of precision in the domestic market by ourselves can not be definitely stated, because prices are frequently a confidential matter between producer and buyer, but our price for files of precision, according to our best information, averages from 10 to 20 per cent higher than the trust charges for an inferior product.

No. 17. Our wholesale prices made to distributors only are 60 per cent from list established by the importer of files of precision.

No. 18. Export and wholesale prices are the same.

No. 19. It would be simply impossible to state the cost of production on our plant, per unit, excepting as an average of 2,800 different kinds we have made, but we can answer the following categorically.

No. 19a. Amount of our common stock is \$125,000.

No. 19b. Amount of our preferred stock is \$25,000.

No. 19c. Amount of bonds issued, none, but there is a mortgage of \$40,000 on our factory.

No. 19d. Amount of actual cash or its equivalent in property received in consideration of stocks and bonds given above, \$196,100.

No. 19e. The rate of dividend paid on preferred stock, 6 per cent.

No. 19f. The rate of dividend paid on common stock, 6 per cent.

No. 19g. The rate of interest on mortgage, 6 per cent.

No. 19h. The amount of earnings credited to surplus.

1910.....	\$5,065.15
1911.....	1,069.41
1912.....	10,398.97

The above are net amounts credited to surplus accounts after paying for additional machinery and making an allowance of 10 per cent for depreciation on machinery only and not on the real estate, buildings, or power plant.

No. 19i. The salaries paid to the officers of the company.

	Per annum.
President.....	\$1,200
Treasurer.....	600
Secretary.....	600
Superintendent.....	3,200

No. 19j. Statements of assets and liabilities:

	Assets.	Liabilities.
Dec. 31, 1910.....	\$258,766.85	\$188,068.75
Dec. 31, 1911.....	283,014.18	196,100.00
Dec. 31, 1912.....	271,853.42	191,068.09

No. 19k. Previous paragraph 19e will answer 19k.

The above statement embodies about all the facts we can give you without employing a special force of expert accountants, which we do not think will be necessary to give the committee a clear view of our business, sufficient to support our contention for a higher rate of duty.

You will especially notice that our stock is not watered to the slightest extent, but on the contrary, that we invested a great deal more money in this business than is covered by the stock. You will also observe that the president, treasurer, and secretary have received a ridiculously small salary, which is accounted for by the fact that none of us depend upon the American Swiss File & Tool Co. for a living but have built it up to its present condition by extreme economy, in order to prove that files of precision will be made in America, and not only in Switzerland.

You will also note that 1912 was the first year in which we actually cleared a sufficient amount of profit to show that the business can be made a paying one, our own profit, after paying all expenses amounting to \$10,398.97, in addition to 6 per cent paid on actual capital invested.

Had the interrogatories propounded to manufacturers been supplied to us by the Committee on Ways and Means of the House of Representatives last January, we would by this time have been better able to answer them completely, but can only now give you the facts available from our books as we have been in the habit of keeping them. The figures contained in this report are correct, but our books are not kept with a view to answering all the questions now propounded by you, and so far as they go, I certify, on honor, that the foregoing statements are correct.

Since writing the above, a comparative statement has been completed showing the difference between our factory cost and the foreign cost on certain files of precision laid down in New York under the proposed new tariff of 25 per cent ad valorem.

Very truly and respectfully, yours,

AMERICAN SWISS FILE & TOOL CO.  
E. P. REICHELME, *President*.

*Comparative statement of costs of needle, escapement, and rifle files, being a comparison of the imported cost under a duty of 25 per cent ad valorem, compared with our factory cost.*

NEEDLE FILES.

	10 c. m. <sup>1</sup> 4-inch. <sup>2</sup>	12 c. m. <sup>1</sup> 4½-inch. <sup>2</sup>	14 c. m. <sup>1</sup> 5½-inch. <sup>2</sup>	16 c. m. <sup>1</sup> 6½-inch. <sup>2</sup>	Silver-smith's.
Round:					
Swiss.....	\$0.28	\$0.28	\$0.32	\$0.37	
American Swiss.....	.57	.73	.80	.80	
All other shapes:					
Swiss.....	.41	.41	.49	.56	
American Swiss.....	.60	.70	.85	.92	

ESCAPEMENT FILES.

	Round.	Square.	All other shapes.	
Swiss.....	\$0.35	\$0.42	\$0.52	
American Swiss.....	.76	.79	.82	

RIFLE FILES.

	Small.	Medium.	Large.	
Swiss.....	\$1.01	\$1.05	\$1.08	\$1.66
American Swiss.....	1.31	1.49	1.62	2.32

<sup>1</sup> Length of Imported Swiss.

<sup>2</sup> Length of American Swiss.

I certify on honor that this is a correct statement made from reliable data on file in our office.

E. P. REICHELME,  
*President American Swiss File & Tool Co.*

GOLD LEAF.

MICHAEL SCHULTZ'S SONS, NEW YORK, N. Y., BY FREDERICK SCHULTZ.

NEW YORK, May 29, 1913:

Hon. F. M. SIMMONS,  
*United States Senator, Washington, D. C.*

DEAR SIR: We beg to inclose you herewith answers to questions propounded by Committee of Finance, and trust you will give them your careful consideration, as they show the relative difference

between labor of this country and foreign countries, which prove conclusively that the industry is not fully protected.

We herewith vouch for the correctness of the answers herewith presented.

Respectfully, yours,

MICHAEL SCHULTZ'S SONS,  
FREDK. SCHULTZ,

*Member of Firm.*

ANSWERS TO QUESTIONS PROPOUNDED BY COMMITTEE OF FINANCE.

No. 1. Gold leaf; hand beaten by skilled labor. No machinery used due to the delicacy of the commodity; used for luxurious purposes, such as high-class art, decorations, and books.

No. 2. Nine hundred and ninety-nine one-thousandths fine pure gold bullion, and pure silver bullion and copper. One-fortieth part of silver and one-fortieth part of copper to each ounce fine gold.

No. 3. Produced in the United States.

No. 4. Standard cost throughout the world. Gold is gold the world over.

No. 5. No answer.

No. 6. Can not export our product due to foreign competition and difference in the cost of labor in foreign countries.

No. 7. None whatever.

No. 8. No answer.

No. 9. Prices of gold leaf in the domestic market range from \$6.30 to \$6.75 per pack (20 books to pack, 25 leaves to book)  $3\frac{1}{2}$  by  $3\frac{1}{2}$  inches square. Same prices would prevail in foreign markets provided they existed. Cost of transportation, including all expenses approximately 2 cents per pack.

No. 10. Germany and England have absolute control of all foreign markets, especially Germany controls free trade England.

No. 11. We never export our goods, but are informed some countries have a duty.

No. 12. About 100.

No. 13. Hastings & Co., Philadelphia; W. H. Kemp Co., New York; Schultz & Co., New York; Stephen Hickson, New York; F. Roskob, Boston; J. Hess, Chicago; A. M. Fraser, Red Bank, N. J.; M. Schultz's Sons, New York, N. Y., and Jersey City, N. J.; M. Swift Sons, Hartford, Conn.; C. Taylor & Son, Jersey City, N. J.

No. 14. No trust or combination ever formed for any purpose whatsoever. Every one an individual concern with a direct and independent competitive standing. Any skilled mechanic can start an independent factory with a capital of \$300,000 showing keen competition among American manufacturers.

No. 15. The whole output of this country manufactured by independent concerns.

No. 16. Competition only by independent concerns regulate prices.

No. 17. \$6.30 to \$6.75 standard prices throughout the year.

No. 18. \$6.30 to \$6.75 provided exporting could be accomplished.

No. 19. Cost to produce one (1) pack gold leaf:

Gold bullion, silver, and copper.....	\$4.25
Labor: Man, \$1.20; woman, 50 cents.....	1.70
Books.....	.10
Overhead charges.....	.15
Depreciation charges.....	.10



Our concern is not capitalized, therefore relative questions are unanswerable.

No. 21 *a* and *b*. \$12 to \$15 per week.

No. 21 *b* and *c*. \$6 to \$8 per week.

No. 21 *a-d*. \$6 to \$8 per week.

No. 21 *e*. \$3 to \$4 per week.

No. 21 *f*. All employees.

No. 21 *g*. None.

No. 21 *h*. All employees.

No. 23. No machinery used.

No. 24. We are unable to give exact cost, but leading manufacturers in Germany have sold a pack of gold leaf in this country at \$4.20 delivered exclusive of present duty.

No. 25. Department of Commerce and Labor, Bureau of Manufactures. Daily Consular and Trade Reports: Washington, D. C., Saturday, April 10, 1909, No. 3452, page 16. (From report of Vice Consul Oscar Bock, of Nuernberg, Germany.)

Experienced men.....	\$8.33 to \$11.90
Helpers.....	4.76 to 7.14
Gold cutters (females).....	2.38 to 3.15

No. 26. New York, Philadelphia, Chicago, Boston, about 1 cent per pack in large quantities; size of pack of gold 4 by 4 inches; weight, 1 ounce.

No. 27. Germany and England about 2 cents per pack.

No. 28. Present duty only protects the present rate of wages, \$12 to \$15 per week. Profit of manufacturers is due to a slight advantage in quality and preference for American-made leaf.

No. 29. No; except for a fair return to our employees for skilled work and the upbuilding of our industry which in past years has been hampered by a low tariff, allowing foreign competition with cheap labor to harass American manufacturers when keen competition is prevalent in this country. Sixty per cent of the manufacturers work for wages only; disposing their product to dealers who sell both foreign and domestic product.

The foregoing answers no doubt cover the questions propounded by Senator La Follette.

Respectfully submitted.

MICHAEL SCHULTZ'S SONS.

FRED'K SCHULTZ.

*Member of Firm.*

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### CLOCKS.

THE NEW HAVEN CLOCK CO., NEW HAVEN, CONN., BY WALTER CAMP,  
PRESIDENT.

HON. FURNIFOLD MCL. SIMMONS,

*Chairman, Committee on Finance,*

*United States Senate, Washington, D. C.*

DEAR MR. SIMMONS: Immediately upon receipt of your list of questions, I endeavored to get in touch with the other clock companies and do the best we could to furnish the information desired. I realize fully, of course, how difficult it is to draw up a set of questions which shall apply to so many different interests and make it

of value. Among the clock people, for instance, a unit value of production would be possible but entirely misleading, as we make clocks varying in price from 40 cents to \$100, and some of the companies make as many as 500 or 600 varieties, while others make only a few styles. Hence the clock makers called my attention to this impossibility, and several others, owing to other differences, would simply begot the issue. I have, therefore, done my best to give you the replies in as practical a fashion for the information as can be done in the limited time allowed, and we shall be very glad to furnish anything further that we can, as we wish the Finance Committee, as we assured the Committee of the House, to feel that we are in no way desirous of setting ourselves in any antagonistic attitude, but we feel that our position is absolutely unique, and that a consideration of our case on its merits will show the justice of our contention.

We manufacture clocks in wooden and metal frames for the purpose of telling time. The material from which they are made may be brass, steel, wood, spelter, bronze, lead, zinc, tin, celluloid, nickel, aluminum, etc., and is produced principally in this country. Its cost is variable from month to month, both here and abroad; possibly somewhat cheaper in foreign countries, for labor enters into the equation. The exports are probably on the average one-fifteenth or less, and chiefly to the following countries: Great Britain, Brazil, Chili, Argentina, Mexico, West Indies, and the East.

The rates of duty for each country are as follows:

Country.	Ad valorem duty.	Specific duty.
Australia.....	30 per cent.....	
South Africa.....	15 per cent.....	
India.....	5 per cent.....	
British West Indies:		
Jamaica.....	16½ per cent.....	
Bahamas.....	25 per cent.....	
Barbados.....	10 per cent.....	
Bermuda.....	do.....	
Trinidad.....	do.....	
Brazil.....	50 per cent.....	
China.....	5 per cent.....	
Chile.....	35 per cent, alarms and cheap man- tels; 15 per cent, cheap watches.	
Argentine Republic.....	25 per cent for clocks \$1.50 and up; 5 per cent on watches valued up to about \$2.	
Mexico.....		50 cents per kilo (2½ pounds) for alarms, mantel, and other clocks; 62½ cents for watches set up.
Cuba.....	25 per cent on clocks, 19 per cent on watches.	
Peru.....	40 per cent on wall and standing clocks.	\$2.40 per dozen on cheap nickels; \$1.50 per dozen on mantel clocks, etc.
Japan.....	40 per cent, standing or hanging clocks; 30 per cent, watchman's clocks and other time-recording clocks, movements for watch- man's clocks, etc. 40 per cent for other movements; 40 per cent for other springs.	30 cents per pound for movements weighing not more than 1 kilo (2½ pounds); 17 cents per pound for movements weighing not more than 10 kilos (22 pounds). Springs, 5 cents per pound; half- springs, 6 cents per pound.

We do not sell our goods abroad cheaper than at home, the bottom prices, export and domestic, being the same. There has been practically no change in prices in the months mentioned. The products vary so in size and weight that it would be impossible to figure the cost of transportation. Our chief competitor is Germany.

We do enjoy a differential, notably 20 per cent in Brazil, and we have above given the various rates of duty. There are nine general clock manufacturers in the United States, as follows: Seth Thomas Clock Co., E. Ingraham Clock Co., Sessions Clock Co., Wm. L. Gilbert Clock Co., Western Clock Co., Ansonia Clock Co., Waterbury Clock Co., New Haven Clock Co., and Parker Clock Co.

As stated in our brief, there is no combination or trust among the clock companies. We are all independent producers and in the bitterest competition. As to wholesale prices, taking a nickel alarm clock, for instance, of American make, sold at 42½ cents bottom wholesale in this country, and at the same price to our export trade—this clock in 1911 we received 45 cents for and the year before 47½ cents. As to cost of production, taking this nickel alarm clock as a type, it varies somewhat from month to month, but probably 36 cents without incidentals. A factory doing a general line of clock business with complete selling force would probably have to figure between 30 and 40 per cent. Those manufacturing only a few lines and without advertising would be not more, possibly, than half this amount.

As to capitalization, the various clock companies are as follows in the Jewelers' Book:

Ansonia Clock Co.....	\$1,000,000
Wm. L. Gilbert Clock Co.....	289,300
Waterbury Clock Co.....	2,000,000
Sessions Clock Co.....	400,000
Seth Thomas Clock Co.....	607,000
E. Ingraham Clock Co.....	250,000
Western Clock Co.....	300,000
New Haven Clock Co.....	1,600,000

To the best of my knowledge and belief this is correct. As will be seen, it is practically a common stock, no preferred stock or bonds. The investment is greater than the capitalization. The returns, as stated in our brief, in the last 25 years have been, all the clock companies taken together, I believe, not over 7 per cent on the investment. Meantime two clock companies failed. Of course, it would be impossible at this time to get full particulars asked for.

I am under the impression that most of the property is taxed for 50 to 60 per cent of the investment. As to machinery, the principal value is in automatic machines of special character, revised for our purposes and kept by replacement up to standard.

We have endeavored to secure, through the Treasury Department, facts in the matter of foreign costs. We have also endeavored to secure for ourselves such knowledge. If we may take the rulings of the Treasury Department on goods that are billed in here, we should say that, taking the nickel alarm clock already mentioned as a type, whereas our cost in this country was some thirty six and a fraction cents, and in 1910 somewhat cheaper—say, a cent or so—the same clock must have cost approximately 10 cents less made in foreign countries, if one may judge from the price they invoice them in, also from the fact that the comparison between our labor cost and theirs is as 20 cents is to 8 cents, and more than 50 per cent of the cost of an average clock is labor. There is one clock which the Germans have invoiced in last year (Midget 1304) at 65 pfennig less 2 per cent,

which would be about 15½ cents less 2 per cent, which seemed to us like an undervaluation, although we do not know. As to our labor, the following is as nearly as the writer can give it in our own shop. It varies considerably.

Skilled laborers.....	1,254
Unskilled laborers.....	390
Men.....	1,133
Women.....	484
Children of minimum age (minimum age, 14).....	27
Native born.....	1,219
Foreign born.....	422
Not known.....	3
Number who are citizens.....	686

Perhaps our shop would be a fair criterion, and although on account of the competition each clock company is extremely averse to furnishing information that might be of value to rivals, I will take the liberty of stating that New Haven's pay roll was in round numbers for the year you request—in 1910—three quarters of a million and increasing each year at the rate of 9 or 10 per cent. The value of our product for the same years was approximately twice that. As to lost here and abroad, as already stated, we can not secure definite information. We have already given above our impressions. As to transportation, our goods vary so in size and weight that it is impossible to give detail. A nickel alarm clock can be landed, lake and rail, at certain seasons of the year, in Chicago, for not over a cent, and to the coast, all rail, for twice or three times that. As to the part the duty represents in our profit as manufacturers, we are not quite clear what the question means. If it means do we make 40 per cent above our incidentals, most certainly we do not; and as to pecuniary interest in the maintenance of the rate, this can, of course, be answered only in one way, and that is that we have a most decided interest in the maintenance of the duty.

We would supplement all this, however, with a repetition of the statement contained in our brief, that all we wish and all we can expect is a fair hearing of our rather unique case on its merits, that for this purpose three of us, each one of whom has spent his life in the clock business as a worker—not an investing capitalist—have endeavored as best we knew how to present that case and ask that it be judged on its merits. We feel that there are surely some manufacturing businesses to be approved of and encouraged, and we believe that our record is such that we can be sure that if you will examine into it you will find it that type of industry. Furthermore, if our brief be read in connection with these replies we feel that you will be convinced of the justice of our contention and that our duty should not be reduced below 35 per cent. We beg that you will therefore give our brief a reading.

Very truly, yours,

WALTER CAMP.

The statements contained in the above letter are, to the best of my knowledge and belief, all true.

WALTER CAMP.

COUNTY OF NEW HAVEN,  
*State of Connecticut, ss:*

On this 7th day of June, A. D. 1913, before me personally appeared Walter Camp, known to me to be the person whose name is subscribed to this instrument and acknowledged to me that he executed the same.

[SEAL.]

EUGENE CARTIER,  
*Notary Public.*

### COTTON YARNS.

#### MAYES MANUFACTURING CO., GASTONIA, N. C.

- No. 1. Manufacturing combed peeler cotton yarns for market.  
 No. 2. Cotton, long staple,  $1\frac{1}{4}$  to  $1\frac{3}{8}$  inches.  
 No. 3. Ninety-five per cent peeler cotton, 5 per cent Egyptian.  
 No. 4. Twenty and one-half cents average.  
 No. 5. The cost per unit of raw material in foreign countries is less than in this country; it would be very hard to state how much less. Egyptian cotton, as we understand, when sold in the United States has the charges of the middleman in this country, freight, storage, lighterage, and insurance charges added to what it would cost in England. Egyptian cotton would bring on an average of 1 cent a pound less in Liverpool than it would in North Carolina. On cotton from the Mississippi Delta, where most of the peeler is grown, Liverpool has a cheaper freight rate than North Carolina points. The price of cotton in Liverpool and the United States should be somewhere in the neighborhood of the same.  
 No. 6. Export none of our product.  
 No. 7. Not interested in any concern that exports.  
 No. 8. January, 80's, 69 cents; 70's, 64 cents; 60's, 54 cents; 50's, 46 cents; 40's, 41 cents. April, 80's, 75 cents; 70's, 67 cents; 60's, 56 cents; 50's, 47 cents; 40's, 41 cents. July, 80's, 76 cents; 70's, 67 cents; 60's, 56 cents; 50's, 47 cents; 40's, 42 cents. January, 1913, 80's, 76 cents; 70's, 68 cents; 60's, 57 cents; 50's, 48 cents; 40's, 42 cents.  
 No. 9. Export nothing for foreign countries market.  
 No. 10. England and Germany are our chief competitors.  
 No. 11. Export nothing.  
 No. 12. It would be very difficult for us to say how many concerns engaged in the manufacture of this commodity, but there are a great many. The biggest single center is New Bedford, though the manufacturing of it is about equally divided between the North and South.  
 No. 13. Is answered in answer to No. 12.  
 No. 14. There has never been any trust or combination to control the price or output of any cotton textile goods unless it is cotton duck.  
 No. 15. Is answered in answer to No. 14.  
 No. 16. None of these goods are exported by American manufacturers.  
 No. 17. None sold f. o. b. factory. Prices given in question No. 8.  
 No. 18. We do no export business.

## No. 19. Cost of production per unit:

	40's.	50's.	60's.	70's.	80's.
Inside labor.....	\$0.05552	\$0.05552	\$0.06537	\$0.05531	\$0.00000
Other manufacturing expenses.....	.04459	.05184	.06587	.08906	.02337
Cotton and waste.....	.2241	.2241	.2264	.2264	.3722
Interest, freight, selling cost, depreciation, etc.....	.09459	.10025	.11829	.14914	.14216
Total.....	.41924	.43795	.47857	.55105	.70753

No. 19a. \$150,000.

No. 19b. \$169,000.

No. 19c. None.

No. 19d. Par value in cash.

No. 19e. Six per cent on preferred stock each year.

No. 19g. None.

No. 19h. All earnings applied to additions to plant.

No. 19i. President, \$1,000; treasurer, \$2,500.

No. 19j. Statement of assets and liabilities:

	Assets.	Liabilities.
1910.....	\$108,624.78	\$176,606.16
1911.....	93,657.65	152,997.33
1912.....	317,711.89	339,412.25

## No. 19k. Comparative balance sheets for 1910-12:

December 31, 1910.

Cash.....	\$27,874.99	Capital stock, preferred.....	\$100,000.00
Cotton.....	25,796.60	Capital stock, common.....	125,000.00
Cotton in process.....	18,602.74	Bills payable.....	168,969.72
Plant.....	304,347.84	Accounts payable.....	7,036.44
Live stock.....	1,749.04	Surplus.....	11,966.46
Yarns sold, in transit and awaiting delivery.....	15,820.12		
Supplies.....	1,505.14		
Fuel.....	714.59		
Commissary.....	2,399.36		
Accounts receivable.....	4,434.03		
Insurance.....	266.13		
Interest.....	2,440.02		
Bills receivable.....	5,072.79		
Waste inventory.....	391.11		
Farm inventory.....	1,558.12		
	<hr/> 412,972.62		<hr/> 412,972.62

## December 31, 1911.

Organization.....	\$3,758.66	Capital stock, preferred.....	\$110,000.00
Cash.....	20,853.66	Capital stock, common.....	150,000.00
Cotton.....	17,652.36	Bills payable.....	148,300.00
Cotton in process.....	15,851.79	Accounts payable.....	2,909.88
Mill building and equip- ment.....	291,085.97	Wages.....	408.96
Tenant houses.....	36,876.32	Surplus.....	23,112.36
Real estate.....	13,318.76	Taxes accrued.....	1,227.44
Live stock and equipment..	2,077.64	Operatives.....	151.05
Consigned yarn.....	9,090.50		
New mill building.....	861.00		
Supplies.....	1,305.70		
Fuel.....	995.71		
Commissary.....	1,790.26		
Accounts receivable.....	7,367.60		
Insurance.....	423.51		
Interest.....	2,464.45		
Farm expense.....	1,284.77		
Interest accrued.....	85.95		
New machinery and equip- ment.....	478.14		
Strippings.....	917.99		
Waste inventory.....	288.36		
Office fixtures.....	126.85		
Finished yarn at mill.....	4,515.35		
Finished yarn, coarse.....	2,128.21		
Process, coarse.....	771.15		
	436,439.69		436,439.69

## December 31, 1912.

Stock in other companies...	\$100.00	Capital stock, preferred.....	\$169,100.00
Cash.....	38,074.96	Capital stock, common.....	150,000.00
Cotton.....	196,082.91	Bills payable.....	299,840.50
Cotton in process.....	27,596.16	Accounts payable.....	49,601.78
Plant.....	423,856.56	Sinking fund.....	42,143.70
Live stock.....	2,930.51	Surplus.....	8,016.88
Yarn sold, in transit and awaiting delivery.....	12,331.45	Depreciation.....	22,865.59
Supplies.....	2,990.29		
Fuel.....	1,348.50		
Commissary.....	2,419.32		
Accounts receivable.....	24,465.49		
Insurance.....	717.23		
Interest.....	4,847.36		
Farm inventory — cotton, corn, etc.....	3,504.68		
Waste inventory.....	300.00		
	741,568.15		741,568.15

No. 20. In 1912 this mill had about one-third of the investment that it has to-day. It is taxed for county and State purposes at \$128,000 in addition to its franchise tax and income tax.

No. 21. (a), 150; (b), 24; (c), 125; (d), 49; (e), minimum age prescribed by State law 12 years. Work four children under 14 years; (f), all; (g), none; (h), 50.

No. 22. Wages inside mill, 1910, \$26,876.97 (value product, \$213,286.89); 1911, \$25,972.31 (value product, \$210,462.07); 1912, \$28,992.05 (value product, \$235,875.40).

No. 23. Up to date improved machinery from 1 to 5 years of age.

No. 24. We are unable to answer this question with any degree of accuracy, as our information differs in regard to it. We would

say, however, that there will be a difference in manufacture of 80's from 15 to 18 cents a pound, the larger difference being in labor. Other causes of their lower cost is cheaper interest, cheaper Egyptian cotton, greater skill in operation, cheaper freights, caused by shorter distance which their yarns are shipped and by lower rate of freight which they use. The selling expense cost the American 5 per cent commission to his selling agent with a 3 per cent discount allowed to purchaser as against a small brokerage in England. As we understand it, yarns in England are sold on exchange as cotton is sold with us. We also guarantee the quality of our yarns and dare not turn out anything in the way of a cheaper yarn for fear of having our goods turned back on us and our orders canceled. An Englishman, as we understand it, sells on the exchange and the mill selling the yarn is not known in the transaction and the yarn is graded and standardized and all differences between seller and buyer are handled for the mill making the sale, without expense to it.

No. 25. Can not answer question No. 25.

No. 26. Philadelphia, 45 cents; New England States, 52 to 60 cents; Northwestern States, about 90 cents.

No. 27. Can not answer No. 27.

No. 28. At times we have had no profit. To-day on 80's we have a less profit than the duty under the Payne-Aldrich bill.

No. 29. Have no pecuniary interest in maintaining high tariff rate outside the profit we make in the products we manufacture. Of course, any cut in the tariff which would allow the foreigner to undersell us would clash with our interest.

It is the opinion of the management of this mill that the schedule on yarn lately submitted to you by the American Association of Manufacturers would be as heavy a reduction from the Payne-Aldrich bill as we could stand to allow us any profit.

The questions propounded by Senator La Follette which we are enabled to answer are all answered in the foregoing.

Another great advantage that the English manufacturer has over us is in the question of power. The average number that we are making at our mill is 60's and the power cost us about \$0.0275 per pound and on 80's this power is over \$0.03 cent per pound. In England on account of the cheaper coal or more especially the cheaper rate of coal, the power, as I am informed, on 80's is considerably under 0.02 cent per pound and the average on 60's less than 0.0150 cent. The freight rate on our coal is \$2.55 from the mines per ton. We are informed that the freight rate in Manchester is less than 40 cents, including the handling.

MAYES MANUFACTURING Co.

### COTTON KNITTED GLOVES, ETC.

FRIEDLANDER-BRADY KNITTING MILLS, OF CHICAGO, ILL., BY SOLOMON HENRY STIX, PRESIDENT.

The following are the answers to the questions propounded by the majority members of the Committee on Finance:

No. 1. Commodity: Gloves and mittens, knitted and made of (knitted) fabric, used as articles of dress and as a protection against cold.



No. 2. Raw materials are yarns, of cotton, cotton and wool mixed, wool, and silk; also fabrics (knitted) of cotton and of silk.

No. 3. All yarns used during the past two years are of domestic manufacture. Fabrics are in part of domestic manufacture, and in part imported—the finer grades are imported and represent in value about 70 per cent of the fabric used.

No. 4. The average cost per dozen gloves of the raw material of our product was in 1911, \$0.73, and in 1912, \$0.70.

No. 5. No data are at hand as to the cost per dozen gloves of raw material of this commodity in foreign countries.

No. 6. No part of our production of this commodity is exported.

No. 7. We are not interested in any other concern exporting this commodity.

No. 8. The wholesale prices charged by us for this commodity in the domestic market for the year of 1911 averages a fraction over \$1.69 net per dozen pair. Sale prices remained fixed throughout the season.

Nos. 9, 10, and 11. No goods exported.

No. 12. The number of concerns that are engaged in the manufacture or production of this commodity in this country number 126, according to the publication *The Knit Goods Trade, 1912*, Lord & Nagle Co., Boston, publishers.

No. 13. The principal producers are the following:

La Crosse Knitting Works, La Crosse, Wis.  
 Star Knitting Co., La Crosse, Wis.  
 Eagle Knitting Mills, Milwaukee, Wis.  
 M. Friedlander Knitting Co., Milwaukee, Wis.  
 Great Western Knitting Co., Milwaukee, Wis.  
 National Knitting Co., Milwaukee, Wis.  
 Hand Knit Hosiery Co., Sheboygan, Wis.  
 Saxony Knitting Co., Appleton, Wis.  
 Fox River Valley Knitting Co., Appleton, Wis.  
 Lake Superior Knitting Works, Appleton, Wis.  
 Inland Knitting Works, Green Bay, Wis.  
 Ripon Knitting Works, Ripon, Wis.  
 Portage Hosiery Co., Portage, Wis.  
 Sturgeon Bay Knitting Co., Sturgeon Bay, Wis.  
 Harris Knitting Mills, Germantown, Philadelphia, Pa.  
 Why Bros. & Co., Germantown, Philadelphia, Pa.  
 Moseley & Co., Needham Heights, Mass.  
 Ashoyton Knitting Co., Shelburne Falls, Mass.  
 Orange Knitting Co., Farley, Mass.  
 Oscar L. Bailey & Co., Everett, Mass.  
 The Wm. Carter & Co., Needham, Mass.  
 Owosso Knitting Co., Owosso, Mich.  
 Lamb Knit Goods Co., Colon, Mich.  
 Michigan Knitting Co., Lansing, Mich.  
 Perry Glove & Mitten Co., Perry, Mich.  
 Pontiac Knitting Co., Pontiac, Mich.  
 John L. Fead & Son, Port Huron, Mich.  
 Western Knitting Mills, Rochester, Mich.  
 Clare Knitting Mills, Saginaw, Mich.  
 Three Rivers Knitting Co., Three Rivers, Mich.  
 Burns & Snow, Nashua, N. H.  
 Royal Knitting Mills, Johnstown, N. Y.  
 Wessell Knitting Co., Johnstown, N. Y.  
 The Van Buren Knitting Co., Kinderhook, N. Y.  
 Gloversville Knitting Co., Gloversville, N. Y.  
 Kinderhook Knitting Co., Kinderhook, N. Y.  
 Max Lowenthal & Bro., Rochester, N. Y.  
 Hitchcock & Curtiss Knitting Co., Hartford, Conn.

Archer Knitting Works, Chicago, Ill.  
 Friedlander, Brady Knitting Mills, Chicago, Ill.  
 Hammond Knitting Co., Hammond, Ind.  
 Friedman Blau Farger & Co., Cleveland, Ohio.  
 United Knit Goods Co., Cleveland, Ohio.  
 Joseph Roth & Co., Toledo, Ohio.  
 Enterprise Knitting Co., Toledo, Ohio.  
 Rushford Knitting Mills Co., Rushford, Minn.  
 Thos. Breathwaite, Vineland, N. J.

No. 14. None of these producers are organized into a trust or combination to control the price or output, or for any other purpose, and we have no connection or interest, directly or indirectly, in any trust or combination.

No. 15. No proportion of the production of this commodity in this country is produced by a trust. All concerns are independent producers.

No. 16. Prices are in no way controlled by the producers.

No. 17. Our wholesale prices f. o. b. factory, of this commodity, during the first four weeks in January, first four weeks in April, first four weeks in July, and first four weeks in October, 1912, averaged a fraction over \$1.69 net per dozen pair. All goods delivered prior to September 1, are dated as of November 1. Goods shipped after September 1, are dated 60 days.

No. 18. No part of this commodity is exported.

No. 19. The cost of production in our plant per unit of our product for the fiscal year 1911 was a fraction over \$1.61 per dozen pair, and in 1912 was a fraction less than \$1.63 per dozen pair. The cost of materials, labor, overhead charges, and depreciation charges are given in separate items and in detail below under reply to question 19, section (k). Prior to December 31, 1910, this business was operated as a partnership, and upon the death of one of the partners on January 3, 1911, the business was sold to the present corporation, which took over the business as of December 31, 1910.

No. 19a. The amount of common stock issued is \$145,000.

No. 19b. The amount of preferred stock issued is \$55,000.

No. 19c. There are no bonds issued.

No. 19d. The amount of actual cash, or its equivalent in property, received in consideration of the stocks given above amounted to \$205,783.52.

No. 19e. The rate of dividend paid on preferred stock was 7 per cent paid in January, 1912, and 7 per cent paid in January, 1913.

No. 19f. No dividend has ever been paid on common stock.

No. 19g. No bonds have been issued. (The corporation did not exist prior to 1911.)

No. 19h. Of the earnings of the year 1911 (\$21,232.33), \$17,382.33 has been credited to surplus, of which \$1,230.01 was devoted to additions to the plant. Of the earnings in 1911 (\$14,234.85), \$10,384.85 has been credited to surplus, of which \$2,179.97 was devoted to additions to the plant.

No. 19i. The salary of the president is fixed at \$6,600 per annum. The salary of the vice-president is fixed at \$6,600 per annum. The salary of the secretary-treasurer is fixed at \$6,600 per annum. There are no other officers.

No. 19j. The statement of assets and liabilities for the years ending 1910, 1911, and 1912 are given herewith, viz:

*Assets, liabilities, capital stock, and surplus.*

	Dec. 31, 1910.	Dec. 31, 1911.	Dec. 31, 1912.
ASSETS.			
Cash.....	\$7,412.36	\$8,300.39	\$8,473.31
Accounts receivable.....	10,202.74	42,980.65	43,314.05
Material.....	71,452.77	74,658.16	54,842.61
Merchandise.....	66,210.97	78,070.21	103,345.31
Machinery and fixtures.....	47,834.52	41,135.87	41,672.21
Stationery and stores.....	609.57	801.12	924.36
Unexpired insurance.....	1,000.00	1,000.00	1,200.00
Traveling and mileage, 1913.....	1,919.40	1,052.80	2,000.00
Items paid in advance.....		400.00	300.00
	256,702.33	252,359.20	256,271.85
LIABILITIES.			
Accounts payable.....	31,418.81	21,252.43	16,871.15
Bills payable.....	17,500.00	4,000.92	2,000.00
	50,918.81	25,353.35	18,871.15
CAPITAL STOCK.			
Preferred, \$55,000; common, \$145,000.....	200,000.00	200,000.00	200,000.00
Surplus.....	5,783.52	27,015.85	37,400.70
	256,702.33	252,359.20	256,271.85

No. 19k. Comparative balance sheet for the years 1911 and 1912 are given herewith:

*Closing trial balance for years 1911 and 1912.*

	Dec. 31, 1911.	Dec. 31, 1912.
Material.....	\$163,080.23	\$151,825.25
Cartons.....	8,554.37	7,331.19
Trimmings.....	2,649.95	3,013.49
Labor.....	146,527.04	152,049.60
Needles.....	2,720.73	3,433.18
Rent.....	7,868.13	7,944.68
Transportation.....	3,163.81	3,374.34
Coal (heat and steaming).....	1,232.64	1,742.02
Power.....	2,755.73	2,328.41
Insurance.....	434.58	451.13
Light.....	1,449.15	1,482.50
Machinery repairs.....	1,594.35	1,616.72
Machinery depreciation.....	4,928.66	4,643.63
Salary of secretary-treasurer (superintendent).....	6,600.00	6,600.00
Salary of foremen and office.....	2,759.96	2,759.96
Expense.....	5,498.02	5,912.03
Salary of president (finance and credits).....	6,600.00	6,600.00
Salary of vice-president (sales manager).....	6,600.00	6,600.00
Salary of salesmen.....	7,750.00	7,200.00
Traveling expense.....	2,013.32	2,563.20
Commission.....		503.53
Taxes.....	246.00	573.95
Interest.....	6,124.94	6,500.88
Discount.....	21,495.12	20,183.66
Inventory, Dec. 31, 1910.....	163,153.50	77,747.92
Merchandise purchases.....	40,611.13	47,837.23
Profit and loss.....		464.56
Net earnings.....	21,232.33	14,234.85
	337,652.79	547,640.91
Inventory, Dec. 31, 1911.....	\$77,747.92	103,345.31
Sales.....	459,806.41	444,295.60
Profit and loss.....	98.46	
	337,652.79	547,640.91
Dozens manufactured.....	236,120.00	230,237.00
Value of product at net selling price.....	\$398,215.00	\$390,565.00

<sup>1</sup> Dec. 31, 1911.

<sup>2</sup> Dec. 31, 1912.

No. 20. The value for which the property shown in the above statement of assets and liabilities assessed for taxation in 1912 was \$23,416.31.

No. 21. The transcript of our labor roll for the periods covered in questions number 17 and 18 shows:

*Pay roll.*

	Operatives.	Amount.
<b>Male skilled:</b>		
4 weeks -		
January, 1912.....	59	\$676.84
April, 1912.....	64	745.30
July, 1912.....	55	657.47
October, 1912.....	52	679.73
January, 1913.....	60	662.79
<b>Male unskilled:</b>		
4 weeks -		
January, 1912.....	11	439.00
April, 1912.....	44	457.82
July, 1912.....	42	436.58
October, 1912.....	47	490.32
January, 1913.....	43	437.34
<b>Female skilled:</b>		
4 weeks -		
January, 1912.....	843	6,285.45
April, 1912.....	902	7,346.61
July, 1912.....	823	6,507.19
October, 1912.....	753	6,449.32
January, 1913.....	739	6,007.92
<b>Female unskilled:</b>		
4 weeks -		
January, 1912.....	492	2,006.70
April, 1912.....	450	2,674.48
July, 1912.....	435	2,540.29
October, 1912.....	398	2,508.31
January, 1913.....	421	2,572.92

No. 22. The amount of wages paid per annum for the years 1911 and 1912 and the total value per annum of our product for the same years is shown in our answer to Question 19k.

No. 23. The machinery used in manufacturing our product consists of knitting machines of various types, operated by hand and by power, sewing machines, machines for crocheting ornamental backs on gloves, hemming machines, machinery for winding, yarn, dies, and machinery for steaming and pressing. All of the machinery is in first-class workable condition, and the larger part of the machinery has been purchased during the past eight years.

No. 24. We have no knowledge or information as to the cost of production per unit of the same products as ours in competing countries.

No. 25. We have no knowledge or information as to the percentage of labor cost to the total cost of the unit of product in competing countries.

No. 26. The cost of transportation by freight from our factory to the principal markets in this country are, per 100 pounds: New York, \$0.75; Boston, \$0.82; Baltimore, \$0.72; Pittsburgh, \$0.45; Cincinnati, \$0.40; St. Louis, \$0.433; Minneapolis, \$0.60; Denver, \$1.80; Detroit, \$0.37; San Francisco, \$3.40.

No. 27. We have no knowledge or information as to the cost of transportation from Germany, Austria, and England (the principal competing countries) to the markets in this country.

No. 28. Our small margin of profit as shown, and the large importations of this commodity under the Payne-Aldrich bill show that no part of the duty represents our profit as a manufacturer; but our ability to continue in the business of manufacturing these commodities is dependent on the maintenance of an adequate tariff. The fact that we sell our goods with season's dating, whereas the foreigner sells his goods on sight draft attached to bill of lading, and also to the fact that the American jobber is able to get goods from the domestic manufacturer in less time, and if the goods prove unsatisfactory he can return them without trouble or additional expense to himself, is the one point in our favor which enables us to get a share of the business. Generally we are not able to sell those jobbers who are in a position to buy for cash, nor to those who maintain or control foreign factories manufacturing this product; but under the present tariff the foreign manufacturer is not able to sell his commodities at prices so much lower than ours as to exclude us entirely from the domestic field. If the proposed reduction is put into effect the foreign manufacturer will be able to sell his goods here at prices so much lower than we can manufacture them that he will no longer, as at present, divide the American field with us, but exclude us entirely.

No. 29. While we have no pecuniary interest in the maintenance of a high-tariff rate on this commodity, we have a considerable financial interest in the maintenance of a tariff rate which shall take into consideration the differences that exist between here and abroad, both as to wages and working conditions peculiar to this industry. In the United States goods are made at the mill, while abroad they are made almost wholly in the homes of the operatives. We have already suffered a considerable pecuniary loss because of cancellations in orders due to the prospect of a lower tariff on this commodity going into effect in the immediate future. Should the tariff bill now under consideration take effect before January 1, 1914, it will mean further cancellations and further loss to us on material and merchandise, while, should the new tariff prevent, as it will if the proposed rate is put into effect, the domestic manufacture of this commodity, it will mean, in addition to the above, a total loss to us of our machinery.

Attached is a copy of the statement made by us on May 10, which more fully explains our views on the tariff and its effect upon the manufacture of knitted and fabric gloves and mittens, cotton and woolen, in the United States.

The following are our answers to the questions propounded by Senator La Follette, a minority member of the Committee on Finance, on behalf of the minority members of that committee.

No. 1. This question is answered by our answer to interrogatory No. 1 propounded by the majority members of the Committee on Finance.

No. 2. This question is answered by our answer to interrogatory No. 2 propounded by the majority members of the Committee on Finance.

No. 3. The amount of the production of this commodity in this country, as shown in the census report in 1909, totals \$7,296,887.

No. 4. The amount of the consumption of this commodity in this country can not be shown, as there are no figures available showing the total amount of importations, but on page 8 of statement made

by us on May 10, 1913, we give an estimate of importations based upon the imports to the port of Chicago during the fiscal year ending June 30, 1912.

No. 5. This question is answered by our answer to interrogatory No. 12 propounded by the majority members of the Committee on Finance.

No. 6. This question is answered by our answer to interrogatory No. 13 propounded by the majority members of the Committee on Finance.

No. 7. The ruling market prices of this commodity in this country to the jobber are \$1.50 to \$1.75 net per dozen pair for goods that retail at \$0.25, and \$3 to \$3.50 net per dozen pair for goods that sell at \$0.50 per dozen pair. The popular demand is for these standard prices.

No. 8. We have no data as to the ruling market prices of this commodity in competing countries.

No. 9. The total cost of production per unit of product in this country is not known, but the total cost of production per unit in our mill was a fraction over \$1.61 per dozen pair in 1911 and in 1912 was a fraction less than \$1.63 per dozen pair.

No. 10. We have no data as to the total cost of production per unit of product in competing countries.

No. 11. The percentage of our labor cost to the total cost per unit of this product equaled 38.2 per cent in 1911 and 40.2 per cent in 1912.

No. 12. We have no data as to the percentage of the labor cost to the total cost per unit of product in competing foreign countries.

No. 13. This question is answered by our answer to interrogatory No. 26, propounded by the majority members of the Committee on Finance.

No. 14. We have no data as to the cost of transportation to the principal markets of this country from the principal points of production in competing foreign countries.

No. 15. All of the existing duty represents the difference in the cost of production between this and competing foreign countries.

No. 16. This question is answered by our answer to interrogatory No. 29, propounded by the majority members of the Committee on Finance.

FRIEDLANDER-BRADY KNITTING MILLS,  
By SOLOMON HENRY STIX, *Its President.*

STATE OF ILLINOIS, *County of Cook, ss:*

Solomon Henry Stix, being first duly sworn, on oath deposes and says, that he is the president of the Friedlander-Brady Knitting Mills, that he has read the above and foregoing answers by him subscribed, knows the contents thereof, and that the same are true.

SOLOMON HENRY STIX.

Subscribed and sworn to before me this 10th day of June, A. D. 1913.

[SEAL.]

AVVIN WALTER WISE,  
*Notary Public.*

[Inclosure.]

CHICAGO, ILL., May 10, 1913.

To the Honorable Members of the 63d Congress:

If the tariff bill now before Congress becomes a law, the manufacturer, in this country, of knitted gloves and mittens and of gloves and mittens made of fabric (glove cloth) will be absolutely destroyed. Under the existing tariff, foreign-made goods comprise a large percentage of the American consumption of this class of merchandise, and a cut in the duties, such as is proposed, will entirely remove the American manufacturer as a competitor.

President Wilson has stated that no industry will be ruined by changes in the tariff, and we therefore believe that you will consider our plea, which we know to be a just one.

The manufacture of knitted gloves and mittens began in this country as an industry about 35 years ago. To-day nearly every State has its factories for the making of these goods. Individually the establishments are comparatively small, operating in keen competition with each other, but, in the aggregate, the investment of capital is large, and a large number of people are dependent upon the business for their livelihood.

The bulletin of the Thirteenth Census of the United States relating to "Manufactures: United States" Abstract, page 44, under "Hosiery and knit goods," shows gloves and mittens as follows:

Products.	1909	1904	1899
Dozen pairs.....	2,527,589	2,290,508	1,898,587
Value.....	\$7,296,887	\$3,556,260	\$4,244,046

Until a few years ago the knitting of double seamless mittens comprised the chief article of manufacture in this line, but the knit yarn gloves, and more recently gloves made of fabric or glove cloth, have in a large measure supplanted the knitted mitten.

Fabric gloves are made of finely knitted cloth, but are fashioned in the same way as are fine leather gloves, and those of the better grade have the appearance of suede leather and chamois. In length, buttons, embroidered back, and style of seams, the fabric glove closely follows its leather prototype.

The popular demand is for gloves that retail at 25 and 50 cents per pair. For the 25-cent glove the jobber pays from \$1.50 to \$1.75 net per dozen pairs. For the 50-cent glove he pays from \$3.00 to \$3.50 net per dozen pairs. The jobber buys the best value that can be produced at these standard prices.

A glove knitted from yarn or fashioned out of fabric requires skilled labor, and labor is the important element of its cost.

In the United States all knitting and sewing is done at the mills. The time for work is limited to about 50 hours per week, and children are not generally employed. The wages paid for this class of work averages from \$8 to \$9 per week for females, and from \$12 to \$15 per week for males.

Foreign-made goods, on the other hand, are for the most part produced in the home, where the children often do the work, and the hours are not limited. The average wages paid for females is \$3 per week, and for males from \$6 to \$7 per week.

Through the Department of Commerce we learned that Thomas H. Norton, United States Consul at Chemnitz, Saxony, the home of the industry in Germany, was in the United States on his vacation, and we sent him the following telegram:

CHICAGO, April 25, 1913.

Consul THOS. H. NORTON,  
210 Niagara Street, Lockport, N. Y.

Can you furnish us with information as to wages paid in the knitted glove industry of Germany? What are the number of hours of work per week, and what are the laws regarding work in the homes and the age at which children may be employed? Kindly wire answer at our expense.

FRIEDLANDER-BRADY KNITTING MILLS.

He replied by letter as follows:

AMERICAN CONSULAR SERVICE,  
210 Niagara Street, Lockport, N. Y., April 25, 1913.

FRIEDLANDER-BRADY KNITTING MILLS,  
Chicago.

GENTLEMEN: Your telegram with inquiries relative to the knitted glove industry of Germany just received. I take pleasure in furnishing you the following data:

1. The organization of the glove industry in Saxony, in my consular district, is such that the bulk of the work is done by female operatives at home. Factories devoted to the "fabric gloves" are comparatively small. They contain the machines for knitting "glove cloth" in varying degrees of fineness, and the necessary equipment for cutting out from "glove cloth" the single piece constituting the main part of an individual glove. The sewing of the glove, the pointing, hemming, etc., is executed by women and girls, usually in their own homes, at regular rates per dozen pairs. The gloves are returned to the factory to be examined, "finished," attached in pairs, labeled, and packed in cartons ready for shipment. Frequently the dyeing and finishing of the gloves is carried on by a separate dyeing establishment, where often the packing and shipment to customers is effected at fixed rates per dozen. The knitting machines are conducted by male operatives. Hours are usually 60 per week. Wages about \$6 to \$7 per week. Female operatives in a factory earn about \$3 per week. The work of sewers, etc., at home is by the dozen. Women and girls use their time when free from household duties.

2. All-knit gloves are sometimes made entirely in factories, sometimes the yarn is supplied to home workers, who are paid by the dozen. Dyeing, finishing, etc., are performed as above indicated.

3. Laws are now being formulated to bring "home" or "cottage" work more under the control and supervision of factory inspectors. All children must attend school until 14. Practically there is no limitation on the length of time children at any age may be occupied at home in gainful occupations.

4. Very valuable investigations on the extent and character of home industries have been published by trades-union organizations.

I think that my friend, Prof. S. P. Orth, of Cornell University, Ithaca, N. Y., has such publications. His recent work on socialism is a notable book, and his studies were carried on at Chemnitz. A prominent Chemnitz editor and author, E. Heilmann (address Herr Direktor E. Heilmann, Die Volkstemme, Chemnitz, Saxony), could either furnish you with a copy or give you information how to obtain the last annual report on this subject.

The very exhaustive reports on the wage question in this industry were supplied by me to the Ways and Means Committee of Congress in 1908-9 and the "Tariff Commission" in 1910.

I will be glad to furnish you with any additional information required after my return to my post, on July 1.

I remain, gentlemen, yours, very respectfully,

THOS. K. NORTON.

(See also the Daily Consular and Trade Reports, Jan. 12, 1910, No. 3683, p. 4.)

Because of the great percentage of labor, especially hand labor, which enters into the cost of production, and because of the difference in working conditions and in wages here and abroad peculiar to this business, the manufacture of cotton and woolen gloves and mittens is dependent upon a tariff for the existence of the industry in the United States. While in the past the tariff has encouraged the making of such goods in this country, it has never been sufficiently high so as to exclude foreign importations. Under the existing rate of duty, the importations have been quite large, and this is especially true of women's cotton fabric gloves.

Under date of April 26, the Department of Commerce writes us:

"Recurring to your inquiry with reference to the importation of women's cotton and woolen gloves, made on occasion of your visit to this office, I have to inform you that in accordance with our suggestion on that occasion letters were written to the collectors of customs at New York, Philadelphia, Boston, and Chicago, asking for information upon this subject, and copies of their replies are inclosed herewith.

"It is apparent from the statements made in the letters that the collectors of customs do not keep this classification separately, and that statements upon this subject must be compiled from the entries in existence in the various offices. You will see that while the collectors at Boston, Philadelphia, and Chicago have presented figures of imports of a part of all the fiscal year 1912, taken from the entries, the collector at New York states that the preparation of a compilation of this character, to make up for



actual entries of the year, would be a proposition of such magnitude as to make it a decidedly impracticable measure."

New York is the chief port of entry for gloves and mittens of this class, and figures showing the importations through this port would be very valuable to us, but as these data are not available we must look to the figures furnished by the port of Chicago to the Department of Commerce under date of April 23, 1913, which show the imports for the fiscal year ending June 30, 1912, as follows: Women's cotton gloves, rate of duty 50 per cent, 64,345 pairs; value, \$95,431; duty, \$47,715.50.

Now, for this same period, the value of all imports through the port of Chicago amounted to \$23,065,387, while the value of all imports into the United States amounted to \$759,209,914.62. Applying the same ratio to women's cotton gloves, it follows that as the importation of women's cotton gloves through the port of Chicago amounted in value to \$95,431, the importation into the United States of women's cotton gloves was approximately \$3,000,000.

Women's cotton gloves, on which the importations, as shown, have been very heavy, consist chiefly of fabric gloves. Under the existing tariff rate of 50 per centum ad valorem the manufacture of women's cotton gloves in this country has been small. If the rate is still further reduced the manufacturing of these gloves in the United States will cease.

As to men's and boys' cotton gloves, the *Tariff Hand Book* (p. 212, par. 265) shows the following:

Item.	Payne tariff, 1910.	1912.	Estimates for a 12-month period under H. R. 3321.
<b>IMPORTS.</b>			
Quantity (dozen pairs).....	176,254	86,887	
Value.....	\$312,917	\$88,383	\$150,000
Average unit.....	\$1.77	\$1.03	
Duties.....	\$218,684	\$78,788	\$52,500
Rate..... per cent.	(1)	(1)	35.00
Equivalent ad valorem..... do.	69.88	89.17	35.00

<sup>1</sup> 50 cents a dozen and 40 per cent.

Men's and boys' cotton gloves show imports in 1910 amounting in value to \$312,917 (*Tariff Hand Book*, p. 212, par. 265), or more than double the estimate of \$150,000 shown under a rate of 35 per centum ad valorem, as proposed in the Underwood bill. A severe cut in the rate on this class of goods will necessarily stop the manufacturing of men's and boys' cotton gloves in this country.

A tariff rate covering all cotton gloves should take into consideration the present low rate on women's cotton gloves (50 per cent), and the higher rate on men's and boys' cotton gloves (89.17 per cent). A reduction of one-third of the rate on men's and boys' cotton gloves and an increase of one-fifth of the rate on women's cotton gloves would give a rate of 60 per cent on all cotton gloves. Under this rate there would still be a chance for the American manufacturer to get a share of the business.

As to woolen knit gloves, it is again necessary to resort to the data furnished by the port of Chicago to the Department of Commerce, which show the imports for the fiscal year ending June 30, 1912: All-woolen gloves, rate of duty 44 cents per pound and 60 per cent; 20,083 dozen pair; weight, 17,445 pounds; value, \$27,364; duty, \$24,094.20.

Using the same proportion as was employed in determining imports of women's cotton gloves, the imports of woolen knitted gloves into the United States during this period amounted in value to over \$900,000.

As the value of the imports through the port of Chicago amounted to \$27,364, and the duties thereon amounted to \$24,094.20, the equivalent ad valorem rate of imports on this class of goods figures about 88 per centum ad valorem.

As yarn is the glove knitter's raw material, and it is proposed that the tariff on yarns be made 20 per centum ad valorem the corresponding rate on woolen yarn gloves would figure about 75 per centum ad valorem.

It may be possible for the American manufacturer to operate at a lower rate than 75 per centum, but it will be impossible for him to do so if the rate is reduced under 65 per centum ad valorem.

On silk gloves no data have been obtained.

The following is a tabulation of the results from the data available:

	Manufac- tures, 1909.	Imports, 1912.	Payne rate.	Rate H. R. 3321.	Rate recom- mended.
Women's cotton gloves.....		\$3,000,000	<i>Per cent.</i> 50.00	<i>Per cent.</i> 35.00	} 60.00
Men's and boys' cotton gloves.....		88,243	89.17	35.00	
Woolen gloves.....		1,900,000	88.00	35.00	} 65.00
Silk gloves.....			60.00	50.00	
Total.....		\$7,236,887			

<sup>1</sup> Estimate.

<sup>2</sup> Yarns at 20 per centum ad valorem.

Knitted and fabric gloves and mittens should be classified by themselves. They do not belong with "hosiery" or with "knit goods other than hosiery," and under the general division of "clothing or other wearing apparel" the industry is completely lost sight of. The fabric glove has become an important factor in the glove trade. The fine gauge light weights make an excellent substitute for "kid" gloves in warm weather, while those of heavier material are displacing the less dressy looking yarn gloves. It will be of vital interest to the Government, as well as those engaged in the industry, to have accurate knowledge of the imports and manufacturers of such goods.

Cotton and woolen knitted gloves and mittens will probably continue to be retailed at 25 cents and 50 cents no matter what the tariff may be on this class of goods, for the people who buy them do not use more than one or two pairs a year and a cut in price would be no inducement to purchase more. It may mean larger profits to the jobber and to the retailer if they are able to buy their goods in the foreign market at a reduction of 25 or 50 cents per dozen pairs, but the consumer will still pay the standard prices of 25 and 50 cents.

Whatever may be the case with other wearing apparel, the prevailing prices at which knitted and fabric gloves are sold in the United States, are not high, and they have no part in raising the cost of living. The proposed reduction in the tariff upon these goods means to the consumer a saving at the very most so small as to be negligible, but to the American manufacturer of these goods it means utter impossibility of continuing in the business. This would mean a heavy loss in the value of his materials and merchandise and a total loss of his machinery, while to the skilled operator employed in this industry, it means loss of the employment for which he has fitted himself.

Respectfully submitted.

FRIEDLANDER-BRADY KNITTING MILLS.

### GRASS CARPETS.

CREX CARPET CO., NEW YORK, N. Y., BY MYRON W. ROBINSON,  
PRESIDENT.

NEW YORK, May 27, 1918.

Senator F. M. SIMMONS,

*United States Senate, Washington, D. C.*

MY DEAR SENATOR: I received a number of questions for manufacturers to be submitted to the Committee on Finance this morning.

I have already submitted a brief which practically covers these points inasmuch as I can answer, but I will reply to these now and send a witness before a notary.

The name of our commodity is "Crex grass carpets and rugs," made of wire grass or prairie grass, principally in the States of Minnesota and Wisconsin. We also use a large amount—in fact, the largest individual users—of cotton warp. We are also very large users of

paint in stenciling the figures on our rugs. All the raw materials are produced in this country.

The amount of our exports is very small. We send some to Australia, England, Porto Rico, Bermuda, and Canada.

We have to pay a duty of 25 per cent, but without our paying any duty, the labor, as you can see, is so small in China and Japan that they can undersell us any way, so we are practically excluded from exporting. On the other hand, the present tariff is inviting the Japanese and Chinese into this country, where the difference in labor is enormous. They only pay 17½ to 25 cents per day. The Japanese and Chinese countries are our competitors in the selling of these goods everywhere; as I stated, they have a tariff against us of 25 per cent.

There are about five different concerns engaged in this business in this country, as I stated in my brief, no one connected in any way with the other. In fact, the competition is very strong. We are the largest and principal producers. We have no combination either in the getting of our raw material or the selling of our goods. Our prices are all f. o. b. St. Paul and the same to the domestic jobbers or exporters according to quantities.

Our pay roll for 1910, 1911, and 1912 for labor was \$1,013,522.77.

We employ about 700 men and women in our mill and 1,000 men only in our camps getting our grass. The machinery used in the camps is the regular reaper. In the mills we use the regular carpet looms manufactured by Crompton & Knowles Loom Works. Our labor cost is the principal cost, as we use labor in getting our raw material and labor in making the raw material into rugs.

Under the Payne-Aldrich law these rugs were at 35 per cent ad valorem, and our profits, as you can see according to our brief, are only about 8 per cent.

I am not interested in the maintenance of a high tariff in this commodity any more than is an absolute necessity on account of the great difference in labor between this country and Japan, and it is absolutely necessary both for the importer and manufacturer that no discrimination be made in favor of Japanese and Chinese rugs; in other words, that these rugs should be included in section 282 with all other fiber rugs and the mattings in section 281.

Yours, very truly,

MYRON W. ROBINSON, *President.*

MAURICE VEUVE.

W. A. PFEIL.

[SEAL.]

WM. B. HERBERT,  
*Notary Public, Kings County, New York,*  
*Certificate filed New York County, No. 127.*

My commission expires March 30, 1915.

## WOOLEN CLOTHS, KNIT FABRICS, ETC.

THE CLOAK, SUIT & SKIRT MANUFACTURERS' PROTECTIVE ASSOCIATION, NEW YORK, N. Y., BY E. J. WILE, CHAIRMAN TARIFF COMMITTEE.

NEW YORK, June 7, 1913.

HON. F. M. SIMMONS,  
*Chairman Finance Committee,  
United States Senate, Washington, D. C.*

DEAR SIR: In reply to your circular of inquiry, we regret to say that many of the questions submitted do not admit of answer by our association. They have not been framed so as to fit the conditions of highly competitive lines of business, conducted under private rather than corporate ownership and devoted to the production of commodities that are not readily standardized. Moreover, many of the questions, particularly those related to foreign commerce and combinations, have no application to us, for there is no trust or combination in our industry, and foreign trade is of no practical importance.

In our statement, submitted in May, our association placed before you the essential conditions surrounding the manufacture of cloaks, suits, and skirts. As an association, we do not possess the details on the volume of business for each of our members, the amount of his pay rolls, the amount of his exports or imports, if any. In any industry such as ours, in which the aggregate output is vast but the individual producer is small, and in which the utmost variety of product prevails, the data for any single establishment must necessarily be of little value.

To supply the details called for by your circular from the books of the members of our association (and on a scale that would give an adequate basis for legislation), would involve a costly and laborious investigation and occupy so much time that the results could not be tabulated and summarized early enough for use in the tariff legislation now before the Senate.

Desirous of doing our utmost to assist the Senate in arriving at a proper duty for our industry, we submit herewith the best information at our disposal in answer to questions applicable to our industry, explaining at the same time the reasons why certain inquiries are inapplicable or unanswerable.

No. 1. We are engaged in the production of cloaks, suits, jackets, skirts, and other garments intended for women's outer wear.

No. 2. The materials employed are primarily woolen cloths. Silks and linens are also used. Subsidiary materials are silk and satin for lining or trimming, and trimmings of braids, laces, and embroideries (made of silk, cotton, or linen), buttons, and, sometimes, fur. Canvas (cotton or linen), silesia, and flannel are also used for interlining.

No. 3. The raw material is substantially all of domestic production. Imports of cloth used for women's wear are not reported separately. We know, however, that less than 3 per cent of all the cloths used in manufacturing clothing for both men and women is imported. Included here is the cloth used by custom tailors. This indicates that the percentage of foreign cloths used in factories producing ready-made garments is even smaller.

If we include dress goods, a type of cloth not generally used in the manufacture of women's cloaks, coats, suits, and skirts, the situation

is but little different. Less than 7 per cent of the dress goods used is of foreign make.

This information is based on the data for 1909, as given in the following table compiled by the Tariff Board (Report Vol. I, p. 190) and reproduced below. The imports in 1911 and 1912 were materially lower than in 1909.

*Produced and imported, 1909.*

	Amount.	Percent.
<b>TOTAL CLOTH AND DRESS GOODS.</b>		
Production.....	\$181,217,476	97.43
Imports.....	1,777,447	2.57
Total woolen and worsted cloth.....	185,994,923	100.00
<b>DRESS GOODS.</b>		
Production.....	98,280,275	93.33
Imports.....	7,019,281	6.67
Total dress goods.....	105,299,556	100.00

Below are shown the imports (Foreign Commerce and Navigation of the United States, 1912, p. 62):

Year.	Cloth.	Dress goods.
1910.....	\$6,425,061	\$9,374,140
1911.....	5,142,507	6,262,566
1912.....	4,630,478	3,279,198

Allowing for the normal expansion of American manufactures during the first three years, it is clear that the importation of foreign cloths has declined and constitutes to-day a very small, if not negligible, factor in the volume of cloth used in the garment trades.

No. 3b. The countries from which cloth is imported to any extent are the United Kingdom, Germany, and Belgium. Below are shown the imports from these countries for 1911 and 1912:

Country.	1911	1912
<b>CLOTH.</b>		
United Kingdom.....	\$3,258,426	\$2,994,215
Germany.....	994,671	796,816
Belgium.....	509,642	530,932
Other countries.....	328,768	318,515
Total.....	5,142,507	4,630,478
<b>DRESS GOODS.</b>		
United Kingdom.....	3,122,355	1,908,994
France.....	1,943,121	814,860
Germany.....	1,164,122	533,356
Other countries.....	32,968	21,988
Total.....	6,262,566	3,279,198

Substantially all our cloth comes from England, Germany, Belgium, and France. Over one-half of the foreign fabrics come from England.

No. 4. The question of the cost per unit of the raw material is unanswerable. It implies the existence of standard fabrics. In our industry, however, the raw material is not standardized. The best information available on this point is found in the Report of the Tariff Board on Women's Clothing. (Vol. III, pp. 898.) The cloth used ranged in price from 51½ cents to \$1.15 on skirts, from 65 cents to \$2.25 on coats, and from 83 cents to \$1.62 on suits. These prices are net. While these figures here cited cover the general output, higher priced cloths are also used. Moreover, since 1909, the year to which these figures apply, cloth prices have risen on the types of women's coats and suits, which are sold most extensively, the cost of cloth is between 90 cents and \$1.15 per yard.

The absence of definite standards makes it well-nigh impossible to give European prices. The foreign fabrics imported are usually not the same as those produced here. We call your attention to the finding of the Tariff Board that American prices are between 60 and 80 per cent above English prices, averaging about 67 per cent. (Report of Tariff Board, Vol. I, p. 14.) The great majority of the concerns engaged in our industry do not import their cloth and thus have no means of knowing from experience English or foreign prices.

No. 6. The exports of women's clothing are practically negligible. This is true of clothing in general. No separate figures for women's clothing sent abroad are reported. However, the exports of all woolen clothing for 1909 amounted to only \$1,420,125, when the domestic output for men's and women's clothing was in excess of \$850,000,000. In 1912, the total exports were \$1,743,022. Our exports of ready-made garments amount to half of 1 per cent of the American output.

The only market of any significance for American clothing is Canada. Our exports of clothing, men's and women's combined, to Canada were as follows (United States Commerce and Navigation, 1912, p. 830):

## EXPORTS.

1909.....	\$825,810
1910.....	997,981
1911.....	937,410
1912.....	1,105,512

There are no American data showing separately our exports of women's clothing. The Canadian figures indicate that the importation of ready-made wearing apparel for women from the United States is very slight. In 1911, \$123,911 is reported for "women's and children's outside garments." In addition there is shown \$481,188 for other ready-made clothing and wearing apparel composed wholly or in part of wool. (Canada, Year Book, 1911, p. 169.)

The Canadian rate of duty on American imports is 35 per cent. (Report, Canada Department of Customs, 1911, pp. 342-343.)

No. 7. The question as to interest in exporting concerns is of no significance for the manufacture of women's cloaks, suits, and skirts, as there is practically no foreign trade.

Nos. 8 and 9. Considering the very limited character of our exports of women's clothing, the prices charged to foreign customers and the cost of transportation to markets abroad are of no consequence.

No. 10. The chief competitors for women's clothing in Canada, our only foreign market of any significance, are Great Britain and Germany. In 1911, Canada imported women's and children's woolen clothing valued at \$452,435, from the following countries (Report, Canadian Department of Customs, 1911, pp. 342-343):

United Kingdom.....	\$172,049
Germany.....	152,590
United States.....	123,911
Other countries.....	3,885
Total.....	452,435

No. 11. There is a preferential rate to Great Britain. The clothing of that country enters at 30 per cent, whereas American clothing pays 35 per cent. The amount of differential is 5 per cent.

No. 12. In 1909, 4,588 establishments were engaged in the production of women's clothing. This includes also concerns manufacturing woolen clothing for women of cotton, silk, and linen. At present the number is over 5,000.

No. 13. There are no "principal producers" in the sense of manufacturers who occupy a commanding position in the market. The leading manufacturers are located in New York, Chicago, and Cleveland. There is no reliable information on the output of the individual firms.

The trade is made up of a vast number of small manufacturers. The average production per establishment is less than \$100,000. In 1909 the census (Manufactures, p. 27) reported only 22 concerns having an output of \$1,000,000 or more. Their aggregate production was \$30,612,144, or only 8 per cent of the total output of women's clothing, amounting to \$384,752,000.

No. 14. There is no trust or combination to control price or output for any other purpose.

No. 15. The entire output of women's clothing is produced by independent manufacturers.

Nos. 16, 17, and 18. In view of the absence of any trust or combination among producers of women's ready-made clothing, and the insignificance of this country's foreign trade in women's wearing apparel, the questions as to differences of price in the American market for the product of trusts and independent concerns, and differences in price for domestic and foreign sales, are not applicable to our industry.

The questions relating to prices are unanswerable, for the reason that there are no standard identifiable commodities in this trade, and no market price quotations are feasible.

No. 19. The question as to the cost of production of ready-made clothing is not answerable for the trade in terms of unit costs. There are no standard, identifiable units of commodity. In every establishment a variety of garments is made—such as coats, jackets, suits, skirts, capes, etc. In each class of garments there are wide variations in material, style, and make. The output of different establishments presents the utmost variety in style, material, and workmanship. All this renders well-nigh impossible the presentation of significant data for unit costs.

Questions as to capital stock, bonds, dividends, interest, and the like have little bearing for the production of women's clothing. In

1909, out of the 4,558 establishments engaged in producing ready-made wearing apparel for women, only 583 were organized as corporations, less than 13 per cent of the total number. The business is, in the main, conducted by individuals or partnerships.

The essential data asked for in question 19 are available only in the results of a special investigation made for our industry by the Tariff Board (Report, Vol. III, part IV). The information is for the year 1909 and comprises the operations of 12 of the leading establishments of New York, doing together a business of nearly \$12,000,000. This information covers transactions for an entire year. Below is a summary of the data (Report of Tariff Board, Vol. III, p. 900):

Sales (net selling price).....	\$11,973,846
Cost of materials.....	6,361,514
Cost of labor (including factory rent, light, power, and similar expenses).....	3,439,911
General expense.....	880,831
Total cost.....	10,682,256

In these figures, as the report expressly states, "nothing is included for officers' salaries or compensation for services of members of firms, interest on the capital invested, or money borrowed, and losses through bad debts or otherwise" (p. 893). In other words, the full cost is not shown here. The exact labor cost can not be secured as, owing to the use of the contract system, it is not always possible to dissociate the compensation of labor from other items, such as rent, light, heat, power. These items are, however, small as compared with factory wages and salaries.

No data are available for the industry since 1909. It may be observed, however, that, owing to the adoption of the protocol<sup>1</sup> in New York—an agreement entered into between employers and employees in 1910 and still in force—the labor cost has gone up considerably.

No. 20. While no data are available for the book assets of the manufacturers engaged in the production of cloaks and suits, the capital invested in the industry was, in 1909, \$129,301,157, as shown by the census (Manufactures, p. 76).

No. 21. Complete data are not available for the details of the labor force. The census of 1909 (p. 17) showed a labor force for the industry averaging for the year 153,743 and numbering at the close of the year 162,859.

The number of men engaged was 58,316, or 35.8 per cent. The number of women 103,063, or 63.3 per cent. The number of children employed was 1,480, or less than 1 per cent.

No. 22. For the women's ready-made clothing industry the pay roll is to-day about \$125,000,000. In 1909 the census showed \$78,568,261 as paid in wages and \$20,417,768 in salaries. To this must be added a considerable part, if not most, of the \$33,715,001 reported as miscellaneous expense, as under that head would be entered payments for work done under contract. Allowing for the increased rate of compensation and the growth of our industry since 1909, the pay roll to-day may be conservatively set down as \$125,000,000.

<sup>1</sup> Extracts from this agreement between our association and the unions are given in our brief submitted in May, a copy of which accompanies this letter.



No. 23. Machinery is of very little significance in the industry. Standard types of sewing machines, driven by electricity, are used. The essential thing in the industry is skilled labor.

No. 24. In the absence of standard commodities, it is impossible to give foreign cost of production in terms of definite units. Relatively, the costs for a given commodity are about twice as great in the United States as abroad. This answer is based on the following data:

(1) The cost of cloth in the United States, for types of cloth not imported, is between 60 and 80 per cent above the cost abroad (Report of Tariff Board, Vol. I, p. 14). For imported cloth the differences in cost of material are still greater, for the duty on cloth ranges from 93 per cent on expensive cloths to 145 per cent on cheap cloths. On dress goods, the average duty is 100 per cent (United States Commerce and Navigation, p. 1083).

(2) Wages, under the protocol for our industry, are 150 per cent higher than the rates paid in England and Germany.<sup>1</sup>

As salaries and rent are proportionately higher in the United States, the total conversion cost is at least 150 per cent in excess of the cost abroad.

The data for comparative cost here and abroad may be presented more clearly on the basis of a garment costing \$10 to produce in the United States. The cost of cloth, as we have seen, is 70 per cent above the European cost; the cost of conversion is 150 per cent above the European cost. The proportion expended for material, as shown by the Tariff Board investigation (Vol. III, p. 900) in 1909, is 60 per cent of the entire cost, leaving 40 per cent for conversion. Increased wages have since heightened the proportion of the conversion expense, but we take the situation as revealed by the investigation of 1909.

For a garment costing \$10 to produce, the relative figures will be abroad as follows:

Items.	Cost.	
	United States.	Abroad.
Cost of material.....	\$6.00	\$3.53
Conversion expense.....	4.00	1.00
Total.....	10.00	5.13

<sup>1</sup> This is shown by the official report of the Board of Trade for Great Britain on "Wages and hours in the clothing trades." (Cd. 411, pp. xiv and xv, abstracted in the U. S. Bureau of Labor Bulletin, Vol. XX (1910) pp. 191-5.) The rates paid in Germany are reported in Die Tarifverträge in Jahre 1911, 5 Sonderheft zum Reichsarbeitsblatt, Berlin, 1913, pp. 60, 62 et seq.

The cost of production abroad is thus substantially one-half of the cost of production in the United States.

We may go one step further and show the situation, if a rate of 35 per cent on cloth is adopted. With a duty of 35 per cent for cloth,

<sup>1</sup> Extracts from this agreement between our association and the unions are given in our brief submitted in May, a copy of which accompanies this letter.

as proposed, the cost in the United States and abroad would be as follows:

Items.	Cost.	
	United States.	Abroad.
Cost of material.....	\$1.77	\$3.53
Conversion expense.....	4.00	1.60
Total.....	5.77	5.13

Under a duty of 35 per cent on cloth, the cost will be over 70 per cent higher in the United States than abroad, whereas under the existing rate of duty on raw material the cost in the United States is substantially double the foreign cost.

No. 25. While no information is known to us giving the percentage of labor cost to the total cost in foreign countries, important data at hand, bearing on this point, indicate that the percentage of labor cost abroad is the same as in the United States.

The British Census of Production, 1907 (Pt. VI, p. 13 et seq.) gives the value of product and the cost of material entering into the production of clothing, handkerchiefs, and millinery. Products having a selling value of £64,488,000 involved an expenditure for material aggregating £35,478,000. In other words, the cost of material was 55 per cent, leaving 45 per cent for conversion expense and for profit. For the United States the situation is almost identical. In the manufacture of cloaks, skirts, and suits, the Tariff Board showed that 53 per cent of the selling price was expended for material, leaving 47 per cent for conversion and profit. (See table on p. 7, and Tariff Board Report, Vol. III, p. 900.) The same ratio applies to men's clothing (*Ibid.*, p. 860.) These ratios are also corroborated by the United States Census. For women's clothing in the United States the total value for 1909 was \$385,000,000, and the cost of materials was \$209,000,000, or 54 per cent. These figures indicate that the percentage of the total cost expended for labor and conversion is substantially the same in the United States as abroad.

No. 26. The cost of transportation to the leading American markets is given below, using New York as the starting point. This is proper in view of the fact that nearly 70 per cent of the industry is concentrated in New York.

*Cost of transportation from New York.*

To—	Via—	Rate (per 100 pounds).
Chicago.....	Baltimore & Ohio.....	\$0.75
St. Louis.....	Delaware, Lackawanna & Western.....	.83
San Francisco.....	Morgan Line.....	3.00

Owing to this centralization of the industry in the metropolis, it will be observed that the cost of transportation in the United States is the same to the European producer as to the American manu-

facturer; the latter has no advantage beyond the expense of bringing foreign garments to the United States.

No. 27. Below is shown in detail the cost of importing a case of goods from London and Paris. The expense of importation from Berlin would be about the same as from Paris.

*I. Case of goods from Paris.*

Value of goods.....	\$1, 448. 00
<hr/>	
Expense of importation:	
Freight.....	6. 00
Brokerage (customs).....	3. 00
Marine insurance.....	3. 15
Cartage.....	. 75
<hr/>	
Total.....	12. 90

*II. Case of goods from London.*

Value of goods.....	\$314. 00
<hr/>	
Expense of importation:	
Freight.....	6. 09
Brokerage.....	3. 00
Insurance.....	. 65
Cartage.....	. 75
<hr/>	
Total.....	10. 49

No. 28. No part of the duty under the Payne-Aldrich law represents our profits as manufacturers. With existing differences in the cost of material here and abroad and in the compensation paid to labor the present duty of 75 per cent on ready-made clothing<sup>1</sup> is less than the difference in production costs here and abroad. Moreover, there is no combination in the industry and competition is intense. The manufacturer of suits and cloaks is, therefore, in no position to derive any special benefit from the tariff, or to use the tariff as a means of raising prices to the consumer and thereby to derive a monopoly advantage or excessive profit.

No. 29. We have no pecuniary interest in the maintenance of a high tariff. Our concern only is that the rate adopted shall take due account of the difference in the cost of production here and abroad. A rate of duty fixed without regard to the conditions attending production in the United States would not only prevent competition on the part of the American manufacturer, but would mean also loss and disaster to the industry.

The differences in the cost of production here and abroad are due to the higher cost of raw material and to the far higher rate of compensation paid to labor. The greater cost of cloth and of other material used by us in the manufacture of women's wearing apparel is the necessary accompaniment of the tariff on cloth and the other materials employed in production. The greater cost of labor in the United States is due to the far higher standards of compensation that prevail in our industry and the shorter hours. We therefore ask that the duty be framed in accordance with these conditions imposed on the manufacturer of women's ready-made wearing apparel in the United

<sup>1</sup> United States Commerce and Navigation, 1912, p. 1084.

States, and that a rate be fixed which will allow the American manufacturer to compete on fair terms with the European producer.

11. The following is submitted in reply to the questions propounded by Senator La Follette on behalf of the minority members of the Finance Committee.

No. 1. We are engaged in the production of cloaks, suits, jackets, skirts, and other garments intended for women's outer wear.

No. 2. The materials employed are primarily woolen cloths; silks and linens are also used. Subsidiary materials are silk and satin for lining and trimming, and trimmings of braids, laces, and embroideries (made of silk, cotton, or linen), buttons, and sometimes fur. Canvas (cotton or linen), silesia, and flannel are also used for interlining.

No. 3. The total production of the industry for the United States was in 1909, \$384,751,649, of which New York produced 69 per cent, or \$266,477,381. This includes also women's clothing made of silk, linen, and cotton.

No. 4. The amount of consumption of women's ready-made clothing is practically identical with the production.

The following figures show the exports and imports of all ready-made woolen clothing for both men's and women's wear<sup>1</sup> (United States Commerce and Navigation, 1912, pp. 381 and 830):

Year.	Imports.	Exports.
1911.....	\$2,274,756	\$1,450,475
1912.....	2,171,477	1,743,022

From these data, it is evident that domestic consumption is dependent altogether on home production.

No. 5. The number of establishments engaged in the production of women's wear was 4,558 in 1908 and is at present 5,000.

No. 6. There are no "principal producers" in the sense of manufacturers who occupy a commanding position in the market. The leading manufacturers are located in New York, Chicago, and Cleveland. There is no reliable information on the output of individual firms.

The trade is made up of a vast number of small manufacturers. The average production per establishment is less than \$100,000. In 1909 the census reported only 22 concerns having an output of \$1,000,000 or more. Their aggregate production was \$30,612,144, or only 8 per cent of the total output of women's clothing (\$384,752,000); separate figures for women's clothing are not reported.

Nos. 7 and 8. The garments produced by the manufacturers of cloaks and suits are not sufficiently standardized in material and make to permit the statement of ruling market prices in terms of any unit of commodity. A single manufacturer makes a variety of types of garments, such as suits, coats, jackets, capes, etc., and in each class of garment there is a wide variation of price, according to material and style. This condition renders it impossible to establish price quotations which might serve for comparison of the commodities

<sup>1</sup> Separate figures for women's clothing are not reported.

produced by different manufacturers or by producers in different countries.

Nos. 9 and 10. The absence of standard commodities makes it impossible to state costs either in the United States or abroad in comparable terms for definite units.

The conditions attending the production of women's clothing in the United States and those in foreign countries are such that with the present duty on cloth, the cost of production for a given garment would be substantially double the cost of manufacture abroad.

The answer is based on the following data:

(1) The cost of cloth in the United States for types of cloth not imported is between 60 and 80 per cent above the cost abroad. (Report of Tariff Board, vol. 1, p. 14.) For imported cloth the differences in cost of material are still greater, for the duty on cloth ranges from 93 per cent on expensive cloths to 145 per cent on cheap cloths. On dress goods the average duty is 100 per cent. (United States Commerce and Navigation, p. 1083.)

(2) Wages, under the protocol for our industry are 150 per cent higher than the rates paid in England and Germany.<sup>1</sup>

As salaries and rent are proportionately higher in the United States, the total conversion cost is at least 150 per cent in excess of the cost abroad.

The data for comparative cost here and abroad may be presented more clearly on the basis of a garment costing \$10 to produce in the United States. The cost of cloth, as we have seen, is 70 per cent above the European cost; the cost of conversion is 150 per cent above the European cost. The proportion expended for material, as shown by the Tariff Board investigation (Vol. III, p. 900) in 1909, is 60 per cent of the entire cost, leaving 40 per cent for conversion. Increased wages have since heightened the proportion of the conversion expense, but we take the situation as revealed by the investigation of 1909.

For a garment costing \$10 to produce, the relative figures will be abroad as follows:

Items.	Cost.	
	United States.	Abroad.
Cost of material.....	\$6.00	\$3.53
Conversion expense.....	4.00	1.00
Total.....	10.00	5.13

The cost of production abroad is thus substantially one-half of the cost of production in the United States.

We may go one step further and show the situation, if a rate of 35 per cent on cloth is adopted. With a rate of 35 per cent for cloth, as

<sup>1</sup> This is shown by the official report of the Board of Trade for Great Britain on Wages and Hours in the Clothing Trades (Cl. 4811), pp. xiv and xv, abstracted in the United States Bureau of Labor Bulletin, Vol. XX (1910), pp. 191-5. The rates paid in Germany are reported in Die Tarifverträge in Jahre 1911, 5 Sonderheft zum Reichsarbeitsblatt, Berlin, 1912, pp. 61, 62 et seq.

proposed, the cost in the United States and abroad would be as follows:

Items.	Cost.	
	United States.	Abroad.
Cost of material.....	\$4.77	\$3.53
Conversion expense.....	4.00	1.60
Total.....	8.77	5.13

Under a duty of 35 per cent on cloth, the cost will be over 70 per cent higher in the United States than abroad, whereas under the existing rate of duty on raw material, the cost in the United States is substantially double the foreign cost.

No. 11. The direct expense for labor in the factory cost of women's clothing, i. e., the cost ignoring expense for general administration and selling, is 35 per cent. This includes factory rent, light, heat, and power. Owing to the use of the contract system to some extent, it is well-nigh impossible to secure the pure labor cost for the industry, but the items other than for wages and salaries for factory help are small.

On the basis of a wholesale selling price, the net labor cost is approximately 30 per cent. That is, of the amount received by the manufacturer for his wares, 30 per cent is expended on labor in the factory. These figures are based on an investigation among the leading manufacturers of New York for 1909, the details of which are reproduced in answer to question 19.<sup>1</sup> Since that time the labor cost has been appreciably increased, owing to the adoption of the protocol in New York, involving a very material raise in wages.

While no information is known to us giving the percentage of labor cost to the total cost in foreign countries, important data at hand bearing on this point indicate the percentage of labor cost abroad to be the same as in the United States.

The British Census of Production 1907 (p. 13 et seq.) gives the value of product, and the cost of material entering into the production of clothing, handkerchiefs, and millinery. Products having a selling value of £64,483,000 involved an expenditure for material aggregating £35,478,000. In other words, the cost of material was 55 per cent, leaving 45 per cent for conversion expense and for profit. For the United States the situation is almost identical. In the manufacture of cloaks, skirts, and suits, the Tariff Board showed that 53 per cent of the selling price was expended for material, leaving 47 per cent for conversion and profit. (See table herein; and Tariff Board Report, Vol. III, p. 900.) The same ratio applies to men's clothing (*ibid.*, p. 860.) These ratios are also corroborated by the United States Census. For women's clothing in the United States, the total value for 1909 was \$385,000,000, the cost of materials was \$209,000,000 or 54 per cent. These figures indicate that the percentage of the total cost expended for labor and conversion is the same in the United States as abroad.

<sup>1</sup> Report of Tariff Board, Vol. III, pp. 900-901.

No. 13. The cost of transportation to the leading American markets is given below, using New York as the starting point. This is proper in view of the fact that nearly 70 per cent of the industry is concentrated in New York.

Owing to this centralization of the industry in the metropolis it will be observed that the cost of transportation in the United States is the same to the European producer as to the American manufacturer, the latter having no advantage beyond the expense of bringing foreign garments to the United States.

*Cost of transportation from New York.*

To -	Via--	Rate (per 100 pounds).
Chicago.....	Baltimore & Ohio.....	\$0.75
St. Louis.....	Delaware, Lackawanna & Western.....	.83
San Francisco.....	Morgan Line.....	3.00

No. 14. Below is shown in detail the cost of importing a case of goods from London and Paris:

Case of goods from Paris:		
Value of goods.....		\$1,448.00
Expense of importation—		
Freight.....		6.00
Brokerage (customs).....		3.00
Marine insurance.....		3.15
Cartage.....		.75
Total.....		12.90
Case of goods from London:		
Value of goods.....		314.00
Expense of importation—		
Freight.....		6.09
Brokerage (customs).....		3.00
Marine insurance.....		.65
Cartage.....		.75
Total.....		10.49

No. 15. Under existing conditions affecting the cost of cloth and of labor in the United States and abroad, the duty levied on foreign ready-made wearing apparel for women is less than the difference in cost. As we have seen before, the difference between American and foreign cost is substantially equal to the total cost of production abroad, or 100 per cent. The duty on such wearing apparel as was imported in 1912<sup>1</sup> was approximately 75 per cent.

No. 16. In view of the fact that under existing circumstances the duty is less than the difference in cost of production, no part of the duty on women's clothing can be said to represent profit to the American manufacturer of women's cloaks, suits, and skirts.

<sup>1</sup> United States Commerce and Navigation, 1912, p. 1084.

The foregoing answers present the best information at our disposal on the questions addressed to us. The data are from official sources, and can readily be verified by the references indicated.

Trusting that these replies may be helpful to the Senate in framing a just duty for our industry.

Respectfully submitted.

E. J. WILE,  
*Chairman Tariff Committee.*

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### WOOLEN FANCY KNIT GOODS.

BRADLEY KNITTING CO., DELAVAN, WIS., BY J. J. PHOENIX, PRESIDENT.

DELAVAN, Wis., June 4, 1913.

Hon. F. N. SIMMONS,  
*Chairman Committee on Finance,  
Washington, D. C.*

DEAR SIR: In reply to your request for answers to the interrogatories propounded to manufacturers, the Bradley Knitting Co. begs to submit the following:

No. 1. We manufacture fancy knit goods, such as sweaters, caps, mufflers, etc., all in common use as wearing apparel for men, women, and children.

No. 2. Our raw material consists almost entirely of pure worsted and woolen yarn, with a small amount of cotton used in cheaper grades and mufflers. Our finishing materials consist of buttons, cotton facings, and sundries.

No. 3. All our raw materials are produced in the United States.

No. 4. Our raw material unit we consider as worsted yarn, quarter-blood stock, 2/16 size, being the basis of our costs. Our contracts were based on this yarn for the year of 1911 at 83 cents per pound; for the year of 1912 at 72 cents per pound; for the year of 1913 at 90 cents per pound.

No. 5. We had offers from English yarn spinners for worsted yarns, quarter-blood stock, 2/16 size, for the year of 1912 at 43½ cents per pound; for the year of 1913 at 46½ cents per pound.

No. 6. Our export trade is almost nothing, as we can not compete in the foreign markets with cheap raw materials, cheap labor, low overhead and selling expenses of European manufacturers.

No. 7. We are not interested in any other concern of any kind or business.

No. 8. We manufacture a general line of knit goods from \$1.75 per dozen for our cheapest mufflers up to \$90 per dozen for our best knit coats. Our prices established January 1, 1912, on worsted coats held until June, when we were compelled to advance them from 5 to 10 per cent, owing to the sharp rise in worsted yarns at that time. The prices for January, 1913, were the same as in the fall of 1912.



## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELAVAN, WIS.

[Terms: 60 days dating, 2 per cent 10 days, net 30 days.]

## KNIT CAPS, TOQUES, AND HOODS.

[All packed 6-12 in a box.]

No.	Per dozen.	
101	\$4.25	Child's fine worsted toque, wide stripe, light assortment, dark assortment.
102	4.25	Child's fine worsted toque, narrow stripe, light assortment, dark assortment.
103	4.00	Child's fancy toque, white.
104	4.50	Infants' hand-knit L. & L. hood, white-sky, white.
105	5.50	Infants' hand-knit L. & L. hood, white-sky.
106	5.50	Child's hand-knit L. & L. hood, turnover hockey, two tassels, white-sky, white-pink.
107	4.25	Child's hand-knit L. & L. toque, white-card, white-sky, white.
108	4.50	Child's hand-knit L. & L. hockey, white-sky, white, card tan.
109	4.75	Child's hand-knit L. & L. hockey, fancy border, white-pink, white-sky, card.
110	3.50	Child's hand-knit L. & L. cap, white, white-pink, white-sky.
111	4.00	Child's L. & L. hockey, hand knit, white-pink, white-sky, white-cardinal, white.
112	2.75	Child's L. & L. hood, ribbon trimmed, white-sky, white-pink.
113	4.25	Child's L. & L. Dutch hood, white-sky, white-pink.
114	4.00	Child's L. & L. toque, turnover with pom-pom, white, white-sky, white-pink.
115	2.75	Boys' reversible hockey, dark assorted colors.
116	4.00	Child's fine stitch hockey, ox card, maroon, white, navy.
117	4.00	Boys' fine hockey, two color combinations, dark assorted.
122	4.25	Misses' aviation handmade cap, white, card, ox-card.
123	4.25	Ladies' aviation handmade cap, white, card, white-sky.
124	6.50	Ladies' aviation handmade cap, white, card, ox.
126	10.50	Colonial hat for girls and women, pure worsted, fleecy Angora, adapted from imported mode, heather-green, white-card, ox-scarlet, card-black.
127	5.75	Misses' semitam, fancy stitch, ox, card, n, mar-champ, tan-bro, ox-aike, white-card.
128	15.00	Man-2-crocheted hat for misses, fluffy top, pure worsted, adapted from Berlin novelty, scarlet, white, ox, navy.
129	5.50	Boys' and girls' hand-crocheted Alpine Chinchilla (black and white mixed) with assorted colored bands.
131	7.50	Ladies' aviation cap, hand crochet, white, card, ox, navy, white-assorted, all colors.
133	10.50	Ladies' aviation L. & L. cap, white, card, ox, maroon, white-card, ox-navy, navy.
134	7.50	Ladies' fleecy Angora cap, heather, white, card, ox, navy, maroon.
136	7.50	Ladies' L. & L. hand-knit folding turban, white, card, ox, maroon, tan, melange, navy.
137	21.00	Ladies' crocheted auto hood, pure worsted, adapted from Berlin novelty, white-black, black-white, card.
140	21.00	Ladies' hand-crocheted hat, white, ox, card, maroon.
144	10.50	Motor hood with strings, highest quality worsted, ox, card, navy, white, blk, tan.
146	21.00	Ladies' crocheted hat with crocheted feather trim, pure worsted, adapted from Paris model, white-black, ox-scarlet, maroon, D. G., brown-tan, mar-sky, card-white; packed 2-12.
147	10.50	Child's crocheted hood, white-pink, white-sky, card.
148	24.00	Child's handmade Dutch hood, adapted from imported model, white-card, white-sky, white-black, white-tan.
149	30.00	Ladies' crocheted hat, roll brim, wide band of worsted and silk, flat top, the season's novelty, white, card, tan, navy, black.
152	4.00	Men's and boys' pineapple pure worsted hockey ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold, card-ox.
153	4.50	Men's and boys' pineapple pure worsted toque, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold.
154	4.25	Men's and boys' wool shaker hockey, ox, card, navy, maroon, havana, tan, white, card-navy, ox-card, mar-gold.
155	4.25	Men's and boys' plain hocky, pure worsted, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold, mar-ox.
156	5.75	Men's and boys' shaker hockey cap, matches all shades of shaker coats, ox, card, maroon, navy, white, havana, black.
157	3.50	Boys' worsted hockey, ox, card, navy, white, maroon, tan.
158	9.00	Men's and boys' pure worsted shaker cap, ox, card, navy, white, maroon, havana, scarlet, black.
159	4.25	Fleecy hockey cap, navy mixed, cardinal mixed, heather mixed, plain oxford, cardinal, navy, white, tan, mar.
160	4.50	Ladies' mercerized auto hood with strings and snap, light weight, white, grey, taupe, wisteria, black, navy, maroon, sky, brown, champagne, card.
161	7.50	Ladies' mercerized draped auto helmet, pearl snaps, white, grey, taupe, wisteria, black, navy, maroon, sky, brown, champagne, card.
163	4.25	Misses' and ladies' auto hood, fleecy top, plain trim, strings, tan-brown, ox-card, plain ox, white, card.
166	12.00	Ladies' full-fashioned "Bradley" hood, a patented novelty of attractive merit, fine worsted, ox, card, white.
167	9.00	Worsted auto hood, ox, card, navy, white, mar, hav, blk.
168	7.50	Worsted auto hood with mercerized trim in contrasting shades, silver-taupe, white-card, white-sky, card-black, black, alke-mar, wht-ame, ame-green, white-aike, wht-rose.
169	9.00	Worsted auto hood with rich silky lining, merc. strings and trim, pattern like No. 163; sil-taupe, wh-card, wh-sky, card blk, alke-mar, ame-green, wh-ame, wh-rose, wh-olive, boxed 4/12 one color.
171	7.50	Men's and boys' Alpine with flexible rolling brim, ox, card, navy, white, maroon, card-white. Special combinations on orders for 1 dozen or more. The big 1913 novelty for college wear.
173	4.00	Child's full-fashioned hood, high-grade worsted, white, ox, C. wh-pink, wht-sky.
174	5.75	Worsted and merc. strings, fancy mixed top, merc. auto hood, attractive novelty.
176	7.50	Merc. auto hood, with soft silky lining, very attractive; white, grey, taupe, wisteria, black, navy, maroon, sky, brown, cham., card, boxed 4/12 one color.
177	10.50	Beautifully lined auto hood, otherwise same as No. 144 in style and colors.
178	5.75	Same as No. 174, with soft silky lining.

## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELEVAN, WIS.—Contd

## BRADLEY MUFLERS.

Knocked P12 in dainty box. Made from imported mercerized Egyptian yarn, fine worsteds, and silks. The most complete line offered to the trade. Case lots of 25 dozen assorted of \$3.75, \$4, \$4.25 numbers at 25c. per dozen less.]

No.	Per dozen.	
301	\$2.15	Extraordinary value, Bradley V neck muffler, made of imported mercerized, all colors.
302	7.50	Full-fashioned auto scarf, new pattern, 2 pearl snaps, ox, card, navy, white, maroon, brown, black, silver, taupe, amethyst, olive, myrtle, alke. Pure worsted.
303	6.50	Fine worsted collar scarf, full-fash white, sky, navy, card, maroon, gray, brown.
307	4.00	Worsted, full fash, ox, card, navy, white, maroon, brown, sky, taupe, black.
310	10.50	Full-fash auto collar scarf, worsted, 3 pearl snaps, ox, card, navy, white, maroon, brown, black, silver. New pattern.
311	4.00	Full-fash collar muffler, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ, pink. New style.
312	8.00	Dress muffler, full-fash collar and fringe, mercerized, white, sky, navy, card, maroon, champ, taupe, gray, and black. New pattern.
314	2.25	Mercerized collar muffler, white, black, gray, navy, maroon, pink.
317	3.75	Full-fash, military, 2 snaps, mercerized, white, gray, wisteria, taupe, black, navy, maroon, sky, brown, card, champ, pink, green.
319	4.25	Full-fash, military, 2 pearl snaps, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ.
320	14.50	Worsted shoulder scarf, white, black, navy, ox, card.
323	8.00	Hand-knit worsted scarf, L. & L. stitch, fringe with 2-color border, all colors—match cap No. 133 if desired.
328	4.00	Extra size mercerized muffler, 1 snap, white, sky, navy, gray, taupe, wisteria, black, maroon, champ, brown, card, pink.
329	1.50	The famous original Bradley V-neck muffler, all colors.
330	3.75	Shawl collar, "Ruf Nek," pearl snap, mercerized, sky, white, gray, taupe, wisteria, black, navy, champ, card, brown, maroon.
331	3.75	Full-fash, V-neck, 1 pearl snap, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ, pink, green.
332	1.25	Full-fashioned collar muffler, 1 pearl snap, mercerized, all colors.
340	4.25	Boxed one-half doz., turtle neck, apron-front muffler, gray, white, black, navy, maroon, card.
341	4.00	Turtle neck, button, worsted, ox, navy, white, black, silver, card, mar.
344	1.00	Queen Mary, English novelty, mercerized, white, gray, black.
346	7.50	Shawl collar, "Ruf Nek," mercerized, two pearl snaps, tied fringe, white, gray, black, sky, navy, champ.
347	7.50	Shawl collar, pure worsted, 2 pearl snaps, new pattern, hand-tied fringe, ox, card, navy, white, maroon, brown, black, silver.
348	7.50	Heavyweight, turtle neck, apron front muffler, ox, card, black, navy, white, maroon.
350	2.25	Heavy worsted turtle-neck muffler, oxi-way style, made out of sweater fabric, assorted stitches and colors. Price only \$2.25. If made in regular way would cost \$4 or \$4.50.
360	15.00	Lightweight, pure silk, dainty pattern English scarf, tied fringe, white, gray, blk.
361	4.25	English scarf, new sheer fabric with tied fringe, finest mercerized, white, gray, black, sky, taupe, champ.
362	4.00	Merc. Eng. scarf, fringed, all colors.
363	5.50	English scarf, mercerized, white, gray, black, sky, navy, champ.
368	18.00	Pure silk English scarf, hand-knotted fringe, white, black, gray.
369	24.00	Pure silk English scarf, hand-knotted fringe, white, black, gray.
370	24.00	Neat plain silk scarf, hand-tied fringe, wht, gray, blk.
374	21.00	Pure silk English scarf, pebble stitch, white, gray, black.
375	36.00	Rich silk English scarf, hand-knotted fringe, white, gray, black.
377	5.75	Handsome merc. English scarf, shell stitch, with wood silk fringe, striped ends. Wht-asst., gray-wh, blk-wh.
378	7.50	Beautiful merc. Eng scarf, shell stitch, silk fringe, striped ends, very classy; wh-asst., gray-wh, blk-wh.
381	7.50	Fleecy Angora scarf, with bordered ends, silver-taupe, tan-brown, heather-brown, wh-card, ox-navy, sil-na.
383	24.00	Angora hood scarf, may be used for either hood or scarf, adapted from London novelty, silver, heather, ox, navy, white, black, bav, card.
384	9.00	Extra quality fleecy scarf, hand-tied fringe, bordered ends, silver-taupe, tan-brown, heather-brown, white-card, ox-navy.
386	15.00	Hood scarf, Angora finish, with soft silky lining: silver, oxford, card, navy, white, scarlet. Havana: big value.

Special.

## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELAVAN, WIS.—Continued.

## BRADLEY NOVELTY KNIT GOODS.

[Packed 1-12 in box, except as noted.]

No.	Per dozen.	
401	\$9.00	Child's muff, stoke, and cap, wh-pink, wh-sky, wht-card, wht.
405	4.25	Infants' leggings, white, gray, card, 6-12 in box.
406	10.50	Infants' L. & L. leggings, white only, 6-12 in box; sizes, 1-2-3-4; two small sizes have feet.
272	8.00	Leggings alone may be had under this number. Packed 2/12. (This is the only item of Lot 472 that will be sold separate, O. C. N. W.)
410	18.00	Child's coat, toque, and leggings, white, tan, card; 24 and 26 only.
411	21.00	Child's coat and leggings, L. & L., white only, 2-12.
416	22.50	Infants' covers, L. & L., white-sky.
417	28.50	Ladies' muff, hand knit, L. & L., white, card, ox, maroon, white-card, ox-navy, white-sky, ox-taupe; match cap Nos. 133 or 136.
441	18.50	Ladies' hand-knit s-l, searl No. 323, cap No. 133.
472	21.00	Child's suit, coat, cap, and leggings, Angora finish, O. C. N. W. Packed 1/12 complete suit.

## MEN'S ATHLETIC HOSE.

[For baseball, football, track, and golf wear.]

140	\$8.50	Athletic hose, no feet, pure worsted, all colors to order. Stock, ox, card, navy, white, maroon, black.
191	11.50	Jumbo rib hose, no feet, extra heavy, pure worsted, all colors.

## KNIT COATS FOR CHILDREN.

[Packed 1-12 in a box, except as noted. Sizes 18 to 26 inches. Quick-selling novelty. Coats at popular prices.]

500	\$12.00	Child's knitted Mackinaw coat in fancy plaids, pockets, card, navy, silver gray, tan.
505	8.50	H. C., two pockets, card, white, ox-card.
514	13.50	H. C., gilt buttons, high-grade worsted, white-sky, navy-card, card-ox, card.
515	12.00	Child's Angora mottled coat, two pockets, card-white, gray-white, navy-white.
517	10.50	Child's high-collar coat, plain stitch, two pockets, high-grade worsted, white-sky, white-card, white, card.
518	12.00	Child's semi-shawl collar, highest grade worsted, plain stitch coat, white, white-sky, white-card, card.
519	13.50	Child's pure Australian worsted, semifancy stitch shawl collar, plain white, white-sky, white-card, ox, card.
525	11.50	Hand-knit L. & L., one size only, white-sky only, 2-12 in box.
531	9.50	V-neck, 2 pockets, worsted face, ox, card, white, ox-navy, ox-card, royal.
535	8.50	Child's hand-knit, left-and-left, fastened at the neck with ribbon, one size only, white-sky.
536	11.00	H. C., two pockets, worsted face, ox, card, white, card-ox, navy, tan-brown, scarlet.
545	15.00	Hand-knit H. C., two pockets, L. & L., white sky, white-pink.
555	16.50	Hand-knit sailor collar, L. & L., white only, 2-12 in box.
561	12.00	Child's high-collar coat, pure wool, brass buttons, belted, ox, card, white, royal.
564	9.00	H. C. belt, all wool, white, card, ox-card, navy-card, olive, ox-na.
565	12.00	Child's left-and-left kimono sleeve coat, one size only, white, white-sky, white-pink.
568	16.50	Hand-knit H. C., two pockets, high-grade worsted, ox, card, white, white-sky.
575	13.50	Hand-knit H. C., two pockets, L. & L., shell edge, white-sky, white, white-pink, 2-12 in box.
585	15.00	Child's left-and-left shawl collar coat, two pockets, white.
595	10.50	Child's fleecy coat, high collar, two pockets, card, gray, white.

## KNIT COATS FOR MISSES.

[Packed 1-12 in box. Sizes 26 to 34 inches. Fancy stitches or plain mannish styles to supply all tastes.]

605	\$12.00	H. C., all wool, pockets, ox, card, white.
611	24.00	Middy face front, sailor collar, pure worsted, white, navy, card, ox, mar.
631	27.00	Misses' worsted full strapped Norfolk, white, card, ox, scarlet, mar, sizes 26-36.
633	21.00	V collar, tassel, point, two pockets, pure worsted, ox-card, card-white, navy-wh, wh-navy, card-ox.
636	18.00	Misses' shawl collar, worsted front coat, two pockets, plain stitch, white, ox, scarlet, maroon, havana, navy.
641	21.00	Misses' high grade worsted, high collar, plain stitch, ox, navy, wh, maroon, card.
671	15.00	Wool middy, sailor collar, ox, card, white, olive, navy, card-navy.
676	15.00	Misses' fancy stitch, high collar, two pockets, worsted, ox, navy, white, maroon, card.
678	16.50	H. C., two pockets, pure worsted, ox, card, navy, white, maroon.
680	18.00	Misses' shawl collar, two pockets, pure worsted, semifancy stitch, silver, card, navy, white.
681	21.00	Shawl collar, two pockets, Cardigan stitch, highest grade worsted, ox, card, navy, white.

## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELAVAN, WIS.—Continued.

## KNIT COATS FOR WOMEN.

(Sizes 34-44 inch. Extra sizes to 48 at \$3 per dozen extra.)

No.	Per dozen.	
704	\$27.00	Ladies' shawl collar, semiplain stitch, two pockets, pure worsted, ox, card, navy, white, black
705	18.00	Ladies' all wool high collar coat, two pockets, ox, card, navy, black, white.
706	24.00	Ladies' all wool Norfolk, semibelted back, ox, card, navy, maroon, white.
707	27.00	Ladies' high collar, pure worsted Norfolk, self strap and 1-1/2, ox, card, white, maroon, navy.
708	27.00	H. C., two pockets, mannish plain stitch, worsted, oxford, card, white, havana, tan, navy, maroon.
710	42.00	H. C., 2 pockets, fashioned, plain stitch, pure worsted, oxford, card, navy, white, black, havana, maroon.
711	30.00	Shawl collar, two pockets, plain mannish stitch, pure worsted, ox, card, white, tan, navy.
712	24.00	Ladies' V neck, two pockets, pure worsted, ox, card, navy, white, black.
713	36.00	Ladies' "Morning Glory" porch throw, short sleeve, laced seams, left-and-left stitch, white, ox, card, black, rose, sky, white-sky.
720	27.00	Ladies' novelty middy coat, fashioned pocket, junior sizes, 30 to 40 in., white-navy, ox-card, tan-brown, navy-scarlet, mar-sil.
721	39.00	Shawl, tassel, two pockets, pure worsted, ox-card, card-white, navy-white, white-navy.
726	18.00	Ladies' vests, hand knit pure worsted, ox, card, white, navy, black.
727	30.00	H. C., two pockets, high grade worsted, ox, card, navy, white, maroon, black, tan.
729	24.00	H. C., two pockets, all worsted, ox, card, navy, white, white-sky, black, maroon.
731	33.00	H. C., two pockets, mannish style, worsted, ox, card, navy, white, tan.
733	33.00	Shawl, fringe two pockets, pure, worsted, ox, card, navy, white.
734	36.00	Choice plain rib stitch H. C. coat, 2 pockets, ox, card, navy, white, maroon.
738	45.00	Ladies' pure worsted full strapped Norfolk, shawl collar, ox, card, navy, white, havana.
739	36.00	Ladies' belted Norfolk, strapped, Bradley lapel collar, high grade zephyr worsted, ox, card, white, heather, taupe.
744	39.00	Striped blazer, high collar, white-card, W-N, W-black, W-tan, W-green.
746	54.00	Ladies' hand knit, L. & L., accordian stitch, card-white, green-white, navy-white, adapted from Parisian novelty.
747	48.00	Ladies' hand knit, double breasted L. & L. coats, two pockets, loop buttonholes, ox, card, white, Saxe blue, adapted from London novelty.
748	33.00	Ladies' worsted shawl collar Norfolk, ox, card, white, scarlet.
751	39.00	Fine shawl collar coat, pure worsted, fine stitch, pockets, ox, navy, white, maroon, card.
774	60.00	F. F. shawl collar auto coat loop, fastened, finest worsted, ox, card, white.
779	42.00	Ladies' full fashioned shawl collar, fine stitch, highest worsted, ox, card, navy, white.
780	54.00	H. C., three pockets, full fashioned, pure worsted, ox, card, navy, white.
781	42.00	H. C., two pockets, full fashioned, pure worsted, ox, card, navy, white, maroon.
783	48.00	Full fashioned, V neck, fitted back, ox, card, navy, white.

## KNIT COATS FOR BOYS.

(Sizes 26 to 34 inch. Packed 1-12 in box except as noted.)

805	\$12.00	H. C., two pockets, fine worsted face, ox, card, navy, white, maroon, 2-12 in box.
815	15.00	V neck, two pockets, worsted face, ox, card, navy, ox-maroon.
820	36.00	Shawl collar Shaker, knit-in pockets, extra quality, all worsted, sizes 26 to 36, ox, card, navy, white, maroon.
821	33.00	Boys' hunting coat, all-wool, sizes 26 to 36, ox, card, dead grass, navy, maroon.
822	30.00	Boys' shawl collar Shaker, knit-in pockets, all wool, ox, card, navy, maroon, sizes 26 to 36 in.
825	15.00	Boys' Norfolk coat, fine stitch, ox, card, navy, mar.
828	18.00	Boys' Scout, same style as adopted by U. S. Army, ox, card, navy, khaki.
829	15.00	Boys' shawl collar, good wool front, two pockets, ox, navy, maroon, Havana, card, sizes 26-36.
831	18.00	Boys' shawl collar, wool coat, having loop and buttons, ox, card, maroon, olive, navy, Havana, white.
832	18.00	Boys' high collar, worsted front coat, two pockets, ox, card, navy, white, maroon.
833	18.00	V neck, two pockets, worsted, ox, card, navy, white, card-ox, maroon.
836	18.00	Boys' shawl collar, worsted coat, two pockets, ox, maroon, Havana, white, scarlet, navy.
839	24.00	H. C., two pockets, cadet, sizes 30 to 36 only, ox, card, navy, white, maroon.
841	27.00	Boys' full strapped Norfolk, two pockets, worsted, cadet, sizes 30-36, ox, card, navy, maroon, tan, scarlet.
842	24.00	Boys' shawl collar coat, two pockets, ox, card, navy, maroon, white.
844	21.00	Boys' high collar, two pockets, plain stitch, worsted face coat, ox, card, navy, white, maroon, scarlet.
846	16.50	Boys' heavy wool front, high collar, two pockets, plain stitch, cadet, sizes 30-36, ox, card, navy, maroon.
860	12.00	H. C., two pockets, heavy wool face, ox, card, navy, maroon, tan-brown, card-ox.
862	12.00	Boys' shawl collar, two pockets, plain stitch, heavy wool front, ox, card, navy, maroon, Havana.
880	9.00	Turtle neck sweater, ox, navy, card, white, maroon.
881	12.00	Turtle neck sweater, oxford, card, navy, white, maroon.
890	10.00	V neck, two pockets, wool front, ox, card, navy, maroon, white.
891	11.00	Boys' Byron collar, two pockets, plain stitch, wool front, ox, card, navy, maroon, tan-brown.
899	36.00	Boys' pure wool, heavy shawl, collar Jumbo coat, cadet, sizes 30-36, ox, card, maroon, navy.

## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELAVAN, Wis.—Contd.

## KNIT COATS FOR MEN.

[Sizes 34 to 44, extra sizes to 52 inches, packed 1-12 in box.]

No.	Per dozen.	
900	\$15.00	High collar, pockets, plain stitch, maroon mix only.
901	16.50	V-neck, two pockets, wool front, ox, navy, black, mar.
902	28.50	Worsted and wool, "Protecto" collar, two pockets, ox, card, navy, maroon, white, Havana.
903	18.00	H. C., two pockets, heavy wool front, ox, card, navy, maroon, black.
906	21.00	Shawl collar, two pockets, plain stitch, good grade heavy wool front, ox, card, maroon, navy, Havana.
908	45.00	H. C., two pockets, heavy pure worsted, ox, card, navy, white, maroon, Hav.
911	39.00	D. B. Cardigan, two pockets, all worsted, ox, navy, white, seal, black.
914	30.00	V-neck Cardigan, two pockets, ox, navy, white, seal, black, maroon.
917	33.00	Men's high collar, fine gauge, pure worsted coat, two pockets, ox, card, navy, white, tan, maroon.
918	27.00	Men's high collar, fine gauge, pure worsted coat, two pockets, ox, card, navy, white, tan, maroon.
919	30.00	Shawl collar, two pockets, plain stitch, worsted and wool, ox, card, navy, white, maroon, Havana.
921	24.00	Shawl collar, two pockets, plain stitch, pure wool, ox, navy, maroon, card, tan.
922	27.00	Men's worsted, H. C., two pockets, plain stitch, ox, card, maroon, white, navy, Havana, black.
923	30.00	V-neck, two pockets, pure worsted, ox, card, white, maroon.
924	37.50	V-neck, two strapped Norfolk, two pockets, high collar, wool and worsted, ox, card, navy, white, maroon.
926	33.00	V-neck, pockets, heavy worsted, front, oxford, tan, navy, maroon, white, black.
927	33.00	Full fashioned shawl collar, two pockets, wool and worsted, ox, card, navy, maroon, white, Havana.
929	72.00	Auto coat, finest worsted, hand knit, to order only; 4 pockets.
930	57.00	Men's full fashioned high grade auto or shooting jacket, high collar, ox, maroon, dead-grass stocked, other colors to order, 4 pockets.
934	24.00	V-neck, two pockets, wool and worsted, ox, card, navy, white, maroon, tan, black.
936	48.00	Heavy all wool hunting coat, high Byrnes' collar, D. grass, ox, card, maroon, white, navy, tan; 4 pockets.
937	33.00	Men's full-fashioned three-way collar with snaps, two pockets, pure worsted, ox, card, navy, white, maroon, Havana.
938	33.00	Byrnes' collar, two pockets, pure worsted, ox, card, navy, maroon, white, Havana.
941	39.00	Shawl collar, two pockets, high-grade worsted, ox, card, maroon, navy, white, Havana, black.
945	21.00	Men's fine-gauge worsted, high Byron collar, two pockets, ox, mar, navy, tan.
947	42.00	V-neck Shaker sweater (quality of 950), ribbed tall, heavy, wool and worsted; ox, C, navy, white, M.
948	45.00	Turtle-neck Shaker sweater (quality of 950), ribbed tall, heavy, wool and worsted; ox, card, navy, wh., mar.
950	48.00	"Varsity" shawl collar Shaker sweater (no buttons), ribbed tall, heavy, wool and worsted; ox, card, N, Wh., M.
951	48.00	"Varsity." Same as 950, except has welt tall. This number specially for ladies.
952	42.00	Men's full-fashioned hunting and auto coat, Byrnes collar, pure worsted and wool; ox, card, navy, maroon, dead-grass, extraordinary value; 4 pks.
953	37.50	Full fashioned shawl collar Shaker, knit-in pockets; ox, card, navy, maroon.
956	60.00	Jumbo, all wool, shawl collar, pockets lined. O, C, N, W, M, hav.
959	39.00	Men's hand-fashioned V-neck pure worsted coat, two pockets, plain stitch, ox, card, navy, white, maroon, black.
960	75.00	Men's and women's heavy jumbo sailor shawl collar, belt, pure worsted, ox, card, maroon, scarlet, white, tan.
961	48.00	Men's heavy-weight worsted shawl-collar Shaker, reinforced knit-in pockets, ox, card, navy, maroon, white, Havana.
963	42.00	Men's worsted shawl-collar Shaker, reinforced knit-in pockets, ox, card, navy, maroon, white, Havana.
968	60.00	Heavy pure worsted shawl-collar Shaker, reinforced knit-in pockets with welted top, ox, card, navy, maroon, white, scarlet.
969	48.00	Welter weight, shawl-collar, full-fashioned Shaker, reinforced pockets with welted top, ox, card, navy, white, maroon, black.
970	84.00	Extra heavy jumbo, highest worsted, shawl collar, two pockets, lined, ox, card, navy, white, maroon, scarlet.
972	30.00	Men's fancy knit vest, silk shot, navy with white dot, havana, with white, white with black, ox with black.
973	24.00	Vest, pure worsted, ox, card, navy, white, maroon, Havana.
974	36.00	Men's high-collar coat with strap, two pockets, heavy rack-stitch worsted front, ox, maroon, navy, white, Havana, black, scarlet.
976	42.00	Men's worsted Norfolk, full strapped and belted, shawl collar, ox, card, maroon, white, scarlet, navy; extraordinary value.
977	66.00	Men's novelty Norfolk, large Byron collar, seamless shoulder, yoke and Raglan sleeve, highest quality worsted, ox, card, navy, maroon, white, tan.
979	39.00	Men's vest, vertical stripe, pure worsted, ox-M, ox-C, N-wh, blk-N.
981	36.00	Men's fancy jacquard vest, angora fleeced, in color combinations, olive mix, black mix, Hav. mix.
980	36.00	Men's turtle-neck sweater, ox, card, navy, white, mar.
983	78.00	Men's heavy-weight fleecy knit Norfolk, shawl-collar, Highland plaids, olive-mix, black-mix., Hav.-mix.
984	18.00	Men's turtle-neck sweater, ox, card, navy, white, mar.

## WHOLESALE PRICE LIST, 1913, BRADLEY KNITTING CO., DELAVAN, WIS.—Contd.

## KNIT COATS FOR MEN—Continued.

No.	Per dozen.	
986	\$24.00	Men's turtle-neck sweater, ox, card, navy, white, mar.
987	72.00	Bradley Navahoe coat for men and women, high collar, belted back, two pockets, ox with white and black trim, card with navy and green trim, navy with white and cardinal trim, tanpe with green and card trim, maroon with black-green trim, tan with green and card trim.
988	48.00	Men's heavy shawl collar jumbo, pure wool, two pockets, ox, card, navy, maroon, Havana.
989	45.00	Men's medium-weight shawl-collar Shaker, reinforced knit-in pockets, pure worsted, ox, card, navy, white, maroon.
990	48.00	Men's turtle-neck Shaker, finest worsted, card, navy, white, maroon, oxford.
992	45.00	Men's pure worsted shawl-collar Shaker, reinforced knit-in pockets, ox, card, navy, white, maroon, tan, black.
993	48.00	V-neck, two pockets, Shaker, ox, card, navy, white, maroon.
994	51.00	Heavy worsted Shaker, full-fashioned shawl collar, reinforced knit-in pockets with welted top, ox, card, Havana, white, maroon, black, navy.
996	66.10	Extra heavy weight pure worsted Shaker, full-fashioned shawl collar, reinforced knit-in pockets with welted top, ox, card, navy, white, maroon, scarlet. Best Shaker coat made in America.
998	60.00	Pure worsted jumbo, Byron collar, two lined pockets, ox, card, navy, white, maroon, tan.
999	69.00	Heavy weight jumbo, full-fashioned shawl collar, two lined pockets, ox, card, navy, white, maroon, scarlet, tan.

## BOYS' JERSEYS, 26-34.

J21	\$9.00	Worsted turtle-neck sweater, ox, navy, maroon, black.
J22	12.00	Worsted 3-snap H. C., ox, navy, maroon, dead grass.
J23	12.00	Finest worsted, turtle-neck sweater, ox, navy, maroon, black, dead grass.

## MEN'S &amp; WOMEN'S JERSEYS—34-44 INCHES.

J50	\$13.50	Worsted turtle-neck jersey sweater, ox, navy, maroon, black.
J51	15.00	Worsted 3-snap H. C. sweater, ox, navy, maroon, dead grass.
J52	16.50	Fine worsted turtle-neck sweater, double cuff and neck, ox, navy, maroon, black.
J53	18.00	Fine worsted turtle-neck sweater, double cuff and neck, ox, navy, maroon, black.
J54	21.00	Fine worsted 3-snap H. C. jersey sweater, ox, navy, maroon.
J55	24.00	Turtle-neck-fashioned jersey sweater, ox, maroon, navy, white, black.
J56	24.00	Turtle-neck jersey sweater, all colors and college combinations.
J58	21.00	Ladies' five-pearl snap H. C. sweater, ox, navy, crimson, white.
J59	30.00	Men's shawl-collar jersey coat, ox, navy, ox-maroon.
J60	18.00	V-neck jersey coat, ox, navy, ox-navy, ox-maroon.
J61	24.00	V-neck jersey coat, ox, navy, maroon, ox-red, ox-navy.
J62	24.00	Men's shawl-collar jersey sweater, ox, navy, maroon.
J63	22.50	Men's shawl-collar jersey coat, ox, navy, maroon.
J64	18.00	Men's shawl-collar jersey sweater, ox, navy, maroon.
J75	27.00	Ladies' co-ed jersey, H. C., 7-pearl snap, white, red, navy, tan.

## WHOLESALE PRICE LIST BRADLEY KNITTING CO., DELAVAN, WIS., REVISED JUNE 10 AND OCT. 1, 1912

[Terms: 60 days dating, 2 per cent 10 days, net 30 days.]

In ordering, give lot, size, and color.

## KNIT CAPS, TOQUES, AND HOODS.

[All packed 6-12 in a box. Bradley caps are right in every particular and excellent profit makers for the retailers.]

No.	Per dozen.	
101	\$4.25	Child's fine worsted toque, wide stripe, light assortment, dark assortment.
102	4.25	Child's fine worsted toque, narrow stripe, light assortment, dark assortment.
104	3.50	Infants' hand knit L. & L. hood, white-sky.
105	5.50	Infants' hand knit L. & L. hood, white-sky.
106	5.50	Child's hand knit L. & L. hood, turnover hockey, two tassels, white-sky, white-pink.
107	4.25	Child's hand knit L. & L. toque, white-card, white-sky.
108	4.25	Child's hand knit L. & L. hockey, white.
109	4.75	Child's hand knit L. & L. hockey, fancy border, white-pink, white-sky.
110	3.75	Child's hand knit L. & L. cap, white, white-pink, white-sky.
120	6.50	Ladies' aviation cap, white, card, ox, navy, tan, white-assorted.

## WHOLESALE PRICE LIST BRADLEY KNITTING CO., DELAVAN, WIS., REVISED JUNE 10 AND OCT. 1, 1912--Continued.

## KNIT CAPS, TOQUES, AND HOODS--Continued.

No.	Per dozen.	
121	\$5.50	Ladies' aviation handmade cap, card, white-card, ox.
122	4.25	Misses' aviation handmade cap, white, card, ox-card.
123	4.25	Ladies' aviation handmade cap, white, card, white-sky.
124	6.50	Ladies' aviation handmade cap, white, card, ox.
125	6.00	Ladies' aviation handmade cap, white, card, ox.
131	7.50	Ladies' aviation cap, hand crochet, white, card, ox, navy, white-assorted, all colors.
132	10.50	Ladies' aviation cap, hand crochet, white, card, ox, navy, white-assorted.
133	10.50	Ladies' aviation L. & L. cap, white, card, ox, maroon, white-card, ox-navy, ox-taupe white-sky.
134	7.50	Ladies' fleecy Angora cap, heather mixtures and plain colors.
136	7.50	Ladies' L. & L. handknit folding turban, white, card, ox, maroon, tan, Havana, melange, navy, black.
139	5.50	Misses' aviation cap, handmade, white-card, card, ox, assorted.
140	21.00	Ladies' hand crocheted hat, white, ox, card, maroon, colors to order.
141	11.50	Ladies' handmade aviation Pompon cap, white, ox, card, maroon, white-sky.
142	15.00	Ladies' Angora fleeced auto hood, ox, card, navy, white, heather mixtures.
143	18.00	Automobile hood, hand crocheted, fine worsted, white, ox, card, navy, tan, colors to order.
144	10.50	Motor hood with strings, highest quality worsted, ox, card, navy, white, Havana.
150	6.00	Men's and boys' hockey, pure worsted, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold.
152	4.00	Men's and boys' pineapple, pure worsted, hockey, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold.
153	4.25	Men's and boys' pineapple, pure worsted toque, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold.
154	4.25	Men's and boys' wool Shaker hockey, ox, card, navy, maroon, Havana, tan, white, card-navy.
155	4.25	Men's and boys' plain hockey, pure worsted, ox, card, navy, white, maroon, ox-navy, white-card, maroon-gold.
156	5.75	Men's and boys' Shaker hockey cap, matches all shades in Shaker coats.
158	8.00	Men's Shaker cap, ox, card, navy, white, maroon, Havana.
159	4.25	Fleecy hockey caps, navy, white, card-white, heather mixture, ox, card, navy, white, tan.
160	4.50	Ladies' mercerized auto hood, with strings and snap, summer weight, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, champagne, card.
161	7.50	Ladies' mercerized draped auto hood, trimm'd with ocean pearl snap, colors same as 160.

## BRADLEY MUFFLERS.

[Packed 1-12 in dainty box. Made from imported mercerized Egyptian yarn, fine worsteds, and silks. The most complete line offered to the trade. Case lots of 25 dozen assorted of \$3.75, \$4.00, \$4.25 numbers at 2% per dozen less.]

301	*\$2.15	Extraordinary value, Bradley V neck muffler, made of imported mercerized. All colors.
302	7.50	Full-fash, auto, worsted—1-pearl snap, ox, card, navy, white, maroon, brown, black, and silver.
303	6.75	Full-fash, dress muffler, mercerized, 1-pearl snap, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ.
307	4.00	Worsted, full-fash, ox, card, navy, white, maroon, brown, sky, taupe, black.
308	6.00	Fine worsted, collar scarf, full-fash, white, sky, navy, card, maroon, gray, brown.
309	5.75	Shaped neck, fringe, mercerized, white, gray, black, sky, navy, champ.
310	10.50	Full-fash, auto collar scarf, worsted, 2 pearl snaps, ox, card, navy, white, maroon, brown, black, silver.
311	4.00	Full-fash, collar muffler, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ.
312	8.00	Dress muffler, full-fash collar and fringe, mercerized, white, sky, navy, card, maroon, champ, taupe, gray, and black.
314	2.25	Mercerized, collar, muffler, white, black, gray, navy, maroon.
317	3.75	Full-fash, military, 2 snaps, mercerized, white, gray, wisteria, taupe, black, navy, maroon, sky, brown, card, champ.
319	4.25	Full-fash, military, 2 pearl snaps, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ.
320	13.50	Worsted shoulder scarf, white, black, navy, ox, card.
323	8.00	Hand-knit worsted scarf, L. & L. stitch, fringe with 2-color border, all colors - match cap No. 133 if desired.
330	3.75	Shawl collar, "Ruf Nek," pearl snap, mercerized, sky, white, gray, taupe, wisteria, black, navy, champ, card, brown, maroon.
331	3.75	Full-fash, V neck, 1 pearl snap, mercerized, white, gray, taupe, wisteria, black, navy, maroon, sky, brown, card, champ.
333	4.00	Turtle neck, button, worsted, ox, navy, white, black, silver.
344	4.60	Queen Mary, English novelty, mercerized, white, gray, black, sky, navy, champ.
346	7.50	Shawl collar, "Ruf Nek," mercerized, 2 pearl snaps, tied fringe, white, gray, black, sky, navy, champ.
347	7.50	Shawl collar, "Ruf Nek," worsted, 2 pearl snaps, ox, card, navy, white, maroon, brown, black, silver.

\* Special.

## WHOLESALE PRICE LIST BRADLEY KNITTING CO., DELAVAN, WIS., REVISED JUNE 10 AND OCT. 1, 1912—Continued.

## BRADLEY MUFFLERS—Continued.

No.	Per dozen.	
363	\$5.50	English scarf, mercerized, white, gray, black, sky, navy, champ.
364	7.50	English scarf, mercerized, white, gray, black, sky, navy, champ.
367	4.25	English scarf, mercerized, white, gray, black, sky, navy, champ.
368	18.00	Pure silk English scarf, hand-knotted fringe, white, black, gray.
369	24.00	Pure silk English scarf, hand-knotted fringe, white, black, gray.
375	36.00	Silk scarf, white.
376	48.00	Silk scarf, white, black, gray.
380	4.25	Fleecy scarf, all worsted, ox, card, navy, white, silver, tan, green.
382	8.00	Fleecy Angora scarf with bordered ends, silver-taupe, tan-brown, heather-brown, white-card, ox-navy.

## BRADLEY NOVELTY KNIT GOODS.

Packed 1-12 in box, except as noted.]

402	\$10.50	Child's muff, stole, and cap, white-pink, white-sky.
405	4.25	Infants' leggings, white, gray, card, 6-12 in box.
406	10.50	Infants' L. & L. leggings, white only, 6-12 in box; sizes, 1-2-3-4; two small sizes have feet.
410	18.00	Child's coat, toque, and leggings, white, tan, card, 24 and 26 only.
411	21.00	Child's coat and leggings, L. & L., white only, 2-12.
416	22.50	Infants' covers, L. & L., white-sky.
417	28.50	Ladies' muff, hand knit, L. & L., white, card, ox, maroon, white-card, ox-navy, white-sky, ox-taupe; match cap Nos. 133 or 134.
420	24.00	Misses' hand-crocheted set—muff, stole, cap—white-sky, white-pink, and all colors to order.
422	36.00	Misses' hand-crocheted set—ribbon trimmed—muff, stole, cap—white-sky, white-card, and all colors to order.
443	18.50	Ladies' hand-knit set, scarf No. 323, cap No. 133.
450	30.00	Ladies' hand-crocheted set—muff, stole, cap—all colors, plain or combinations.
451	36.00	Ladies' hand-crocheted set—muff, stole, cap—in black and white chinchilla.
452	48.00	Ladies' finest hand-crocheted set—muff, stole, cap—ribbon trimmed, all colors.

## MEN'S ATHLETIC HOSE.

[For baseball, football, track, and golf wear.]

490	\$8.50	Athletic hose, no feet, pure worsted, all colors to order. Stock, ox, card, navy, white, maroon, black.
491	11.50	Jumbo rib hose, no feet, extra heavy, pure worsted, all colors.

## KNIT COATS FOR CHILDREN.

[Packed 1-12 in a box, except as noted. Sizes 18 to 26 inches. Quick-selling novelty coats at popular prices.]

605	\$8.00	H. C., two pockets, card, white, ox-card.
514	12.00	H. C., gilt buttons, high grade worsted, white-sky, navy-card, card-ox, card.
515	9.00	H. C., two pockets, ox, white, card-navy.
516	15.00	Shawl collar, high-grade worsted, white-pink, white-sky, white-black.
525	12.00	Hand knit L. & L., one size only, white-sky only, 2-12 in box.
534	9.50	V neck, 2 pockets, worsted face, ox, card, white, ox-navy, ox-card.
536	11.00	H. C., two pockets, worsted face, ox, card, white, card-ox, navy.
545	15.00	Hand knit H. C., two pockets, L. & L., white-sky only, 2-12 in box.
555	16.50	Hand-knit sailor collar, L. & L., white only, 2-12 in box.
564	9.00	H. C. belt, all wool, white, card, ox-card, navy-card, olive.
568	15.00	Hand knit H. C., two pockets, high grade worsted, ox, card white, white sky.
575	13.50	Hand knit H. C., two pockets, L. & L., shell edge, white-sky only, 2-12 in box.

## KNIT COATS FOR MISSES.

Packed 1-12 in box. Sizes 26 to 34 inches. Fancy stitches of plain mannish styles to supply all tastes.]

605	\$12.00	H. C., all wool, pockets, ox, card, white.
610	22.50	Novelty Co-ed, pure worsted white-navy, card-ox, navy-card.
611	24.00	Middy lace front, sailor collar, pure worsted, white, navy, card, ox.
632	17.50	Misses' fancy sailor collar, pure worsted, white, white-navy, card-ox, navy-card.
633	21.00	V collar, tassel, point, two pockets, pure worsted, ox-card, card-white, navy-white, white-navy.
674	15.00	Wool middy, sailor collar, ox, card, white, olive, navy.
678	15.00	H. C., two pockets, pure worsted, ox, card, navy, white.
681	24.00	High collar, two pockets, cardigan stitch, highest grade worsted, ox, card, navy, and white.
839	24.00	H. C., two pockets, mannish style, pure worsted, plain stitch, ox-card, navy, white, maroon.



## WHOLESALE PRICE LIST BRADLEY KNITTING CO., DELAVAN, WIS., REVISED JUNE 10 AND OCT. 1, 1912—Continued.

## KNIT COATS FOR WOMEN.

(Sizes 34-44 inch. Extra sizes to 48 at \$3 per dozen extra.)

No.	Per dozen.	
705	\$17.50	All wool, oxford, card, white.
707	27.00	Ladies' high collar, pure worsted Norfolk, self strap and belt, ox, card, white.
708	27.00	H. C., two pockets, mannish plain stitch, worsted, oxford, card, white, Havana, tan, navy.
710	42.00	H. C., two pockets, fashioned, plain stitch, pure worsted, oxford, card, navy, white, black. (709 V neck, \$40.00. Taupe.)
721	39.00	Shawl, tassel, two pockets, pure worsted, ox-card, card-white, navy-white, white-navy.
724	22.50	Ladies' D. B., V neck, white, card, ox, navy, maroon, gray, black, Havana.
725	18.00	Ladies' vests, hand knit pure worsted, ox, card, white, navy, black.
727	28.50	H. C., two pockets, high grade worsted, ox, card, navy, white, maroon, black.
728	28.50	Shawl middy, 30-40 only, pure worsted, card-ox, white-navy, Havana-tan, ox-taupe.
729	24.00	H. C., two pockets, all worsted, ox, card, navy, white, white-sky.
730	40.00	Sailor collar, two pockets, pure worsted, ox-navy, card-white, navy-white, white-navy, white, card, ox.
731	33.00	H. C., two pockets, mannish style, worsted, ox, card, navy, white, tan-brown.
734	33.00	Shawl, fringe, two pockets, pure worsted, ox, card, navy, white.
734	36.00	High turnover collar, heavy plain stitch, two pockets, white, ox, card, navy, mar.
735	45.00	Same as 733, without fringe, loop on collar.
735	33.00	Ladies' Norfolk, full strapped and belted, Byron collar, all worsted, ox, card, navy, white, tan.
739	36.00	Ladies' belted Norfolk, strapped, Bradley lapel collar, high grade zephyr worsted, ox, card, white, heather.
744	39.00	Striped blazer, high collar, white-card, W-N, W-black, W-tan, W-green.
750	35.00	Fine worsted, Co-ed style, white, card, ox, navy.
750	44.00	H. C., three pockets, full fashioned, pure worsted, ox, card, navy, white.
781	42.00	H. C., two pockets, full fashioned, pure worsted, ox, card, navy, white.
783	48.00	Full fashioned, V neck, fitted back, ox, card, navy, white.
784	60.00	H. C., three pockets, chinchilla, full fashioned, pure worsted, black and white.
785	65.00	Novelty auto, fashioned, loop fastened, pure worsted, ox, card, white.
786	75.00	Belted Norfolk coat, fleeced, in heather mixtures.
793	81.00	Novelty auto, fashioned, pure worsted, ox, card, white.
M.G.	36.00	Ladies' "Morning Glory" porch throw, short sleeve, laced seams, left and left stitch, white, ox, card, black, rose, sky, white-sky.

## KNIT COAT FOR BOYS.

(Sizes 26 to 34 inch. Packed 1-12 in box, except as noted.)

805	\$13.50	H. C., two pockets, fine worsted face, ox, card, navy, white, maroon, 2-12 in box.
815	15.00	V neck, two pockets, worsted face, ox, card, navy, ox-maroon.
820	36.00	Shawl collar shaker, extra quality, all worsted, ox, card, navy, white, maroon.
821	30.00	Boys' hunting coat, all wool, sizes 28-36, ox, card, dead grass.
830	16.50	H. C., two pockets, heavy wool, ox, card, navy, white, olive, Havana.
831	18.00	Boys' shawl collar, wool coat, having loop and buttons, ox, card, maroon, olive, navy, Havana, white.
832	19.50	H. C., two pockets, same as 833 but with collar as No. 800, ox, card, navy, white, maroon.
833	18.00	V neck, two pockets, worsted, ox, card, navy, white.
837	24.00	Convertible shawl collar, two pockets, pure worsted, ox, card, navy, white, mar.
838	24.00	Protecto collar, two pockets, pure worsted, ox, card, navy, white, maroon, ox.
839	24.00	H. C., two pockets, card, sizes 32, 34, 36 only, ox, card, navy, white, maroon.
840	12.00	H. C., two pockets, heavy wool face, ox, card, navy, maroon, olive.
850	9.00	Turtle-neck sweater, ox, navy, card, white, maroon.
851	12.00	Turtle-neck sweater, ox-card, navy, white, maroon.
850	9.00	V neck, two pockets, wool front, ox, card, navy, maroon, ox-card, olive.
891	10.50	H. C., two pockets, wool front, ox, card, navy, maroon, ox-navy, olive, tan-bro.
Scout	18.00	Boys' Scout, same style as adopted by U. S. Army, ox, card, navy, khaki, "dead grass."

## KNIT COATS FOR MEN.

(Sizes 36 to 44. Extra sizes to 53 inches packed 1-12 in box.)

901	\$16.50	V neck, two pockets, wool front, ox, navy, black, olive, maroon.
904	18.00	H. C., two pockets, heavy wool front, ox, card, navy, maroon, olive, black.
908	43.00	H. C., two pockets, heavy pure worsted, ox, card, navy, white, maroon, Hav.
909	42.00	V neck, two pockets, fashioned, pure worsted, ox, card, navy, white, maroon.
910	45.00	Byrnes' collar, two pockets, fashioned, pure worsted, ox, card, navy, white, maroon, olive.
911	39.00	D. B. cardigan, two pockets, all worsted, ox, navy, white, seal, black.
914	28.50	V neck cardigan, two pockets, ox, navy, white, seal, black, maroon.
920	27.00	V neck, two pockets, pure worsted, ox, card, navy, maroon, white, Havana, ox-card.
922	27.00	Men's worsted, H. C., two pockets, plain stitch, ox, card, maroon, white, navy, Havana.
925	33.00	V neck, pockets, heavy worsted, front, oxford, tan, navy, maroon, white, black.
927	33.00	Fluff neck, worsted coat, half cardigan, two pockets, hand knit, shawl collar, ox, card, maroon, white, Hav.

## WHOLESALE PRICE LIST BRADLEY KNITTING CO., DELAVAN, WIS., REVISED JUNE 10 AND OCT. 1, 1912—Continued.

## KNIT COATS FOR MEN—Continued.

No.	Per dozen.	
926	\$15.00	Shawl collar, auto coat, self-trimmed, ox, card, navy, white, maroon, D. grass.
929	72.00	Auto coat, finest worsted, hand knit, to order only.
930	67.00	Hunting coat, heavy full fashioned, ox, card, navy, white, maroon, D. grass.
936	7.00	Heavy all wool hunting coat, high Byrnes' collar, three pockets, D. grass, ox, card, maroon, white, navy.
937	33.00	Shawl "Converto," two pockets, high grade worsted, ox, card, navy, maroon, white, Havana.
938	33.00	Byrnes' collar, two pockets, pure worsted, ox, card, navy, maroon, white, Havana.
941	39.00	Shawl collar, two pockets, high grade worsted, ox, card, maroon, navy, white, Havana.
943	48.00	V neck, two pockets, full fashioned, pure worsted, ox, card, navy, white, maroon.
952	42.00	Hunting coat, hand knit, ox, card, D. grass, maroon, navy.
959	36.00	V-neck, two pockets, fashioned, ox, card, navy, white, maroon.
963	42.00	Heavy worsted shaker, ruff neck, two pockets, ox, card, navy, maroon, white, Havana.
967	51.00	Worsted shaker, full fashioned, shawl collar, two pockets, ox, card, maroon, navy, white, tan.
969	43.00	"Bradley Welter" shawl collar, two pockets, pure worsted, full fashioned, dark ox, card, navy, maroon, tan, white, light-ox.
973	22.50	Vest, pure worsted, ox, card, navy, white, maroon, Havana.
974	56.00	H. C., pockets, heavy worsted front, 973 improved, ox, navy, maroon, white, Havana.
977	66.00	Men's novelty Norfolk, large Byron collar, seamless shoulder, yoke and raglan sleeve, highest quality worsted, ox, card, navy, maroon, white, tan.
978	43.00	Men's strapped Norfolk with belt, lapel shawl collar, straps and belt, jersey trim, all worsted, a stylish, hobby coat, ox, card, white.
980	36.00	Men's turtle-neck sweater, ox, card, navy, white, mar.
984	18.00	Men's turtle-neck sweater, ox, card, navy, white, mar.
986	24.00	Men's turtle-neck sweater, ox, card, navy, white, mar.
989	45.00	Men's pure worsted shaker coat, shawl collar, full fashioned, white, ox, card, navy, mar.
990	45.00	Men's turtle-neck shaker, finest worsted, card, navy, white, maroon, oxford.
992	42.00	Shaker, shawl collar, two pockets, pure worsted, card, navy, white, tan, maroon, oxford.
993	45.00	V-neck, two pockets, shaker, ox, card, navy, white, maroon.
994	51.00	Shawl collar, Shaker, two pockets, pure worsted, ox, card, navy, white, maroon.
996	66.00	Shawl collar, two pockets, Shaker, pure worsted, ox, card, navy, white, maroon, tan.
997	36.00	Shawl, Shaker, wool, ox, card, navy, white, maroon.
998	60.00	Jumbo stitch, high Byrnes' collar and throat tab, two pockets, ox, card, navy, white, tan, maroon.
999	60.00	Jumbo stitch, two pockets, pure worsted, shawl collar, ox, navy, maroon, white, tan, card.

## BOYS' JERSEYS—34-34.

J21	\$9.00	Worsted turtle-neck sweater, ox, navy, maroon, black.
J22	12.00	Worsted 3-snap H. C., ox, navy, maroon, dead grass.
J23	12.00	Finest worsted, turtle-neck sweater, ox, navy, maroon, black, dead grass.
JCS1	16.50	V-neck jersey coat, ox-card, ox-navy, navy.

## MEN'S AND WOMEN'S JERSEYS—34-41 INCH.

J41	\$15.00	Worsted 5-snap sweater, ox, N., M.
J50	13.50	Worsted, turtle-neck jersey sweater, ox, navy, maroon, black.
J51	15.00	Worsted 5-snap H. C. sweater, ox, navy, maroon, dead grass.
J52	16.50	Fine worsted turtle-neck sweater, double cuff and neck, ox, navy, maroon, black.
J53	18.00	Fine worsted turtle-neck sweater, double cuff and neck, ox, navy, maroon, black.
J54	19.50	Fine worsted, 5-snap H. C. jersey sweater, ox, navy, maroon.
J55	24.00	Turtle-neck, fashioned jersey sweater, ox, maroon, navy, white, black.
J56	21.00	Turtle-neck jersey sweater, all colors and college combinations.
J57	19.50	Five-snap H. C. sweater with stripes in collar and cuffs, ox-red, crimson-white, navy-white.
J58	21.00	Ladies' live pearl snap H. C. sweater, ox, navy, crimson, white.
J60	18.00	V-neck jersey coat, ox, navy, ox-navy, ox-maroon.
J61	24.00	V-neck jersey coat, ox, navy, maroon, black, ox-red ox-navy.
J75	27.00	Ladies' Co-ed jersey H. C., 7-pearl snap, white, red, navy, tan.

No. 9. We sell our merchandise f. o. b. factory, and do not know the foreign freight charges.

No. 10. The chief competitors for the foreign markets are Germany, Austria, and England, which monopolize the world's trade in fancy knit goods.

No. 11. We do not know relative to tariff differentials.

No. 12. Eight hundred to nine hundred concerns are engaged in the manufacture of fancy knit goods in the United States.

No. 13. No one concern, or group of concerns, dominate the fancy knit-goods market. Among the leading producers are Gantner & Mattern Co., San Francisco, Cal.; American Hosiery Co., New Haven, Conn.; Lorenz Knitting Goods Manufacturing Co., Chicago, Ill.; Yale Knitting Co., Malden Mass.; Saxony Mills, Needham Heights, Mass.; Progressive Knitting Mills, Detroit, Mich.; Mankato Knitting Mills, Mankato, Minn.; Blauvelt Knitting Co., Newark, N. J.; Henry Gerslyn & Bro., Brooklyn, N. Y.; Long Island Knitting Mills, Brooklyn, N. Y.; Germania Knitting Mills, Brooklyn, N. Y.; A. G. Spaulding & Bro., New York and Chicago; Gilbert Knitting Co., Little Falls, N. Y.; Freedman, Blau & Farber, Cleveland, Ohio; N. J. Rich & Co., Cleveland, Ohio; Standard Knitting Co., Cleveland, Ohio; Marinette Knitting Co., Marinette, Wis.; National Knitting Mills, Milwaukee, Wis.; Bradley Knitting Co., Delavan, Wis.

No. 14. There is no organization, trust combination, or even association of fancy knit goods and sweater manufacturers of the United States; hence questions 15 and 16 are not relevant to this industry.

No. 15. Being no trusts, there is no portion of the product produced by them.

No. 16. No.

No. 17. We append copies of our price list for 1912 and 1913. The only discount is 3 per cent for cash in 10 days, or 2 off, cash 10 days, with 60 days dating.

No. 18. The only prices made are those quoted in the above price list.

No. 19. Replying to this question, we give herewith the total operations of our plant for the year 1912, the percentage showing the total production cost, selling cost, and profit on the dollar of business consummated:

*Total profit, selling and production cost, for the year of 1912.*

	Per cent.
Raw materials.....	50.6
Labor:	
Producing.....	18.5
Selling.....	6.8
	----- 25.3
Executive salaries.....	1.6
	-----
Total labor and salaries.....	26.9
Freight and express.....	2.1
Warehouse and upkeep.....	.9
Insurance, interest, and taxes.....	2.8
Office.....	1.4
Legal and patent.....	1.2
Heat, light, and power.....	1.2
Miscellaneous, travel, credit, and depreciation.....	1.6
Collection and credit.....	.3
Losses.....	.4
Discount and allowances.....	2.6
Advertising.....	3.2
	-----
Total sundry expenses.....	17.7
Total profit.....	4.8
	-----
Capital stock paid in cash at par.....	100
Common stock.....	\$300,000
Preferred stock.....	(?)
	-----
	100,000

No bonds. Dividends on preferred stock, 7 per cent; dividends on common stock, 10 per cent. Our net earnings have been paid in dividends, all additions to our plant having been paid out of preferred stock sales. Eliminating our superintendent's salary charged to costs, the total executive salaries paid for the year of 1911 are \$10,200; total executive salaries paid for the year of 1912 are \$12,675. Statements of assets and liabilities for the years 1911 and 1912 from our inventory of January 1, 1912, and January 1, 1913, are herewith inclosed.

*Statement of Bradley Knitting Co., inventory, Jan. 1, 1912.*

		JANUARY 25, 1912.
<b>ASSETS.</b>		
<b>Current assets:</b>		
Cash.....	\$29,206.37	
Accounts receivable.....	234,642.13	
Raw materials and supplies.....	69,743.30	
Goods in process.....	15,720.51	
Finished products.....	201,847.58	
		<u>\$551,159.89</u>
<b>Invested assets:</b>		
Lands and buildings.....	118,629.50	
Machinery and equipment.....	111,472.82	
		<u>230,102.32</u>
<b>Total assets.....</b>		<u>781,262.21</u>
<b>LIABILITIES.</b>		
<b>Current liabilities:</b>		
Accounts payable.....	53,229.65	
Notes payable.....	210,500.00	
Commissions due.....	203.70	
Tax reserve.....	1,500.00	
		<u>265,433.35</u>
<b>Capital liabilities:</b>		
Paid-in capital.....	400,000.00	
Surplus reserves.....	82,287.35	
Profit and loss, 1911.....	33,541.51	
		<u>515,828.86</u>
<b>Total liabilities.....</b>		<u>781,262.21</u>
<b>BRADLEY KNITTING CO.</b>		

*Statement of Bradley Knitting Co., inventory, Jan. 1, 1913.*

		JANUARY 22, 1913.
<b>ASSETS.</b>		
<b>Current assets:</b>		
Cash.....	\$34,376.71	
Accounts receivable.....	182,756.15	
Raw materials and supplies.....	65,823.32	
Goods in process.....	25,986.58	
Finished products.....	155,190.63	
		<u>\$164,133.39</u>
<b>Invested assets:</b>		
Lands and buildings.....	117,094.66	
Machinery and equipment.....	118,849.73	
		<u>235,944.39</u>
<b>Total assets.....</b>		<u>700,077.78</u>

## LIABILITIES.

Current liabilities:	
Accounts payable.....	\$29,719.63
Notes payable.....	144,000.00
Tax reserve.....	2,800.00
	\$176,519.63
Capital liabilities:	
Paid-in capital.....	400,000.00
Surplus reserves.....	86,337.35
Profit and loss, 1912.....	37,220.80
	523,558.15
Total liabilities.....	700,077.78

BRADLEY KNITTING CO.

No. 20. Our local property was assessed for taxation in 1912 for \$100,000.

No. 21. Labor pay roll, January, 1912, \$7,649.46; April, \$8,762; July, \$1,130.89; October, \$10,375.76; January, 1913, \$8,992.20. Skilled laborers, 70 per cent; unskilled laborers, 30 per cent; men, 35 per cent; women, 65 per cent; children of minimum age, none; native born, 85 per cent; foreign born, 15 per cent; number who are citizens, 85 per cent.

No. 22. Total wages paid for the year of 1911, \$119,705.24 on gross sales of \$750,000, which includes a percentage of jobbing goods; for the year of 1912, \$125,711.57 on gross sales of \$850,000, including a percentage of jobbing goods.

No. 23. Knitting machinery, 90 per cent imported, German or Swiss manufacture, costing us installed about 60 per cent more than the German manufacturers have to pay. Our machines are from 1 to 10 years old, worth probably about 50 cents on the dollar costs. All finishing machines are American made and from 1 to 5 years old. Our power plant, boilers, dynamos, motors, etc., are all American manufacture.

Nos. 24 and 25. In a general way the foreign unit cost of our products is made up of yarn costing on the average of 50 per cent less; labor, 50 to 65 per cent less; factory expense, 50 to 75 per cent less; selling and overhead, 50 to 80 per cent less. Our estimates are based on personal investigation made by two of our officers in 1911 and 1912 in the English, German, and French knit goods centers. Our vice president is at present in Europe getting bids on our yarn requirements, and also on the manufactured garments such as we manufacture and sell to our trade. These figures will be available upon his return, the middle of July, and if this tariff bill is not passed and your committee so desire we will be pleased to submit the figures obtained. Should the bill become a law with the present rates in effect, our company will then be prepared to determine whether we can manufacture the goods in this country or will be compelled to import the same in order to supply the requirements of our 8,000 to 10,000 retail customers.

No. 26. Freight rates from Delavan to Chicago are 33 cents per 100 pounds; to New York, 89 cents per 100 pounds.

No. 27. Freight rates from German and English ports to New York, based on cubic contents tonnage, would be about \$1.25 to \$1.50 per 100 pounds.

No. 28. While the Payne-Aldrich tariff insures the American market to domestic manufacturers and sustains laborers' high average wages, it does not protect the profits of the manufacturers of knit goods in this country, because of the keen competition between the 800 independent manufacturers. As evidence of this we call your attention to the showing made by our company last year with net profits of 4.8 cents on the dollar of sales. Should the Underwood rates become a law, it is impossible to escape the conclusion that labor must share in the downward revision.

No. 29. Our manufacturing business would be seriously imperiled by the proposed Underwood rates; hence we have an interest in maintaining reasonable rates, as suggested to your subcommittee, viz. on the basis of free wool, 20 per cent on yarns, 35 per cent on fabrics, and 50 per cent on manufactured fancy knit goods. Should wool be given a 15 per cent duty, and yarns 30 to 35 per cent, fabrics 45 to 50 per cent, then the made-up knit goods should receive not less than 60 per cent to reasonably protect labor.

The questions propounded by Senator La Follette are answered, we believe, quite completely in the above replies to the committee questions.

All of which is respectfully submitted.

BRADLEY KNITTING CO.,  
By J. J. PHOENIX. [SEAL.]

STATE OF WISCONSIN,

*Walworth County, ss:*

J. J. Phoenix being first duly sworn, on oath says that he is president of the Bradley Knitting Co., a Wisconsin corporation, of Delavan, Walworth County, Wis., and that the foregoing answers, numbered 1 to 20, inclusive, are true to the best of his knowledge and belief.

J. J. PHOENIX.

Subscribed and sworn to before me this 6th day of June, 1913.

[SEAL.]

ETHEL L. WOODBURY,  
Notary Public for Wisconsin.

My commission expires September 10, 1916.

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ANDREW'S MILL CO., FRANKFORD, PHILADELPHIA, PA., BY ANDRE  
VELUARD, TREASURER AND SUPERINTENDENT.

FRANKFORD, June 3, 1913.

The COMMITTEE ON FINANCE,

*United States Senate, Washington, D. C.*

GENTLEMEN: We herewith submit for your consideration the information as solicited by your Committee on Finance, as per your circular letter of recent date.

No. 1. Manufacturers of woolen and worsted dress goods and men's wear fabrics.

No. 2. Worsted, woolen, cotton, and silk yarns:

No. 3. Yarns spun in this country.

Nos. 4 and 5. During the same period we were paying for yarns per pound:

	United States.	France.
250.....	\$1.10	\$0.70
240.....	1.05	.68
237.....	.80	.48
183.....	1.12½	.67½
130.....	.92½	.52

No. 6. We do not export any of our product.

No. 7. No.

No. 8. As prices range from 62½ cents to \$2 per yard, it is impossible to answer.

Nos. 9, 10, and 11. We do not export, consequently none.

Nos. 12 and 13. We do not know.

No. 14. We are not aware of any in our line of business, nor have we any connection with any other mill.

Nos. 15 and 16. Can not answer.

No. 17. Same as No. 8.

No. 18. Can not answer.

No. 19a. Twenty-four hundred shares, at \$100.

No. 19b. None.

No. 19c. None.

No. 19d to 19h. No answer.

No. 19a. President, vice president, secretary receive no salary, but treasurer, as superintendent of mill, is compensated (\$4,000 per annum).

No. 19j and 19k. No answer.

No. 20. We own no property, simply tenants.

No. 21a. \$62,445.04.

No. 21b. \$6,669.92.

No. 21c. Two-thirds.

No. 21d. One third.

No. 21e. Fourteen to sixteen years; \$1,100.

No. 21f. Two hundred and seventy-five.

No. 21g. Fifty.

No. 21h. Two hundred and eighty.

No. 22. Wages and value of product for years 1910, 1911, and 1912 follow:

	Wages.	Value of product.
1910.....	\$129,850.41	\$718,157.36
1911.....	153,952.75	922,704.49
1912.....	208,777.45	1,096,491.59

No. 23. Warping, sizing, weaving, dyeing, and finishing, first class, two to eight years.

No. 24. We are aware, and have made at same time six of our staple styles in our factory in France and in our mill in the United States, schedule of which we herewith give you, showing difference in cost prices here and in France.

Styles.	United States.	France.
1464.....	\$0.55	\$0.35
3557.....	.61	.40
3091.....	.65	.42
5722.....	.43	.28
3069.....	.50	.37

No. 25. See No. 22.

No. 26. Cost of transportation 25 and 35 cents per hundredweight.

No. 27. Do not know.

No. 28. We have been established in this country since 1904, and have met with nothing but domestic competition, therefore our profit has no relation to Payne-Aldrich law.

No. 29. Our only interest is to be protected for the difference in raw material and cost of labor, also operating expenses between this country and foreign competitors.

The following is in answer to questions as propounded by Senator La Follette:

No. 1. Woolen and worsted dress goods and men's wear fabrics for wearing apparel.

No. 2. Worsted, woolen, silk, and cotton yarns.

No. 3. Do not know.

Nos. 4, 5, and 6. (No answer.)

No. 7. We are not aware of any.

No. 8. Don't know.

No. 9. As prices range from 62½ cents to \$2 per yard, we can not intelligently answer.

No. 10. Impossible to answer.

No. 11. (No answer.)

No. 12. From 50 to 60 per cent cheaper than in the United States.

No. 13. Twenty-five to thirty cents per hundredweight.

No. 14. (No answer.)

No. 15. Raw material, labor, and maintenance are much cheaper in foreign countries than here, therefore we can not inform you what part of the existing duty represents the difference.

No. 16. The existing duties can not represent any profit of the American manufacturers; as the only competition we have is the domestic competitor. Admitting that the existing duty is covering at present more than the difference of raw material, labor, and operating expenses here and in foreign countries, we can not consider the protection given to us in our sale prices. In establishing them we have to consider meeting our domestic competition, which is very keen. In other words, the existing duty has no bearing whatever upon our sale prices.

We are operating 3,000 looms in France and 240 looms in the United States, and until now we have been unable to import cloth from our foreign establishment. If we take the cost prices of our staple grades established at the same time in both mills, we find it is necessary to have 70 per cent protection if prices of raw material remain the same; as it is now, under 70 per cent the advantage is



with the foreign mill; on the other hand above 70 per cent our American mill is in better situation than the foreign.

Very truly, yours,

ANDREW'S MILL CO.,  
A. VELNARD,  
*Treasurer and Superintendent.*

COMMONWEALTH OF PENNSYLVANIA,  
*City and County of Philadelphia, ss:*

Andre Velnard, treasurer and superintendent of the Andrew's Mill Co. (Inc.), being duly sworn, did depose and say that the answers contained on this and the 5 pages are true.

A. VELNARD.

Sworn and subscribed to before me this 4th day of June, A. D. 1913.

[SEAL.]

EDWIN STEARNE,  
*Notary Public.*

Commission expires January 12, 1917.

### SILKS AND SILK GOODS.

HORACE B. CHENEY, ON BEHALF OF CHENEY BROS., SOUTH MANCHESTER, CONN., AND ON BEHALF OF THE SILK ASSOCIATION OF AMERICA.

SOUTH MANCHESTER, CONN., *May 31, 1913.*

We have endeavored to answer these questions with as great frankness and accuracy as was possible without reference to the use which may be put of our answers hereafter, and at the same time believing that we have nothing to fear from a full knowledge of all facts. The only thing to be feared is an unintelligent or wrong use of the figures here presented, and we desire to especially call to your attention that figures based upon large averages or upon the work of one firm, when applied to the whole industry or to some section of the items which go to make up those averages, may give very inaccurate results. And we desire to call your attention again to the inaccurate conclusions which have been drawn from census figures through an incomplete understanding of the meaning of those figures as related to silk goods.

*Silk manufacturing, 1909.*

[United States Census.]

Total value of products..... \$196, 011, 667

Does not include silks made in other mills, such as cotton mills.

Value of duplication..... 24, 656, 113

This is a guess and far from correct. All yarns reported as product are deducted from both materials and product. Many such are used in cotton, woolen, knitting, and electrical industries and should not be deducted from product, but should be deducted from materials used in silk industry.

Labor reported:

Wages..... 38, 570, 085

Clerks..... 3, 711, 609

Salaries..... 3, 815, 770

Not reported as labor; contract work..... 12, 008, 744

Contract work is work done on materials belonging to other mills.

None of the labor employed in any dyeing, printing, embossing, or finishing plants is included in this section of the census. It is at least equal to 25 per cent of whole labor and is included in the value of the products.

None of the labor employed on any materials or supplies before coming into this section of the census is included, although a large part of the cost of these materials and supplies is labor.

Fuel, rent, taxes, and overhead expense are very largely labor in their cost.

The division of raw materials, profit and labor, might be arrived at as follows:

Value of raw silk imported.....	\$71,138,698	
Value of spun silks imported.....	4,319,401	
Value of waste silk imported (estimate).....	1,323,000	
		<hr/>
Value of materials brought into this country from abroad.....	76,781,099	
Does not include imported dyes, chemicals, etc., comparatively small items.		
Estimated profit about 6 per cent on capital invested, reported.....	\$152,158,000	
Add one-third for subsidiary concerns.....	50,719,000	
		<hr/>
Total.....	202,877,000	12,172,000
		<hr/>
Total cost of imported material and profit.....	88,953,099	
		<hr/>
Which, subtracted from value of products (\$196,911,667—\$88,953,099) gives total labor.....	109,958,668	
Duplications (thrown silk sold to cotton, wool, electric, etc., is not duplication of product).....	18,000,000	
		<hr/>
Labor.....	91,958,668	

This is assuming that as affecting the silk industry in the United States, the total value is composed of three elements—the value of the materials brought into the country in their state at import, labor put upon them, and profits.

This statement might answer for the whole trade; but for any branch of it, such as the weaving industry, it is all at sea again.

The reported value of silks follows: Broad goods, \$107,871,146; velvets, \$4,767,990; plushes, \$2,104,768; tapestries, \$332,820; ribbons, \$32,744,873.

These industries represent in their product most of the labor used in the entire report, and also a very large amount of labor not reported; almost the entire amount used in printing, finishing, dyeing, and embossing.

On the other hand, in the throwing industry (incompletely reported as such, because a large part of it is contract work) there is reported as product for sale, \$12,550,510. This is not more than 10 per cent labor and is largely diverted into the electrical, cotton, and woolen industries; this applies only to that part, so diverted, not dyed or otherwise converted.

## ANSWERS TO INTERROGATORIES.

Question 1. What is the name, nature, and use of the commodity you produce?

Answer. Articles manufactured of silk or of which silk is a component material. Cheney Bros. manufacture spun silk, thrown silk, yarn dyed, piece dyed, and printed dress goods, decorative goods, upholstery goods, linings, millinery goods, dress velvets, millinery velvets, decorative and upholstery velvets and plushes, ribbons, velvet ribbons, cravats, flags, cushion squares, handkerchiefs, and many other articles of transient character. The silk association represents manufacturers of any articles made of silk or of which silk is a component material, including also raw silk merchants, throwsters, dyers, printers, finishers, knitting and hosiery manufacturers, weavers of all kinds of goods, commission houses, importers, manufacturers of supplies, etc.

Question 2. What are the raw materials used in its production? State exact nature of material used.

Answer. Cheney Bros. practically use all materials used by any manufacturer of silk goods. There are silks ranging in quality and value from the lowest grade wild silks worth approximately \$1.25 per pound to the highest grade raw silks produced, valued at \$4.50 per pound. These materials fluctuate in value to such an extent that the highest grade silks vary in price from \$3.50 to \$6 per pound, other grades correspondingly.

Spun silks are made, not from worked over materials, but from the silk not able to be used in the reeling establishments, known as filature waste, and from pierced cocoons, those from which the moths have emerged. These wastes vary in value from about 40 cents to \$1.25 per pound. Spun silks vary in value from \$1 per pound to \$4 per pound, according to the quality and character of material and the size of spinning.

Other materials used in the industry are cottons, chiefly high-grade, linen, worsted, chiefly of the highest grade, gold and silver tinsel threads, dyestuffs, etc.

Question 3. Are the raw materials used by you produced in this country or imported? If imported, in whole or in part, whence are they imported and what proportion of the whole is imported?

Question 4. What is the cost per unit of the raw material of your product?

Answer. None of the silk materials used in this industry are produced here. A majority of the other materials are made in the United States. Question 4 can not be accurately answered. The imports of raw silk for the year 1912 amounted to 24,778,096 pounds at a value of \$80,214,761. The imports of waste silk amounted to 4,713,450 pounds at a value of \$2,417,199. Spun silk imports amounted to 3,403,772 pounds at an invoice value of \$5,093,420. The imports of raw silk in round figures were as follows: Europe, \$10,000,000; Japan, \$57,000,000; Canton, \$4,000,000; China, \$8,000,000; wild silks, \$1,500,000; spun silks chiefly imported from Europe; waste silks from Europe and Japan.

Question 5. Give also, if you can, the cost per unit of raw material of this commodity in foreign countries. State figures for each country.

Answer. The values given above are all invoice values and are therefore foreign values. Raw silk and waste silk come in free and the value in this country is the same. Spun silks pay a duty of 37½ per cent, and the value in this country would be increased correspondingly. The question can not be more accurately answered than has been done in the preceding questions.

Question 6. What part of your production of this commodity do you export? To what countries and in what quantities and values and what rates of duty are paid at the several foreign ports of entry?

Answer. Cheney Bros. have no export business except an occasional sale in Canada. The export business of silks according to the Government report No. 5 of the Sixty-third Congress, first session, show for the year 1912 silk waste \$16,080. This is low-grade noils, a product of the spun silk industry which can not be utilized for the manufacture of spun silk in this country. Manufactures of silk goods amounting to \$1,992,765, which is chiefly ready-made clothing exported to Canada, a few novelties, and a small quantity of silk hose. It may practically be said that there are no exports of silk goods in competition, it being only exported because of bareness of market or novelty of design. The Canadian tariff on articles exported from this country to that amounts to 22½ per cent on sewing silks, 27½ per cent on velvets, 32½ per cent on ribbons, 35 per cent on other manufactures of silk goods.

Question 7. Are you interested in any other concern exporting this commodity? If so, give name, amount of product exported, and the actual selling price of this product here and abroad.

Answer. No.

Question 8. What were the wholesale prices charged by you and by any concern in which you are interested for this commodity in the domestic market, and what were the prices charged by you and any concern in which you are interested for this commodity when sold in foreign markets during the first four weeks in January, first four weeks in April, first four weeks in July, first four weeks in October, 1912, and the first four weeks in January, 1913?

Answer. This question would require a volume to answer. Silk prices are so many and so varied and fluctuating that we do not feel able to answer this question either for the thousands of products of Cheney Bros. or for the silk industry. Cheney Bros. are not interested in an export business. Such exports as they have made have been at their regular prices charged in the American markets, plus duty.

Question 9. What was the cost of transportation of your products from your factory to the principal foreign markets, giving the names of markets for the periods specified in question 8?

Answer. No answer. (See answer to question 8.)

Question 10. What country or countries are your chief competitors in the sale of this commodity in the foreign markets to which you export?

Answer. Do not export.

Question 11. Is there a tariff differential for or against you in any of the countries to which you export this commodity? (a) If so, what is the amount of such differential? (b) What rates of duty have you paid?

Answer. Do not export.

Question 12. How many concerns are engaged in the manufacture or production of this commodity in this country?

Answer. The census report gives for the year 1909, 852 establishments interested in the production of silk goods in the United States. This is not complete, as there are several branches of the silk trade not reported as a part of the silk census, such as dyeing, printing, finishing establishments, knitting, hosiery, electrical concerns, silks used in other arts and in the manufacture of cottons, woolens, etc.

Question 13. Who are the principal producers?

Answer. Cheney Bros. are the largest single manufacturers in this country if their business is taken as a whole. In any branch of their business, except the spun silk, there are other producers in this country who are as large or larger. In the spun silk industry they produce approximately one-third of the product made in the United States, or about 15 per cent of the consumption.

Question 14. Are any of these producers organized into a trust or combination to control the price or output or for any other purpose and have you any connection or interest, directly or indirectly, in such trust or combination?

Answer. There are no producers in the United States organized into a trust which in any way controls the price of any silk product nor any other feature of the silk business. There are such trusts in Europe in the velvet and spun-silk industries, and there is one said to be forming in the ribbon industry.

Question 15. What proportion of the production of this commodity in this country is produced by such trust? What proportion by the independent producers?

Answer. None produced by a trust. Entire product by independent producers.

Question 16. Is there any difference in the price charged for this product in the domestic market by the independent producer and the trust producer?

Answer. Answered by No. 15.

Question 17. What were your wholesale prices f. o. b. factory of this commodity sold in the United States during the first four weeks in January, first four weeks in April, first four weeks in July, and first four weeks in October, 1912, and the first four weeks in January, 1913?

Answer. Impossible to answer for the same reasons as given in No. 8.

Question 18. What were your wholesale prices of this commodity f. o. b. factory for export in foreign countries during the periods mentioned in question No. 17?

Answer. No foreign exports.

Question 19. What was the cost of production in your plant per unit of your product for the fiscal years 1910 and 1912? Give cost of materials, labor, overhead charges, and depreciation charges in separate items and in as much detail as possible.

Answer. Impossible to give a unit of value for such a tremendous variety of products. Would mean nothing if it could be obtained as an average. In Cheney Bros.' plant the averages are as follows:

	Materials.	Labor and overhead charges.
	Per cent.	Per cent.
Grey spun silk.....	58.7	41.3
Colored spun silk.....	51.7	48.3
Colored reeled silk.....	81.1	18.9
Piece, dyed, and printed goods.....	46	54
Ribbons and cravats.....	33.9	66.1
Yarn, dyed, broad goods.....	34.8	65.2
Velvets.....	56.3	43.7
Raw stock value.....		\$3,777,001
Total wages paid.....		2,837,877
Overhead expense, including supplies of all kinds, rents, and taxes.....		1,110,863
Total.....		7,725,741
Depreciation.....		382,758
Total.....		7,658,499

In velvets the item of materials is high because of large importations of spun silk, upon which duty is paid; used in the manufacture of velvet.

The proportions here given are averages, and if applied to any specific instance would be liable to go far astray, as the proportions of material and labor vary greatly in any of the above classifications according to the quality of the goods made. Have not at hand figures to give these proportions more in detail.

Question 19a. In this connection give capitalization as follows:  
Amount of common stock issued.

Answer. \$7,000,000.

Question 19b. Amount of preferred stock issued.

Answer. None.

Question 19c. Amount of bonds issued.

Answer. None.

Question 19d. Amount of actual cash or its equivalent in property received in consideration of the stocks and bonds given above.

Answer. Assets worth considerably more than capital stock.

Question 19e. Rate of dividend paid on preferred stock.

Answer. None.

Question 19f. Rate of dividend paid on common stock.

Answer. Dividends for 20 years back average slightly over 4 per cent on capital invested: 1909, 4.1 per cent; 1910, 4.2 per cent; 1911, 4.1 per cent; 1912, 4 per cent.

Question 19g. Rate of interest borne by bonds.

Answer. No bonds.

Question 19h. How much of your earnings for each of the years 1910, 1911, and 1912 have been credited to surplus and how much have been devoted to additions to the plant?

Answer. Surplus is directly invested in the business and represents plants, stocks of goods, etc. All additions to plant, machinery, or funds are credited to surplus. (See balance sheet.)

Question 19i. Salaries paid during each of the foregoing years to each of your principal officials.

Answer. The salaries of the three officers, president, vice president, and secretary-treasurer, combined amount to \$29,000.

Question 19j. Statements of assets and liabilities, 1910, 1911, and 1912.

## 1910.

Assets:	
Real estate and machinery.....	\$2,760,162.93
Merchandise.....	5,081,822.11
Cash and debts receivable.....	3,782,587.39
	<u>11,624,572.43</u>
Liabilities:	
Capital stock.....	1,000,000.00
Accounts payable.....	1,846,963.81
Surplus.....	8,677,608.62
	<u>11,624,572.43</u>

## 1911.

Assets:	
Real estate and machinery.....	2,861,169.02
Merchandise.....	5,996,609.41
Cash and debts receivable.....	3,545,690.15
	<u>12,403,468.58</u>
Liabilities:	
Capital stock.....	7,000,000.00
Accounts payable.....	2,165,266.00
Surplus.....	3,238,202.58
	<u>12,403,468.58</u>

During the year the capital was increased from \$1,000,000 to \$7,000,000 by the capitalization of a portion of the funds actually invested in the business over a long period of years.

## 1912.

Assets:	
Real estate and machinery.....	\$4,256,042.00
Merchandise.....	5,435,637.98
Cash and debts receivable.....	3,893,086.06
	<u>13,584,766.04</u>
Liabilities:	
Capital stock.....	7,000,000.00
Accounts payable.....	1,864,960.04
Contingent reserve.....	1,067,312.77
Surplus.....	3,652,493.23
	<u>13,584,766.04</u>

Real estate and machinery as stated above in report for 1911 was according to the book value at that time; deductions having been made for depreciation over a long period of years. During the past year the property has been scientifically reappraised and value is largely increased, thereby releasing from the depreciation fund the sum of \$1,067,312.77 which has now been transferred to contingent reserve as shown in statement. (This \$1,067,312.77 does not mean an increase of assets during the year.)

Question 19k. Comparative balance sheet for the years 1910, 1911, and 1912.

Answer. This business is not of mushroom growth. It was established in 1838 and has been built up by three generations of a large family, and by careful economy rather than by large profits.

Question 20. Give the value for which the property shown in the above statement of assets and liabilities was assessed for taxation in 1912.

Answer. Cheney Bros. are assessed for taxation in the town of Manchester, Conn., upon \$8,613,884. They also pay taxes on smaller amounts in several other States. In addition taxes upon funds, bonds, stocks of goods in various States are paid directly and indirectly in amounts somewhat difficult to capitalize. This firm pays taxes upon as large proportion of its property as any firm in the United States.

Question 21. Give transcript of your labor roll for the periods covered in questions Nos. 17 and 18. (a) Skilled laborers. (b) Unskilled laborers. (c) Men. (d) Women. (e) Children of minimum age, stating minimum age prescribed by your State law. (f) Native born. (g) Foreign born. (h) Number who are citizens.

Answer. Cheney Bros.'s pay roll for 13 weeks ending December 14, 1912, day pay only, not including managers, superintendents, or clerks averaged as follows:

	Per day.
60 overseers.....	\$3.82
2,072 men.....	2.29
204 boys.....	1.25
1,434 women.....	1.55
355 girls.....	1.05
4,125 employees.....	1.896
For corresponding period in 1911:	
67 overseers.....	3.94
2,130 men.....	2.26
216 boys.....	1.14
1,543 women.....	1.49
258 girls.....	.99
4,217 employees.....	1.87
For corresponding period in 1910:	
64 overseers.....	3.58
2,032 men.....	2.20
173 boys.....	1.12
1,332 women.....	1.49
364 girls.....	1.07
3,965 employees.....	1.83

The average wages of Cheney Bros. for the year 1900 was \$1.56 per day for 2,700 employees (including clerks and salaries).

	Per day.
1890.....	\$1.51
1880.....	1.32
1870 (paper money).....	1.49
1860.....	(1)
1848.....	.72
1843 (all employees).....	.514

<sup>1</sup> Roll missing.



*Average wages paid per day for 13 weeks ending Dec. 14, 1912.*

	Men.	Women.
Weavers:		
Broad goods.....	\$2.42	\$1.02
Velvets.....	2.57	.....
Ribbons and cravats.....	2.35	2.45
Winders:		
Soft silk.....	.....	1.30
Velvet department.....	.....	1.54
Throwing.....	.....	1.32
Loom fixers.....	2.70	.....
Machinists.....	2.09	.....
Twisters.....	2.72	2.36
Quillers.....	.....	1.00
Dyers.....	1.78	.....
Printers.....	4.65	.....
Printers' helpers.....	1.88	.....
Reekers.....	.....	1.65
Finishers.....	2.14	1.45
Spinners.....	2.64	1.53
Warpers.....	.....	1.59

Compare the above with foreign wages, on page 4572, hearings before Ways and Means Committee, Schedule L. "Boys" and "Girls" here classified are somewhat loosely used terms, applied generally to young beginners. They do not cover any special limits of age. The law of Connecticut allows the employment, under certain conditions of school certificates, of children over 14 years of age. Cheney Bros. do not employ anybody under 15 years of age on moving machinery. Many departments do not employ anybody under 16 years of age on moving machinery.

We should classify most of our laborers as skilled labor, although there are a limited number of men employed in outdoor work, in dye-house and other employment, errand boys, etc., who are unskilled. An analysis showing the number of skilled and unskilled laborers would require great detail.

We have no recent figures showing number of employees of different nationalities. In the year 1900 there were 2,700 employees, of whom 1,465 were American born, 847 Irish, 28 Scotch, 283 German, 292 Swedish, 189 Italian, 53 English, 280 Slavonic, 104 French, 18 Swiss, 9 Danish, and 4 scattering. Of the 2,072 men employed, 900 are voters in the town of Manchester.

We do not know the number of citizens.

Question 22. State amount of wages paid per annum for the years 1910, 1911, and 1912, and total value per annum of your product for the same years.

Answer. See answer to question 10.

Question 23. State the character, quality, and age of the machinery used in manufacturing your product.

Answer. The machinery is the most modern known. Whenever any improvements in machinery are made in this country or abroad they are immediately installed. The machinery in the silk industry in the United States has little advantage over foreign machinery. French and German silk machinery has kept fully up to the highest, and far ahead of machinery of other industries in Europe. Some of the best silk machinery now in use is made in France. American manufacturers of silk machinery have been active; otherwise it would have been impossible for such an advance of wages to have taken place as

has been indicated above and at the same time for the prices of the goods to have fallen as is indicated by the following table of the oldest product of Cheney Bros., their old black grosgrain silk: Average price obtained in 1869, \$1.06 per yard; 1874, \$1.56; 1879, \$1.20; 1884, \$0.91; 1887, \$0.80; 1890, \$0.85; 1895, \$0.81; 1900, \$0.64; 1903, \$0.61; 1912, \$0.60.

Yet in spite of the tremendous advances in the improvement of silk machinery, there are to-day in Japan mills equipped with machinery equal to that of any American mill, a considerable portion of it bought in this country, and Japan last year turned out more goods woven upon this modern machinery than upon its old machinery, and Japan is now the largest exporter of manufactured silk goods in the world.

Question 24. What is the total cost of production per unit of the same products as yours in competing countries? In answering this question give the exact source of your knowledge or information.

Answer. Too many units to answer; would mean nothing.

Question 25. What is the percentage of labor cost to the total cost of a unit of product in competing countries? In answering this question give exact source of your knowledge or information, stating countries separately.

Answer. Labor cost in France approximately one-half of the United States, in Italy one-quarter; in Japan one-tenth; in China, about one-twentieth. Consult following table of silk wages compiled from United States census, New Jersey census, the Japanese census, reports of the French Chamber of Deputies, consular reports from Japan, China, Italy, and France, and private investigations and reports, all reduced to one monetary value; also the transcript from the report of the commission appointed by the French Chamber of Deputies.

#### Silk wages.

[Report of the commission charged to proceed to inquire upon the state of textile industry and the condition of the weavers. Document No. 1922, third volume, Chamber of Deputies, session 1914.]

	United States.		Japan.		China.		Italy.		France.	
	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.
Weavers (men).....	\$1.00	\$1.00	\$0.20	\$0.10	\$0.15	\$0.05	\$1.25	\$0.30	\$1.50	\$0.50
Winders (women).....	1.40	.50	.10	.08	.08	.01	.25	.15	.40	.20
Machinists (men).....	1.50	2.00	.30	.20	.....	.....	.75	.35	1.50	.75
Dyers (men).....	2.50	1.65	.....	.....	.....	.....	1.00	.35	1.25	.75
Reeling (women).....	(1)	(1)	.22	.07	.14	.07	.30	.15	.45	.25
Children.....	1.00	.10	.08	.05	.03	.02	.16	.02	.20	.10
Spinners (girls).....	1.50	1.00	.15	.12	.10	.05	.30	.20	.50	.30
Hours.....	10	8	15	12	11	11	12	11	12	10

: Not done.

Following are extracts from various reports contained in the above publication:

[Report of the council of experts of Lyons.]

The rate of salaries in mechanical weaving is on an average of 1.50 francs per hand. In hand weaving the average is only 1.25 francs. Variation in pay for last 20 years, from 1884 to 1895, a shrinkage of 30 per cent, and 1895 to present day a shrinkage of 40 per cent; that is to say, a total of 70 per cent.

[Report of the syndicated chamber of weavers of Lyons.]

The pay may be counted at 3 francs per day, but with time lost, the salary shrinks to from 50 to 60 francs a month or 600 to 700 francs a year. Salaries have shrunk one-half during the last 20 years, and the cost of living has increased.

[Report of the syndicated workmen weavers of furniture goods.]

Salary, 2 francs per day; that is to say, 600 francs a year. Variation in the last 20 years, 40 per cent decrease. We estimate the cost of maintaining a family at 1.25 francs per head, and of the unmarried workmen at not less than 2.50 francs. We are paid by the piece, on a system of advances, and are generally satisfied with the custom established.

[Report of the syndicate chamber of the dyeing, printing, and finishing industries of silks.]

#### SKEIN DYEING.

Twenty years ago the workers were paid 3 francs for 11 hours of work. These hours of work have decreased progressively and are now reduced to 10 hours, for which, up to 1904, they were paid 3, 3.25, and 3.50 francs. At the present time the minimum of this pay is 3.75 francs for 10 hours. The minimum pay for dyers' helpers was 4.50 francs. It is now 5 francs--the workers being paid according to their professional capacity. The salaries vary from 5 to 6 francs, and even 6.50 francs. The pay of women has increased from 2.50 francs for 11 hours of work to 2.75 francs for 10 hours.

The minimum tariff for a day is, for dyers' helpers, 5 francs. All other workmen, 4.50 francs. For workmen during first year of work, 3.75 francs; after the first year, 4 francs. Women, packing by hand, 2.75 francs; apprentice packers by hand, during apprenticeship, which lasts for three years, 1.50 francs. Male apprentices, first year, 1.50 francs; male apprentices, second year, 2 francs; male apprentices, third year, 2.75 francs.

#### PIECE DYEING.

For workmen having received a certificate of apprenticeship, 5 francs. For workmen during the first year, 3.75 francs; after the first year, 4 francs. For women during the first year, 2.25 francs; after the first year, 2.50 francs.

[Report by H. Bouchard, president of the group of Lyons manufacturers of the syndicate of power-loom weavers.]

It is very difficult to fix the rate of a day's pay, for it varies greatly according to the particular conditions. The average appears to be from 2 to 2.50 francs a day for weavers. In the preparatory process it appears to be from 1.50 to 2 francs for winders, 3 to 3.50 francs for warpers, 2.25 to 2.50 francs for quillers, 5 to 6 francs a day for "Gareurs" workmen, weavers, and mechanics. During the last 20 years the pay in the preparatory stages appears to have increased; that of the weavers has certainly diminished.

[Testimony of Mr. Augagneur, mayor of Lyons.]

I have caused to be made, by the council of expert weavers, statistics based upon given names, to enable me to ascertain the average salaries of hand weavers. They do not receive more than 2 francs a day on the average throughout the year. I beg the council of experts to take at hazard a number of weavers and to examine their pay records for a period of a year. The great majority of hand weavers have not received quite 2 francs a day.

[Report of chamber of commerce, St. Etienne.]

The gross pay for a loom varies at the present time from 3.50 to 8 francs a day. The salary of the assistant is one-half the gross product of the loom. The assistant on velvet looms receives two-thirds, and not one-half, of that which is paid to the chief. The expenses of the chief weaver are less for velvet because this article necessitates fewer changes in the set-up of the loom. The assistant pays 30 or 20 centimes a day to the chief on account of motive power. The warpers, folders, etc., earn from 2 to 2.50 francs a day; apprentices, 1.50 francs.

[Report of the council of experts for weaving at St. Etienne.]

At the present time the pay of a head weaver who conducts his own loom himself, the expenses of which he has to pay, may be estimated at 3.50 francs gross per loom. If the loom is run by an assistant, the gross receipts of the latter is 1.75 francs a day.

[Report of the Syndicate Chamber of Workmen in Textile Industry, Saint-Etienne.]

The average rate of pay amounts to approximately, for head weavers, 3 francs and 1.50 francs for workmen. For warpers and folders, it is 1.50 francs; for winders, 75 centimes. The salaries vary very often, the industry being a seasonable one.

[Report of the Syndicate Chamber of Shop Foremen of Weavers at Saint-Etienne.]

Without fear of being disputed, one may estimate the average pay of a foreman weaver at 3 francs, and if one considers that the workers are paid one-half for ribbons and two-thirds for velvet, it appears that the average per day is 1.50 to 2 francs.

[Report of the Syndicate Chamber of Weavers and Textile Materials of Saint-Etienne.]

Female employees, 1.50 to 2.25 francs for young girls during first two years, 2.25 to 2.50 francs for women. Males, 3 to 4 francs for workmen without special skill, 4 to 6 francs for workmen having been through a complete apprenticeship.

[Report of committee of foremen dyers at Saint-Etienne.]

Twenty years ago the workmen were paid 3 francs for 11 hours of work. The hours of work have shrunk successively and are at the present time reduced to 10 hours, for which, up to 1901, they were paid 3, 3.25, to 3.50 francs. At the present time the minimum of this pay is 3.75 francs for 10 hours. The minimum pay for dyers' helpers was 4.50 francs; it is now 5 francs. Workmen being paid according to their professional capacity have salaries from 5.25, 6, to 6.50 francs. Pay of women has passed from 2.50 francs for 11 hours of work to 2.75 francs for 10 hours.

The unit of value of the product in the silk business has very little meaning. Their market value is very largely a matter of fashion and changes rapidly.

Question 26. Give the cost of transportation from your factory to the principal markets in this country, naming the markets.

Question 27. What is the cost of transportation from the principal points of production in competing countries to the markets in this country? In answering this question, give the names of competitive countries.

Answer. Our products are sold in every city of the United States. Transportation is a very unimportant factor in silk goods, because of their high cost, either as relating to domestic products or foreign importations. Raw silk worth \$4 per pound can be transported from Japan to South Manchester, Conn., for 6 cents per pound.

Question 28. What part of the duty under the Payne-Aldrich law represents your profit as a manufacturer?

Question 29. Have you a pecuniary interest in the maintenance of a high tariff rate on this commodity?

Answer. Impossible to state. Profits of silk manufacturers do not average over 6 per cent on the capital invested. Without the tariff they could not do business. Any reduction in the tariff will result in either a loss of business to the United States or in lower wages. The profits made in the business are not large enough to tempt any capital to enter it upon a less rate of return than the present. The business is very hazardous, one in which the percentage of failures is very large, and the successes have all been very moderate. No great concerns have been built up which in any way compare with those in other industries, and such concerns as are successful have been built up by careful management and economy of administration, and not by large profits.

## SENATOR LA FOLLETTE'S QUESTIONS.

Question 4. What is the amount of the consumption of this commodity in this country?

Answer. It is assumed that it is approximately the census figures of production plus imports, or \$171,000,000 of production and approximately an average of about \$30,000,000 a year of imports, or approximately a consumption of \$200,000,000.

All the other questions have been answered above.

HORACE B. CHENEY,

*For Cheney Bros. and for the Silk Association of America.*

## GREASE-PROOF AND IMITATION PARCHMENT PAPERS.

HARTFORD CITY PAPER CO., HARTFORD CITY, IND., BY B. A. VAN WINKLE.

HARTFORD CITY, IND., *June 9, 1913.*

## COMMITTEE ON FINANCE.

*United States Senate, Washington, D. C.*

GENTLEMEN: We beg to call your attention to the following answers which we submit to the Interrogatories Propounded to Manufacturers by the Committee on Finance.

We filed a brief with the Committee on Finance, asking an increase in the rate of duty on grease-proof and imitation parchment paper. This item is specified in paragraph 332, Schedule M, H. R. 3321.

Our answers follow:

No. 1. It is used for wrapping fancy candies, fancy toilet soaps and articles, perfumery, products of manufacturing chemists, fancy cigars and tobacco, and other fancy articles, principally used to improve the appearance of such articles.

No. 2. Chemical wood pulp (sulphite fiber).

No. 3. We import a small per cent of our raw material. We import from both Scandinavia and Germany.

No. 4. About 65 per cent of our raw material costs \$60 per ton f. o. b. our factory; the remaining 35 per cent, \$46 per ton.

No. 5. Can only judge the cost of raw material in foreign countries by its selling price in this country. We can buy the raw material from abroad at the same delivered price we pay for the domestic raw material.

No. 6. Practically no exportations. Total exports less than 1 per cent of our production. Export to Canada only and principally to Toronto. These export orders are always in small amounts and for special sizes and designs and because of quick deliveries. Orders always less than ton lots. There is no mill in Canada manufacturing this product and the use of it in Canada is very limited. We could not compete in the Canadian market with Germany, Scandinavia, Austria, or Holland if goods were required in large quantities.

No. 7. We have no interest in any other concern exporting this commodity, and have no interest in any concern manufacturing it

for the domestic market except the factory owned by ourselves--the Hartford City Paper Co.

No. 8. The exact wholesale prices which we received for our product in the first four weeks of January, first four weeks of April and July, first four weeks of October, 1912, were as follows:

## GREASE PROOF.

	Excelsior.	Superior.	Bison.	Gotham.	Fast blue.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
25-50 pound.....	\$6.75	\$6.50	\$6.25	\$5.50	\$8.00
22-24 pound.....	7.00	6.75	6.50	5.75	.....
20-pound.....	7.25	7.00	6.75	6.00	.....

## GLASSINE PAPER.

25-50 pound.....	\$8.50	\$7.75	\$7.50	\$7.00	\$6.75
20-24 pound.....	9.25	8.50	8.25	7.75	7.75
18-pound.....	10.50	10.25	10.00	8.50	9.75
16-pound.....	12.00	11.50	11.25	9.25	11.00
14-pound.....	12.50	12.25	12.00	10.25	11.75
12-pound.....	11.50	11.00	10.75	.....	11.50

## MANIFOLD PAPER.

	Excelsior.	Superior.	Bison.	Bull.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
17 by 22, 8 1/2-pound, 500.....	\$7.50	\$7.25	\$6.75	\$7.75
17 by 22, 8-pound, 500.....	8.50	8.25	8.00	.....
17 by 22, 7-pound, 500.....	9.25	9.00	8.75	.....
17 by 22, 6 1/2-pound, 500.....	9.75	9.50	9.25	.....
17 by 22, 5 1/2-pound, 500.....	11.50	11.25	11.00	.....

## ONION SKIN.

	Glazed.	Unglazed.
	<i>Per cent.</i>	<i>Per cent.</i>
17 by 22, 8 1/2-pound, 500.....	\$9.50	\$8.25
17 by 22, 8-pound, 500.....	10.50	9.50
17 by 22, 7-pound, 500.....	11.50	10.00

The prices which we received for our paper for the first four weeks in January, 1913, are exactly the same as the prices received for the periods of 1912 inquired about.

No. 9. Our principal exports go to Toronto, Canada. The freight rate is 35 cents per hundredweight (see answers Nos. 6 and 11, relating to exports).

No. 10. Scandinavia, Germany, Austria, and Holland only competing countries.

No. 11. We know of no tariff differential. The general difference in the standard of living and of wages in this country and in Germany, Scandinavia, Austria, and Holland, which affect all items of cost of production, prohibits the manufacturer in this country from com-

peting in foreign markets. The foreign markets, by the way, exist principally only in the competing countries mentioned and countries contiguous to them. Other world markets, if there are any for this product, are so scattered and meager that it is impractical (too expensive) to do any exploiting. It will take many years to develop enough of a taste for this fancy product in South and Central American countries, for instance, to create any market worth while.

No. 12. Six, including ourselves.

No. 13. Hartford City Paper Co., Hartford City, Ind.; Thihsany Pulp & Paper Co., Kaukauna, Wis.; Warren Manufacturing Co., Regalsville, N. J.; Warren Parchment Co., Dexter, N. Y.; Moore & Thompson Paper Co., Bellows Falls, Vt., and Wausau Paper Co., Wausau, Wis.

No. 14. Not to our knowledge. We have no connection, directly or indirectly, in any trust or combination to control prices, curtail output, or for any other purpose.

No. 15. None of the production of this commodity in this country is produced by trusts.

No. 16. None produced by trusts.

No. 17. See answer to question No. 8.

No. 18. Same prices were charged for export business—if there were any—as was charged for domestic consumption.

No. 19. The average cost per ton in 1910 was \$129.88 and the average cost in 1912, \$118.75. The cost of materials in 1910 was \$205,475.54; labor, \$80,844.72; overhead charges, \$68,455.48; charged off for depreciation, \$18,137.64. The cost of materials for 1912 was \$352,101.15; labor, \$137,254.64; overhead charges, \$69,010.15; charged off for depreciation, \$20,900.

No. 19a. \$300,000.

No. 19b. \$20,900.

No. 19c. \$119,000. \$204,895 personally indorsed notes, full proceeds of which were used in equipping mill to manufacture this product and in permanent improvements and corresponds to a bonded indebtedness.

No. 19d. Full face value was received on all our notes, stocks, and bonds.

No. 19e. 6 per cent.

No. 19f. No dividend has ever been paid on common stock.

No. 19g. 6 per cent. The answer to *c*, *f*, and *g*, covers the entire period of time covered by inquiry. Common stock has been issued about 17 years, but has never paid a dividend.

No. 19h. None of our earnings for the years 1910, 1911, and 1912 have been credited to surplus. We have applied all earnings to discharge of indebtedness.

No. 19i. No salaries are paid to our president, vice president, secretary, or treasurer.

Nos. 19j and k. We call your attention to the attached comparative balance sheet for the years 1910, 1911, and 1912, which answers both questions j and k.

## Comparative balance sheet.

	1910	1911	1912
<b>ASSETS.</b>			
Plant, including real estate.....	\$206,551.31	\$208,011.36	\$200,331.22
Merchandise, paper.....	17,821.72	31,453.68	35,825.36
Materials, raw.....	21,920.17	30,898.46	32,292.89
Materials, conversions.....	11,630.00	14,480.67	21,870.28
Extras and supplies.....	2,925.95	7,198.33	3,692.20
Tools.....	1,356.45	1,274.81	1,379.01
Furniture and fixtures.....	690.25	1,035.25	1,405.37
Insurance, mutual.....	2,333.33	4,110.00	3,288.00
Cash in bank:			
First National.....	1,007.15	315.42	215.51
Blackford County.....	3,118.05	116.03	306.21
Cash, petty.....		505.76	227.88
Bills receivable.....	287.20		
Accounts receivable.....	28,687.20	30,688.59	20,000.70
Sundry accounts.....	151.56	32.21	685.13
Park and pond.....			3,072.21
Profit and loss (losses).....	102,888.09	52,613.58	
<b>Total.....</b>	<b>785,317.43</b>	<b>768,144.55</b>	<b>724,620.68</b>
<b>LIABILITIES.</b>			
Capital stock:			
Common.....	300,000.00	300,000.00	300,000.00
Preferred.....	800.00	11,000.00	20,500.00
Bonds.....	119,000.00	119,000.00	119,000.00
Bills payable.....	317,809.56	267,745.00	201,835.00
Accounts payable.....	53,758.31	38,655.96	35,987.10
Pay roll, accrued, not due.....	2,879.22	1,277.11	552.04
Office salaries accrued, not due.....	200.00	500.00	500.00
Victoria Wood & Pulp Co.....	1.00	1.00	1.00
Sundry accounts.....	925.91	1,565.25	2,880.17
Reserve cash.....	61.38		
Profit and loss (profits).....			39,894.28
<b>Total.....</b>	<b>785,317.43</b>	<b>768,144.55</b>	<b>724,620.68</b>

No. 20. \$50,125.

No. 21. Our pay roll for the four weeks of January, 1912, was \$6,243.62; April, 1912, \$6,079.32; July, 1912, \$5,807.32; October, 1912, \$6,249.81; January, 1913, \$6,578.77.

The above amounts include only the wages of the day labor employed in the factory. They do not include any salaries paid to manager, superintendents, assistant superintendent, cashier, stenographers, bookkeeper, or salesmen.

The remaining portion of this question we answer as follows: For 1912—

No. 21a. Skilled laborer, 53; unskilled labor, 87. For January, 1913, skilled labor, 53; unskilled, 91.

No. 21c. For January, 1912, 117; January, 1913, 124.

No. 21d. For January, 1912, 23; January, 1913, 20.

No. 21e. No children employed of minimum age. The minimum age prescribed by our State is 16 years.

No. 21f. All but two.

No. 21g. Two.

No. 21h. All.

No. 22. Amount of wages paid per annum: For 1910, \$80,844.72; 1911, \$122,906.62; 1912, \$137,254.64. The selling value of our product for the same years was as follows: 1910, \$390,019.77; 1911, \$558,313.07; 1912, \$657,330.35.

No. 23. Our machinery is of the latest pattern and most efficient character and highest quality which we can buy. New machinery has been installed throughout the entire factory since 1910, including



that year, with the exception of four boilers, one engine, and a part of one of the paper machines.

No. 24. We do not know the exact cost of production per unit of the same paper that we produce in foreign countries. We can only estimate it by the prices which they offer it for in this country.

No. 25. Have no definite information on this point.

No. 26. Note below the carload and less-than-carload rates of freight from our factory to principal points of consumption:

Location.	Carload.	Less than carload.
	Percent.	Percent.
New York.....	\$0.48	\$0.45
Philadelphia.....	.16	.44
Baltimore.....	.15	.42
Boston.....	.20	.50
Chicago.....	.07	.24
St. Louis.....	.06	.25
Omaha.....	.27	.66
Pacific coast points.....	.50	1.00

A very small percentage of our product is sold in carload lots, a very large percentage being sold in ton and less-than-ton lots; therefore we do not get the advantage of the carload rates of freight on much of our product and are compelled to pay the less-than-carload rates.

No. 27. Have never been able to ascertain exactly what the through rates are from foreign ports to our principal inland distributing points.

The freight rates from Hamburg and Rotterdam to our Atlantic ports are 16 cents per hundredweight, and from Christiana and Gotenburg 20 cents per hundredweight. The rates from the above export ports to our Pacific coast ports are 35 cents per hundredweight. These rates apply to less-than-carload shipments as well as to carload shipments, giving the foreign manufacturer a decided advantage over us in freight rates to our ports.

No. 28. In the year 1910 our profit, which was \$5.96 per ton, represented about one-tenth of the duty assessed by the Payne-Aldrich law. In 1912 our profit, which was \$16 per ton, represented practically one-third of the duty assessed by the Payne-Aldrich law, but in 1912 we had the benefits of the new installation of latest patterns of machinery, of additional experience, and were able to operate the mill 24 hours a day for 311½ days. This profit could not have been obtained under any other conditions.

During the month of March, 1913, we were shut down four days on account of flood, and the loss of this four days practically wiped out our profits for that month.

No. 29. Yes.

Referring to the questions propounded by Senator La Follette, we assume that the answers to the foregoing 29 questions will sufficiently answer the Senator's interrogatories.

STATE OF INDIANA, *Blackford County, ss:*

B. A. Van Winkle, being duly sworn, upon his oath deposes and says that he is the treasurer and manager of the Hartford City Paper Co., of Hartford City, Ind.; that said company has made the foregoing answers to questions propounded by the Committee on Finance

of the United States Senate; that he has been directed by the president of said corporation and is authorized to make oath to said answers for and on behalf of said corporation; that the matters and statements contained in said answers to said questions are the truth to his best information and belief.

B. A. VAN WINKLE.

Subscribed and sworn to before me the undersigned clerk in and for the county and State aforesaid, this 9th day of June, 1913.

In witness whereof I have hereunto set my hand and official seal the day and year last above written.

[SEAL]

CLYDE STRAIT, *Clerk*.

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### LITHOGRAPHS, ETC.

GRAPHIC ARTS CO., BUFFALO, N. Y., BY W. D. WEINIG, SECRETARY AND MANAGER.

BUFFALO, N. Y.

Question 1. What is the name, nature, and use of the commodity you produce?

Answer. Lithography, lithographs, pictures, posters, labels, stationery, checks, stock certificates, etc.

Question 2. What are the raw materials used in its production?

Answer. Paper, coated and bond, litho inks, oils, varnish, acids, and a large number of other materials that are used in smaller quantities.

Question 3. Are the raw materials produced in this country or imported?

Answer. They are produced in this country. There is considerable imported bronze powder sold here, but most of the German ink and bronze powder firms who do business here have factories here for the manufacture of their products.

Question 4. What is the cost per unit of the raw material of your product?

Answer. The materials cost about 40 per cent of the cost of the product.

Question 5. Give, if you can, the cost of the raw materials in foreign countries.

Answer. I have no knowledge of the cost of litho papers and inks in Europe.

Question 6. What part of your product do you export?

Answer. We do not export any part of our product. New York, Buffalo, Chicago, and Cleveland take almost the whole of our product.

Question 7. Are you interested in any other concern exporting this commodity?

Answer. No; our business is not large and is local in its character.

Question 8. What were the prices charged by you as compared with foreign prices?

Answer. There is no fixed price for lithograph products, as each price depends entirely on the quality of the paper used, the number of colors printed on, and the kind of finish used, whether bronze, varnish

or embossing is used; so that the price on each piece of work is different and depends upon the quality and quantity of the work.

**Question 9.** What is the cost of transportation from your factory to foreign markets?

**Answer.** We have no knowledge of the cost of transportation to foreign markets, but as we can not compete to advantage with cities in our own countries that have a freight rate in their favor, we certainly could not compete with countries that have both transportation and cheap labor in their favor.

**Question 10.** What countries are the chief competitors?

**Answer.** Germany, the country that invented lithography and has developed it to a very high degree. A very large proportion of the artists engaged in lithography in this country are Germans, who come here on account of the higher wages, and in fact this applies to all departments of the business, and a list of the names of those at work in any lithograph factory would show that they are mostly Germans, as that country is the home of lithography, but they prefer to come here to follow their trade on account of the high wages they can get here.

**Question 11.** Is there a tariff differential against you in any of the countries to which you export this commodity?

**Answer.** We do not export any part of our product, and do not know whether or not Germany has a tariff on lithographs.

**Question 14.** Are any of the producers in this country organized into a trust?

**Answer.** No; not to my knowledge. There is open competition, which is so keen that the profits on the work have been cut to the lowest point possible.

**Answer to questions 15, 16, 17, and 18.** We do not believe that this country has any export trade in lithographs. If so, it must be very small, as we have never heard of it.

**Question 19.** What was the cost of production in your plant per unit of your product for the fiscal years 1910 and 1912?

**Answer:**

	1910	1911	1912
Commissions.....	85,390.79	86,518.06	86,200.11
Interest and Discount.....	681.24	3,685.39	811.09
Freight and cartage.....	2,750.17	5,279.81	2,621.35
Paper.....	10,522.62	17,521.21	15,850.75
Ink and varnish.....	19,267.21	12,468.76	13,355.74
Outside finishing.....	7,765.12	9,686.98	9,615.25
Expense, taxes, insurance, etc.....	1,721.87	1,852.58	3,857.95
Energy.....	12,775.75	16,511.10	11,055.50
Prose.....	18,012.01	22,003.70	22,501.72
Transfer.....	11,211.61	11,671.08	12,602.70
Bindery.....	9,240.98	10,133.21	9,695.40
Embossing.....	1,112.81	2,017.88	2,027.00
Power.....	3,522.56	2,971.59	2,861.11
Salaries of officers.....	7,785.00	8,800.00	8,500.00
Office expense.....	1,128.74	1,052.87	1,073.85
Traveling expense.....	225.50	201.46	280.59
Total.....	196,398.63	193,112.67	152,668.16
Sales of product for same time.....	162,616.33	156,898.91	161,131.31
Profits.....	26,217.59	13,796.27	8,196.11

You will notice the dwindling profits in these years. This was owing to the fact that the National Association of Lithographers ordered all lithograph factories to go on the eight-hour schedule,

which was done, but owing to the keen competition instead of raising the price of the goods we were actually compelled to cut prices to get the business, which of course made the difference shown above in our profits.

These profits have to cover the interest on the capital stock.....	\$35,000.00
Capital invested in the plant.....	111,914.20
<hr/>	
Depreciation on the plant, 10 per cent.....	10,000.00
Interest on \$146,914. 5 per cent.....	7,317.20
	<hr/>
	17,317.20

You can readily see that only in the year 1910 did we make enough to cover the interest on the money invested, and the depreciation of the plant, and this was the only year that we paid any income tax.

Still we have no complaint to make, because we have been able to keep our men employed and our presses running. But since the Democrats got busy on the tariff we have laid off our men, and our presses are standing idle, and our sales have dropped to less than half what they were last year. We are sore, because we have worked hard to build up our business, and we hate to see it ruined simply by a change in political parties. You would feel the same if the hard struggle of half a lifetime had been put into your business, and you had to see it go down to defeat to satisfy the ambitions of a political party.

Question 22. State the amount of wages paid per annum, 1910, 1911, and 1912.

Answer. We paid wages as follows: 1910, \$59,684.09; 1911, \$69,332.23; 1912, \$68,340.24. You can easily see that the labor cost is a very large part of the cost of our product.

Question 23. State the character, quality, and age of the machinery used in manufacturing your product.

Answer. Printing presses, rotary, Hoe stone presses, offset presses, bronzing machines, cutting machines, roughing machines, and embossing machine, die-cutting machine, folding machine, etc., all of which are the newest models and have been bought within the last 11 years, and all of which we are compelled to keep up to the highest degree of efficiency in order to turn out perfect work, as all this work must register to a hair's breadth, and you can not produce perfect work on a machine that does not run with absolute precision. The Hoe litho press has never been excelled.

Question 25. What is the labor cost in competing countries?

Answer. We are informed that the German craftsmen are paid from \$1.35 to \$2 a day, while our own men in these trades get from \$3 to \$5 a day. In Germany they work 12 hours a day; we work 8 hours. The National Association of Lithographers must have this information on file, and can give you the accurate figures.

Question 28. What part of the duty under the Payne-Aldrich law represents your profit as a manufacturer?

Answer. It is hard to say, because the only year that we ever made any real profit was the year 1910. What we can state positively is that the statement on the part of the Democrats that the tariff was to be materially reduced has interfered with business conditions and has reduced our sales as shown below:

	1910	1911	1912	1913
January.....	\$11,475.17	\$17,858.51	\$16,353.42	\$11,156.52
February.....	18,918.65	10,308.82	21,997.05	6,052.70
March.....	16,364.97	14,142.31	19,998.16	9,437.09
April.....	12,708.36	9,644.90	13,194.95	7,335.31
May.....	7,557.20	15,200.42	9,029.41	7,659.74
Total.....	70,022.35	67,164.02	82,573.63	41,641.36

These figures are copied from our ledger, and show that our sales this year—because the country went Democratic last November—are cut right in two in the middle. What the Democrats propose as a cure for this situation is an "investigation." How that will help us any we are at a loss to understand, but we will welcome anything you have to propose that bears any resemblance to a cure, because we naturally hate to see our plant closed up, and no plant can long do business at a loss, especially where the capital is small.

Question 29. The 16 different questions under this number, can be answered by the National Association of Lithographers, and I have no doubt you have their reply to these questions. I do not think that any lithographs made in this country are sold in Europe.

GRAPHIC ARTS Co.,  
Buffalo, N. Y.

BUFFALO, N. Y., June 19, 1913.

Mr. William D. Weinig, to me known to be the president of the Graphic Arts Co., deposes and says, that the statements of facts made in the attached report to the Senate Finance Committee, are true in every particular, and the figures given in every case are taken from our ledger, and are correct to the best of our knowledge and belief.

WM. D. WEINIG.

Subscribed and sworn to before me, this 19th day of June, 1913.

[SEAL.]

GEORGE W. FOLGER,  
Notary Public.

### BRAID, TRIMMINGS, ETC.

THE SUTRO BROS. BRAID CO., 222 FOURTH AVENUE, NEW YORK, N. Y.  
BY FREDERICK C. SUTRO.

NEW YORK, N. Y., June 3, 1913.

No. 1. We manufacture braids, trimmings, ornaments, and buttons, all of which are used for trimming or ornamenting women's clothes, men's clothes, and uniforms.

No. 2. The raw materials used are artificial silk, which is a yarn manufactured from wood pulp or cotton fiber and represents the silk of the silk worm, natural silk, mohair and worsted yarns, cotton yarns, metal threads, and other materials that are from time to time demanded by the fashions. Unlike that of other textile industries, our product is an extremely varied one that changes constantly in its character according to the dictates of fashion. Our product is purely and simply a luxury.

No. 3. Artificial silk yarn is imported from England, Germany, France, Belgium, and Italy. It is practically all imported as there is only one American plant, the American Viscose Co., of Marcus Hook, Pa., the amount of whose product is a small item in proportion to the total imports. Natural silk is all imported. The form in which we use it is called thrown silk, which we secure from domestic throwsters. Mohair and worsted yarns of the quality suitable for our use are practically all imported, as we find the imported yarns more satisfactory for our use than the domestic qualities. These are mostly imported from England. Cotton yarns which we use are practically all domestic. Metal threads are manufactured in this country only in a very limited quantity. They are mostly imported from France, Germany, and Russia. In the year 1912 the following materials were made use of in our mill in the proportions named, the percentages being based upon the purchase values: Artificial silk, 49½ per cent, nearly all imported; natural silk, 14½ per cent, bought from domestic throwsters; mohair and worsted yarns, 16 per cent, about 3 per cent domestic; cotton yarns, 14½ per cent, all domestic; metal threads, 5½ per cent, all imported.

Nos. 4 and 5. Owing to the varied nature of our product, there can be no standard unit in our industry. These two questions therefore can not be answered. Inasmuch as our braids are made of various materials, the percentage of cost of raw material varies greatly in the finished article. In a cotton braid, the material may amount to only 20 per cent of the value of the braid. In an artificial-silk braid, 50 per cent. Our industry differs from all other textile industries in the character of its product. A woolen mill produces only woolens; a silk mill, silks; a cotton mill, cotton. In our mill, however, we work up silk one day, the next day cotton, another day metal thread, the following day some other material that may be in vogue; always on the same machine, tended by the same operative.

No. 6. Owing to the high duty on all of our raw materials, we can not export except to a trifling extent to Canada, and there only on account of our proximity to that market. The Canadian rate of duty upon the goods we manufacture is 35 per cent.

No. 7. No.

No. 8. As practically all of our product consists of fancy goods and novelties there is no fixed or market price. No two manufacturers make the same style either in this country or in Europe.

No. 9. We do not export. See answer to question 6.

No. 10. We do not export because we can not compete with Germany or France, which countries are the principal competitors of the United States in our industry. Both Germany and France produce their own raw materials and thereby render it impossible for American manufacturers to compete with them in the markets of the world. It is precisely in order that we may enter into the export field that we have asked in our brief that the duty on artificial-silk yarn (H. R. 3321, par. 327) be reduced from 35 to 15 per cent.

No. 11. See answers 6, 9, and 10.

No. 12. There are over 100 concerns engaged in the manufacture of the various lines that we produce.

No. 13. The principal manufacturers of braids and trimmings besides ourselves are the Castle Braid Co., the Waitzfelder Braid Co., the August Moll Manufacturing Co., and C. E. Hertlein, all of this

city; the Fielder Manufacturing Co. and the Baum Manufacturing Co. of Chicago; and Hensel Collodiy & S. Rosenau, of Philadelphia, Pa.

Nos. 14, 15, and 16. There is no trust or combination of any kind in our industry. The keenest competition prevails among the various manufacturers in this country, as each is independent.

No. 17. See answer to question 8.

No. 18. See answer to question 6.

No. 19. We have no fixed unit, therefore the first question of this number is unanswerable. The total cost of materials, labor, overhead charges, and depreciation charges during the fiscal year May 1, 1911, to April 30, 1912, was \$284,018.30. From May 1, 1912, to April 30, 1913, was \$217,744.85.

No. 19a. Common stock, 919 shares, at \$100 each.

No. 19b. Not any.

No. 19c. Not any.

No. 19d. Cash fully paid in.

No. 19e. Not any.

No. 19f. No dividends paid in 1911 or 1912.

No. 19g. Not any.

No. 19h. Not any.

No. 19i. In 1911, total \$27,000. In 1912, total \$22,000.

No. 20. \$61,000.

No. 21. We do not keep records showing the various subdivisions called for.

No. 22. Wages paid for the fiscal year May 1, 1911, to April 30, 1912, \$122,047.96; fiscal year May 1, 1912, to April 30, 1913, \$95,258.89.

No. 23. The machinery we use consists mostly of steel, largely imported; is of the highest grade of workmanship and varies in age from 1 year to 30 years or more. We are compelled to retain old machinery because our product is subject entirely to the changes of fashions, and articles made on old machines are sometimes more in demand than those made on a newer type. When we use the term "old machinery" we do not mean that the machinery is worn, but merely old in years. Worn machinery is discarded. In our mill we have about 25 different types of machinery, each type making an entirely different kind of goods. For that reason rarely more than 60 per cent (and that percentage only in the most prosperous times) of our plant is in operation, owing to the fact that fashion governs our output. From this it will be readily seen that our product is purely a luxury.

Nos. 24 and 25. See answers 4, 5, and 19.

No. 26. We sell our products throughout the United States. The cost of transportation is therefore determined by the existing freight and express rates, which are paid by the purchaser. Our product pays first-class rates.

No. 27. The ocean freight is \$6 per cubic meter. To this must be added cost of inland freight abroad and here. Competitive countries are France and Germany.

No. 28. Our profits are based upon our cost without in any way considering the Payne-Aldrich tariff. Our product is governed primarily by fashion. Braid styles originate in connection with the creator of fashions abroad, and braids themselves, when demanded

by the fashion, are imported, no matter how high the tariff. It has not infrequently occurred that when we reproduced foreign patterns our costs were higher than the foreign landed costs, and this notwithstanding the provisions of the Payne-Aldrich law.

No. 29. We have a pecuniary interest in the maintainance of a high tariff on our products only provided that there are proportionate tariff rates on the raw materials. In other words, in order to exist we need a fair differential protection between the duties on the raw materials and the finished goods. This pecuniary interest, however, is limited to the necessity of existence. If the differential protection between the rates of duty on the raw material and on finished goods is reduced to a smaller margin we can not compete at all with the European manufacturer. It is precisely for this reason that we ask that the duty on artificial silk yarn (H. R. 3321, par. 327) be changed from 35 to 15 per cent.

Respectfully submitted,

THE SUTRO BROS. BRAID CO.,  
FREDERICK C. SUTRO, *Secretary.*

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#### EXPLOSIVE SUBSTANCES.

HOYNES SAFETY POWDER CO., CLEVELAND, OHIO. BY WILLIAM J. HOYNES, TREASURER.

Hon. FURNIFOLD McL. SIMMONS,

*Chairman Committee on Finance, United States Senate,*

*Washington, D. C.*

DEAR SIR: Replying to the interrogatories propounded to manufacturers:

No. 1. The name of our product is Hoynesite. It is an explosive compound, a mechanical mixture which corresponds to high-grade blasting powder, which may be fired by ignition from a spark, and also may be classed as a high explosive, corresponding to dynamite, which is fired by detonation. It is used in the mining of coal, quarrying of stone, mining of minerals, and for general blasting purposes.

No. 2. The raw materials used in its manufacture are chlorate of potash, sugar, and a small portion of binding agent, such as gum arabic, glue, etc.

No. 3. Chlorate of potash is produced in three plants in the United States, one located near Bay City, Mich., another at Niagara Falls, and another in Vermont. The entire production of all of these plants is controlled by one business firm in the city of New York, who have entered into a pool agreement with foreign manufacturers in Sweden, Norway, Great Britain, France, and on the Continent, under the terms of which no chlorate of potash manufactured in the United States shall be shipped to foreign countries or markets, and foreign manufacturers will not sell for delivery any chlorate of potash for shipment into the United States, this creating a complete monopoly superior to the tariff laws. By reason of this pool, the said firm in New York is able to demand and receive exorbitant profits on chlorate of potash from American purchasers. The pool prohibits the importation of this article.



No. 4. The cost of manufacture of chlorate of potash by the electrolytic process, as we are creditably informed, is about  $3\frac{1}{2}$  cents per pound at factories in the United States. The cost of the manufacture of sugar varies, and is well known to the committee.

No. 5. The cost of manufacture of chlorate of potash in Sweden, where water power, convertible into electricity, is cheaper, we are reliably informed is  $3\frac{1}{2}$  cents; in Great Britain, France, and on the Continent,  $3\frac{1}{8}$  cents.

No. 6. We do not export any of our commodity.

No. 7. We are not interested in any concern exporting this commodity.

No. 8. Our company has for some months been engaged in placing its capital stock, preparatory to the building of numerous small plants to be located advantageously in large coal-mining districts, in the metal-mining districts of the Mountain States, and in other centers where explosives are used, with a view to avoiding high freight rates on explosives, and the dangers of transportation over the railroads and through cities, expecting to manufacture our product in the localities where it is to be used. We have installed an initial plant near Mussillon, Ohio, where all of the experimental work has been conducted, and considerable quantity of our product, aggregating 75 tons, has been manufactured up to date, and our explosive has been tested generally in the coal mines in Pennsylvania, Ohio, West Virginia, Indiana, Kentucky, Illinois, Colorado, and other States. It has been generally tested for quarry work and metal mining in several other States, and the excellent quality and high efficiency have been demonstrated to the satisfaction of numerous consumers. Just at the time when we are prepared to enter into the manufacture of the explosive on a large and general scale, we are confronted with the excessive price of raw materials by reason of this pool agreement, and the creation of this American monopoly, we believe, is solely founded upon the tariff on chlorate of potash, as an inducement to the foreign manufacturers to enter into such a pool and exclusive monopoly. The removal of the tariff would, in our judgment, destroy this inducement to foreign manufacturers and would at least invite them to enter the American market as competitors in the supply of this most important raw material item used in the manufacture of our product. We therefore have no data to present setting forth prices and volume of trade, for we are just entering upon the stage of manufacture in a commercial way.

No. 9. We have not exported our product, and have no items of cost of transportation to present.

No. 10. We have not yet exported our powder and have no active competitors abroad.

No. 11. We are not informed as to any tariff differential against us in foreign countries. Our patents have been taken out in the following foreign countries: Great Britain, France, Spain, Japan, Mexico, and Australia, and applications pending in others; but we have as yet made no use of them.

No. 12. There are three or four small concerns desiring an opportunity for the extension of their business, but up to date have made little progress.

No. 13. The production of chlorate explosives is only nominal in the United States. The industry is a new one, brought about by the

production of chlorate of potash by the electrolytic process instead of by chemical manufacture, which has greatly reduced the cost of producing chlorate of potash and makes possible the use of this article for explosive purposes.

No. 14. None of the manufacturers of explosives using chlorate of potash is connected with any trust or combination of any character to control prices or output, or for any other purpose, being wholly independent in every respect.

No. 15. We do not believe that the Powder Trust manufactures any powder using chlorate of potash as an explosive base. It manufactures nearly all kinds of low and high explosives, which are sold in competition with the powder to be manufactured by the Hoynes Safety Powder Co. The Powder Trust and its colleagues and competitors manufacturing similar grades of powder are the producers against which this company would compete. There are no independent producers of chlorate of potash powders whose product amounts to any considerable quantity.

No. 16. Prices have not been established in the various markets by any producer of chlorate of potash explosives.

No. 17. Answers to former questions seem to cover this.

No. 18. We have not exported any of our product to foreign countries.

No. 19. We have not manufactured on a commercial scale, but only for demonstration and introduction, and are not prepared to furnish data required.

*Subitem 5.*—The capital stock of the Hoynes Safety Powder Co. is \$2,050,000, divided as follows: Common stock, \$2,000,000; preferred, \$50,000. Incorporated under the laws of the State of Delaware. As stated in reply to former question, we are just now subscribing this stock and approximately \$100,000 in cash has been paid in and many additional subscriptions have been made. The company is in the formative period.

No. 20. Investments have not been made in property other than the experimental plant near Massillon, Ohio, costing approximately \$10,000.

No. 21. We have, as yet, no labor roll to present. The greater number of the employees have been engaged in demonstration and introduction work, and the plant for the supply of the explosive for such purposes has not been regularly operated.

No. 22. Answers to foregoing questions seem to cover this.

No. 23. The machinery used in manufacturing consists of steam and power plant, grinding, pulverizing, and incorporating mills, and chemical apparatus for laboratory and manufacturing purposes.

No. 24. There is no similar product to ours, so far as we know, manufactured in foreign countries. There is a chlorate of potash explosive manufactured on an enormous scale in France and on the Continent and in northern Africa, known as cheddite, and the manufacturers of this powder also manufacture their chlorate of potash, which is the explosive base of the powder. The source of our information is the general literature on the subject of explosives, and public tests of powder made by the various Governments—France, Great Britain, Germany, Austria, Italy—for the purpose of determining the values of an explosive for use in the mines of these coun-

tries and to comply with the laws allowing the sale and use of such powders in the mines. Cheddite has been placed on the "Permitted list of explosives" in these several countries.

No. 25. We are not advised as to the labor cost of the manufacture of cheddite or other similar powders abroad.

No. 26. The cost of transportation of our powder to the principal markets in this country has not been established. We expect to avoid freight charges and the dangers of shipment by locating and distributing plants in the various consuming districts in the country.

No. 27. There is no foreign powder or explosive similar to ours imported into this country. The Powder Trust, as shown by public records, which included producers of more than 95 per cent of the explosives of this country, entered into an agreement with all foreign manufacturers and the trusts of Europe in 1896 for a long term of years, renewable from year to year indefinitely and automatically and by the terms of which no foreign manufacturer could sell or deliver any explosives for shipment into the United States and vice versa for the American monopoly. This agreement, under pressure of the Government suit filed in 1906, was reported to have been canceled after the filing of the suit, but it is just as effective to-day, and ever since the dissolution, as it was at any period prior to that time.

No. 28. It is not so much the amount of duty under the Payne-Aldrich law that represents any profit we might obtain, as it is the fact that any tariff on chlorate of potash forms the basis and the inducement which enables the said concern in New York to control all chlorate of potash made in the United States, to enter into a pool agreement with foreign manufacturers prohibiting the import of chlorate of potash into this country, and by reason of which the American monopoly is able to compel the manufacturers of the United States to pay it any exorbitant price it may demand.

No. 29. We have no pecuniary interest in the maintenance of a high tariff rate on chlorate of potash or any other product. On the contrary, we desire and petition that chlorate of potash be placed upon the free list.

In further respect to the questions propounded by Senator La Follette we have to offer:

No. 1. Our product may be classed both as a low explosive and a high explosive.

No. 2. The raw materials used in its production are chlorate of potash in varying quantities, 40 to 60 per cent, and sugar varying in quantities from 35 to 60 per cent, with a small percentage of a binding agent.

No. 3. The production of this commodity in this country has been prohibitive in former years because of the high cost of chlorate of potash when made by chemical processes heretofore employed. It is made possible and is very desirable because of the manufacture of chlorate of potash by the electrolytic process.

No. 4. The consumption of the product has been very limited for reasons stated in reply to the latter question.

No. 5. Only three or four small manufacturers on a limited scale have yet engaged in the business, which may be considered to be in its infancy, for reasons apparent from replies to the last question.

No. 6. There are no principal producers. Our company is being organized on a large scale, with the hope of becoming an important manufacturer, if not excluded.

No. 7. The prices on this commodity have not been established in this country, for it has not yet been produced on a commercial scale.

No. 8. We are not advised that any commodity that could be compared with ours has been manufactured abroad, and prices could not, therefore, be compared.

No. 9. The cost of production, as we are advised, of chlorate of potash in this country is approximately 37 cents per pound. The cost of production of sugar varies, and is better known to the committee than to ourselves. We are interested and would welcome a reduction of the tariff on sugar, as this will be an aid in helping us to produce an explosive that can be sold at a reasonable profit in competition with the nitroglycerin and black-powder explosives produced by the Powder Trust.

No. 10. We are not advised of the production of any product similar to ours in competing countries.

No. 11. The business has not been sufficiently developed on a commercial scale to establish the labor cost of our powder. We estimate that it would be approximately 1 cent per pound.

No. 12. We have no advice as to foreign labor cost, as there is no similar product made abroad.

No. 13. The cost of transportation has not been established in this country.

No. 14. We are not advised as to the cost of transportation for export to foreign countries, and believe that it will be impossible for us to manufacture and export our commodity at a profit.

No. 15. The present duty is 2 cents per pound. The bill pending makes the duty on chlorate of potash 1 cent per pound. We ask that chlorate of potash be placed on the free list, as any duty is an inducement and incentive and forms the consideration for the pool agreement between the American monopoly and foreign manufacturers.

No. 16. Our reply to the latter question seems to cover this.

We respectfully petition the Senate and House of Representatives to place chlorate of potash on the free list instead of placing on it a duty of 1 cent per pound. It does not provide any revenue at any tariff rate, for the reason that the American monopoly has, by its pool agreement with foreigners, made the importation of this article prohibitive.

Very respectfully,

HOYNES SAFETY POWDER CO.,  
Per WM. J. HOYNES, *Treasurer*.

#### STATE OF OHIO,

*Cuyahoga County, ss:*

Wm. J. Hoynes, being first duly sworn, deposes and says that he is the treasurer of the Hoynes Safety Powder Co., a corporation organized and existing under the laws of Delaware, with its principal office at Cleveland, Ohio; that he has been designated by the president of said company to make answer to the interrogatories propounded to manufacturers by the Committee on Finance of the United States Senate; that he has executed the foregoing statement.

consisting of nine typewritten pages, inclusive of this page, and that the answers and statements contained therein are true.

WM. J. HOYNES.

Sworn to before me, a notary public in and for said county and State, by the said Wm. J. Hoynes and by him subscribed in my presence this 14th day of June, 1913.

[SEAL.]

W. J. MAHON,  
*Notary Public.*

### SAFETY FUSE.

COAST MANUFACTURING & SUPPLY CO., OAKLAND, CAL., BY A. H. MERRITT, VICE PRESIDENT.

OAKLAND, CAL., *June 11, 1913.*

Hon. F. M. SIMMONS,

*Chairman State Finance Committee.*

DEAR SIR: In response to the interrogatories to manufacturers for the benefit of the Finance Committee, we give the following answers. From these answers you will see that if any reduction is made in the duty on foreign-made safety fuse it will seriously cripple our industry and either put us out of business or compel us to do business for nothing.

No. 1. Name: Coast Manufacturing & Supply Co.; nature, corporation; commodity, safety fuse.

No. 2. Fuse powder: Specially made for the purpose and of the highest grade of black powder. Jute yarns: 2 $\frac{1}{2}$  lea, 4 lea, and 5 lea. Cotton yarns: No. 8, three-ply; No. 12, three-ply; No. 14, two-ply; also cotton cloth, special glazed, No. 14, two-ply. Special grade of asphaltum for waterproofing. Gutta-percha, balata, carnuba wax, paraffin wax, glue, china clay, talcum powder, aniline dye.

No. 3. Everything produced in this country is used. Importations are only gutta-percha, balata, carnuba wax, china clay, and aniline dye. Jute is imported but made into yarn at our local mill. We can purchase jute yarn in Scotland, pay freight, duty, and insurance at same price charged by our local mills.

No. 4. Average cost of all kinds in 1912, cost \$2.618 per 1,000 feet. Kind similar to imported article, \$2.73 per 1,000 feet. These prices are absolute cost.

No. 5. We can not state what foreign manufacturers' cost is. We can say, however, that quotations are made in New York and Galveston of \$2.33 per 1,000 feet. This price includes the profit to the German manufacturer, freight to New York, duty of 35 per cent ad valorem, and presumably a profit to the importer. A figure given us in 1909 by a German manufacturer for fuse imposed was \$2.14 per 1,000 feet.

No. 6. Our export business amounts to 65.10 per cent.

	Feet.	Value.		Feet.	Value.
British Columbia	1,500,000	\$5,815.62	Mexico	7,250,000	\$18,245.99
China	315,000	896.25	South America	250,000	700.00
Central America	3,121,000	10,396.18	Tululu	28,000	78.21

Practically all of our export business is in the cheapest varieties we manufacture. The duty in British Columbia is 20 per cent. The duty in Mexico is but a few cents, practically free.

No. 7. No.

No. 8. Prices for export and domestic:

	Foreign price.	Domestic price.		Foreign price.	Domestic price.
	Per 1,000 ft.	Per 1,000 ft.		Per 1,000 ft.	Per 1,000 ft.
British Columbia.....	\$2.54	\$2.54	Mexico.....	\$2.74	\$2.74
China.....	2.75	2.94	South America.....	2.85	3.20
Central America.....	3.40	3.56	Tahiti.....	2.85	3.30

No. 9. Our prices are f. o. b. cars or steamer.

No. 10. Germany, Belgium, England.

No. 11. British Columbia. (a) 33 $\frac{1}{3}$  per cent of 20 per cent differential. (b) 20 per cent.

No. 12. Six, and one is just starting.

No. 13. The Ensign-Bickford Co., Blight & Sons, the National Fuse & Powder Co., and ourselves.

No. 14. No.

No. 15. There is no trust that we know of.

No. 16. Prices in domestic market at present time are controlled entirely by prices offered by German fuse importers.

No. 17. Average domestic price f. o. b. on 13 varieties during periods stated was \$3.14 per 1,000 feet, which includes our highest priced varieties. Our prices have not varied during the past two years except to meet occasional cuts by German competition.

No. 18. Average foreign price f. o. b. factory on only five cheaper varieties was \$2.87 per 1,000 feet. Your attention is called to the fact that we export only the cheaper qualities; none of the higher qualities are exported.

No. 19. The cost per unit for 1910 was \$2,685. The cost per unit for 1912 was \$2,811, caused by increase of the cost of raw material, and the eight-hour law for women going into effect in California, May, 1912. We were forced to increase the pay of our female operators 12 per cent, with their time reduced 20 per cent.

	1910	1912
Materials.....	\$291,265.81	\$318,417.31
Labor.....	11,252.58	69,503.73
Repairs and maintenance.....	7,311.58	3,843.01
General expense.....	18,878.71	17,214.19
Overhead.....	13,920.00	12,530.00
Salaries.....	10,489.20	12,000.00
Freight.....	11,071.01	22,772.07
Expert blaster and traveling expenses.....		5,910.51
Depreciation.....	35,120.46	12,741.61

No. 19a. \$1,000,000.

No. 19b. None.

No. 19c. None.

No. 19d. \$1,000,000.

No. 19e. None.

No. 19f. Records incomplete and partially destroyed by fire in 1906 (covering 1903, 1904, 1905): 1906, 6 per cent; 1907, 6 per cent; 1908, three months at 6 per cent, nine months at 3 per cent; 1909, three months at 6 per cent, nine months at 3 per cent; 1910, 6 per cent; 1911, 6 per cent; 1912, 6 per cent.

No. 19g. None.

Nos. 19h and 19i:

	190	191	192
Surplus.....	\$9,061.85	\$19,817.50	\$20,301.51
Plant additions.....	31,587.77	8,205.71	12,711.61
President.....	2,400.00	2,400.00	2,400.00
Vice president and general manager.....	6,000.00	6,300.00	6,000.00
Secretary.....	2,800.00	2,400.00	2,000.00
Assistant secretary.....	1,800.00	2,025.00	2,325.00

No. 19j:

*Assets and liabilities going ending Dec. 31, 1910.*

ASSETS.

Plant and equipment:		
Plant, real estate, building, machinery.....		\$405,200.00
Furniture and fixtures.....		1,908.50
Patent registrations.....		785.20
Inventory Dec. 31, 1910:		
Fuse manufactured.....		28,501.33
Fuse in process.....		1,000.00
Raw material.....		121,521.01
Cash balance Dec. 31, 1910.....		18,611.86
Bills receivable.....		2,473.46
Accounts receivable.....		31,005.61
Impress fund.....		200.00
Freight advances.....		298.42
Securities.....		110,922.03
		1,210,427.55

LIABILITIES.

Capital stock.....	1,000,000.00
Accounts payable.....	28,925.70
Surplus.....	211,501.85
	1,210,427.55

*Assets and liabilities going ending Dec. 31, 1911.*

ASSETS.

Plant and equipment:		
Plant, real estate, buildings, machinery.....	\$915,119.39	
Auto trucks.....	5,206.20	
Furniture and fixtures.....	2,487.95	
Patent registrations.....	820.20	
	\$923,633.74	

Inventory Dec. 31, 1911:	
Fuse manufactured.....	\$16,874.37
Fuse in process.....	2,034.72
Raw material.....	133,211.75
	<hr/>
	\$152,120.81
Cash balance Dec. 31, 1911.....	9,759.54
Bills receivable.....	2,473.46
Accounts receivable.....	41,972.76
Impress fund.....	200.00
Traveling representative fund.....	250.00
Freight advances.....	.50
Securities.....	110,922.03
Taxes advanced.....	2,465.81
	<hr/>
Total assets.....	1,247,098.68

## LIABILITIES.

Capital stock.....	1,000,000.00
Accounts payable.....	24,749.13
Surplus.....	222,349.55
	<hr/>
Total liabilities.....	1,247,098.68

*Assets and liabilities year ending Dec. 31, 1912.*

## ASSETS.

Plant and equipment:	
Plant, real estate, buildings, machinery.....	\$916,020.49
Autos and trucks.....	7,999.20
Furniture and fixtures.....	2,487.95
Patent registrations.....	820.20
	<hr/>
	\$927,327.84
Inventory Dec. 31, 1912:	
Fuse manufactured.....	48,914.14
Fuse in process.....	2,755.61
Raw material.....	98,737.70
	<hr/>
	150,407.45
Cash balance Dec. 31, 1912.....	1,071.11
Accounts receivable.....	51,029.65
Impress fund.....	200.00
Freight advanced.....	286.67
Traveling representative fund.....	150.00
Securities.....	110,922.03
Taxes advanced.....	3,349.61
	<hr/>
Total assets.....	1,280,744.42

## LIABILITIES.

Capital stock.....	1,000,000.00
Accounts payable.....	26,090.14
Bills payable.....	12,000.00
Surplus.....	124,654.28
	<hr/>
Total liabilities.....	1,280,744.42

<sup>1</sup> It has taken 10 years to accumulate this surplus, most of which was done in early years before German competition developed.



## No. 19k. Comparative balance sheet for 1910, 1911, and 1912:

	1910	1911	1912
<b>ASSETS.</b>			
<b>Plant and equipment:</b>			
Plant, real estate, buildings, and machinery.....	\$905,200.00	\$915,419.39	\$946,020.49
Autos and trucks.....		5,206.20	7,999.20
Furniture and fixtures.....	1,508.50	2,457.95	2,487.95
Registered patents.....	785.20	820.20	820.20
	907,893.70	923,933.74	957,327.84
<b>Inventory Dec. 31:</b>			
Fuse manufacturing.....	28,501.41	16,574.37	48,914.14
Fuse in process.....	4,000.00	2,034.72	2,755.64
Raw material.....	124,521.01	133,211.75	98,737.70
	157,022.41	152,120.84	150,407.48
<b>Cash balance Dec. 31</b> .....	18,611.86	9,759.54	4,071.14
Accounts receivable.....	43,005.64	41,972.76	34,029.65
Impress fund.....	200.00	200.00	200.00
Freight advanced.....	238.42	.50	286.67
Traveling representative fund.....		250.00	150.00
Securities.....	110,922.03	110,922.03	110,922.03
Taxes advanced.....		2,465.81	3,349.61
Bills receivable.....	2,473.46	2,473.46	
	1,240,427.55	1,247,098.68	1,280,744.42
<b>LIABILITIES.</b>			
Capital stock.....	1,000,000.00	1,000,000.00	1,000,000.00
Accounts payable.....	28,925.70	24,749.13	26,000.14
Bills payable.....			12,000.00
Surplus.....	211,501.55	222,349.55	242,654.28
	1,240,427.55	1,247,098.68	1,280,744.42

No. 20. Real estate, \$57,950; improvements, \$19,850; personal property, \$100,000; moneys and solvent credit, \$40,100;

No. 21. January, 1912, \$4,441.31; April, 1912, \$5,222.07; July, 1912, \$5,206.98; October, 1912, \$5,257.75; January, 1913, \$4,994.05.

	1912				January, 1913.
	January.	April.	July.	October.	
No. 21a.....	95	110	101	111	101
No. 21b.....	11	14	15	16	11
No. 21c.....	58	69	79	76	73
No. 21d.....	48	55	37	51	39
No. 21e.....	None.	( <sup>1</sup> )			
No. 21f.....	64	78	66	75	64
No. 21g.....	42	46	50	52	48
No. 21h.....	70	50	70	80	70

<sup>1</sup> Minimum age 16 years.

No. 22. 1910, \$44,252.58; 1911, \$42,828.60; 1912, \$60,503.73. Fuse, total value of product per annum, for 1910, \$494,300.22; 1911, \$478,151.83; 1912, \$568,836.58.

No. 23. The machinery used is of special design and adapted only to our needs, and is costly, as we are compelled to build it ourselves in our own maintained machine shop, for the reason that it can not be purchased in the market, as but few people understand its uses and manipulation. Quality is necessarily of the best, as our product is dangerous to manufacture and must be nearly perfect, as human life is at stake in its use.

Regarding age of machinery, we practically rebuild our machinery about every three years, owing to the constant improvement in quality and methods of manufacture.

No. 24. We have no source of information as to the cost per unit in foreign countries. In 1909 we were informed by a German manufacturer named Brun that the cost was about \$2.14 per 1,000 feet. However, judging from prices quoted f. o. b. New York, freight and duty paid, of \$2.33 per 1,000 feet, the price at present must be about \$1.50 per 1,000 feet.

No. 25. We have no definite information as to percentage of labor cost in foreign countries. We give comparative wages.

This information has been obtained from authentic sources, such as the fuse manufacturers themselves.

European labor: Superintendents and foremen, \$56 to \$80 per month; male operatives, \$0.75 to \$1 per day; female operatives, \$0.24 to \$0.37 per day. Hours of labor, all kinds, from 10 to 12 hours per day.

European factories average about 20 per cent male and 80 per cent females. We do not know the cost of office force in Europe, but it is reasonable to suppose that the same ratio exists between the two countries in this respect as in the regular labor costs.

American labor: Superintendents and foremen, \$125 to \$200 per month; machinists, \$3.75 to \$5 per day; male operatives, \$1.75 to \$2.50 per day; female operatives, \$1.20 to \$1.75 per day. Hours of labor in California: Male, 10 hours per day; female, 8 hours per day, or 48 hours per week.

No. 26. Freight from Oakland, Cal., to Denver, Colo., \$2.60 per 100 pounds; Montana common points, \$2.10; Tonopah, Nev., \$2.50; Seattle, Wash., \$0.86; Portland, Oreg., \$0.56; Arizona points, \$2.15 to \$2.99.

No. 27. Freight from Antwerp and Hamburg to Denver, Colo., steamer to Galveston, thence rail, \$1.92; San Francisco or Oakland, via steamer, \$1 per 100 pounds. Please note that the freight on imported fuse is cheaper to Denver than we can ship to Denver from Oakland.

No. 28. We can not figure that the Payne-Aldrich law gives us any profit, as the Germans can and do undersell us at our cost price. Only the fact that our goods are better and more generally known enables us to make any profit at all under the present tariff.

No. 29. The only interest we have in a tariff rate is to enable us to make a living and a decent profit on our commodity, which our statement shows has not been done for years. Our business is a small one, the details of which are known by but few men, most of whom have spent their entire life in it and know no other. At the same time it is important, as on the quality of our goods depend human life every time they are used. This should be carefully considered.

#### ANSWERS TO QUESTIONS PROPOUNDED BY SENATOR LA FOLLETTE.

No. 1. Safety fuse used in mines and quarries and all places where blasting with powder or dynamite.

No. 2. Fuse powder. Specially made for the purpose and of the highest grade of black powder. Jute yarns, 2½ lea, 4 lea, and 5 lea. Cotton yarns, No. 8, three ply; No. 12, three ply; No. 14, two ply;

also cotton cloth, special glazed, No. 14, two ply. Special grade of asphaltum for waterproofing. Gutta-percha, balata, carnuba wax, paraffin wax, glue, china clay, talcum powder, aniline dye.

No. 3. Approximately 550,000,000 feet per year. We have no way of determining the production.

No. 4. Approximately 540,000,000 feet per year on estimated export and imports.

No. 5. Six, and one is just starting.

No. 6. The Ensign-Bickford Co., Blight & Sons, the National Fuse & Powder Co., and ourselves.

No. 7. Market price on Pacific coast based on average of 13 varieties produced by us, \$3.14 per 1,000 feet. This includes our best and highest priced goods as well as our cheaper grades.

No. 8. We have no source of information as to the cost per unit in foreign countries. In 1909 we were informed by a German manufacturer named Brun that the cost was about \$2.14 per 1,000 feet. However, judging from prices quoted f. o. b. New York, freight and duty paid of \$2.33 per 1,000 feet, the price at present must be about \$1.50 per 1,000 feet.

No. 9. Average cost of all kinds in 1912, cost \$2.618 per 1,000 feet. Kind similar to imported article, \$2.73 per 1,000 feet. These prices are absolute cost.

No. 10. We can not state what foreign manufactures cost is. We can say, however, that quotations are made in New York and Galveston of \$2.33 per 1,000 feet. This price includes the profit to the German manufacturer, freight to New York, duty of 35 per cent ad valorem, and presumably a profit to the importer. A figure given us in 1909 by a German manufacturer for fuse imported was \$2.14 per 1,000 feet.

No. 11. The percentage of labor cost per unit in this country is 20 per cent.

No. 12. We have no definite information as to percentage of labor cost in foreign countries. We give comparative wages.

This information has been obtained from authentic sources, such as the fuse manufacturers themselves:

European labor: Superintendents and foremen, \$56 to \$80 per month; male operatives, \$0.75 to \$1 per day; female operatives, \$0.24 to \$0.37 per day; hours of labor, all kinds from 10 to 12 hours per day.

European factories average about 20 per cent male and 80 per cent female. We do not know the cost of office force in Europe, but it is reasonable to suppose that the same ratio exists between the two countries in this respect as in the regular labor costs.

American labor: Superintendents and foremen, \$125 to \$200 per month; machinists, \$3.75 to \$5 per day; male operatives, \$1.75 to \$2.50 per day; female operatives, \$1.20 to \$1.75 per day; hours of labor in California: Male, 10 hours per day; female, 8 hours per day, or 48 hours per week.

No. 13. Freight from Oakland, Cal., to Denver, Colo., \$2.60 per 100 pounds; Montana common points, \$2.10; Tonapah, Nev., \$2.50; Seattle, Wash., \$0.86; Portland, Oreg., \$0.56; Arizona points, \$2.15 to \$2.99.

No. 14. Freight from Antwerp and Hamburg to Denver, Colo., steamer to Galveston, thence rail \$1.92; San Francisco or Oakland.

via steamer, \$1 per 100 pounds. Please note that the freight on imported fuse is cheaper to Denver than we can ship to Denver from Oakland.

No. 15. We can not figure that the existing duty fully represents the difference in cost of production, as German and Belgium prices are quoted in New York lower than our cost, and the German manufacturer has already had his profit.

No. 16. We can not figure that the Payne-Aldrich law gives us any profit, as the Germans can and do undersell us at our cost price. Only the fact that our goods are better and more generally known enables us to make any profit at all under the present tariff.

COAST MANUFACTURING & SUPPLY CO.,  
By A. H. MERRITT, *Vice President.*

STATE OF CALIFORNIA,

*County of Alameda, ss:*

I, A. H. Merritt, being first duly sworn, depose and say: That I am the general manager and vice president of Coast Manufacturing & Supply Co., a corporation organized under the laws of the State of Delaware, and as such general manager and vice president am fully informed as to the matters set forth in the foregoing statement; that I have read said statement, and that the same is, and all the facts therein stated are, true to the best of my knowledge and belief.

A. H. MERRITT.

Subscribed and sworn to before me this 13th day of June, 1913.

[SEAL.]

EDWARD C. ROBINSON,  
*Notary Public in and for the County of Alameda,  
State of California.*

### BLASTING CAPS.

CALIFORNIA CAP CO., OAKLAND, CAL., BY R. L. OLIVER, MANAGER.

*Comparative elements of cost.*

Labor. <sup>1</sup>	Wages per hour.		Proportion.	
	United States. <sup>2</sup>	Germany. <sup>3</sup>	United States. <sup>2</sup>	Germany. <sup>3</sup>
	Cents.	Cents.	Per cent.	Per cent.
Men.....	25-50	15	75	34-32
Boys.....	15	5	2	12-8
Women.....	16-20	7	23	34-60

General average: United States, 22.7 cents; Germany, 9.5 to 11 cents.  
Percentage labor to total cost: United States, 25 per cent; Germany, 21 per cent.

*Raw materials.*

	United States, <sup>1</sup>	Germany, <sup>2</sup>
Quicksilver, per pound.....	\$0.60	\$9.495
Nitric acid, 40 lb., per pound.....	.065	.064
Denatured alcohol, 180 proof, per gallon.....	.40	.307
Sundry merchandise, per 1,000 caps.....	.14	.09
Copper, rolled and stripped, per pound.....	.20	.20
Shells, per pound, manufactured.....	.53	.32
Weight, 1,000 empty No. 5 shells, pounds.....	2.00	1.7
Cost of 1,000 empty No. 5 shells.....	\$1.06	\$9.54

<sup>1</sup> Report of Consul General Skinner, Apr. 13, 1909.

<sup>2</sup> From company records.

<sup>3</sup> From data of Consul General Robert P. Skinner, of Germany, in Report No. 945 to Department of State, Feb. 27, 1913.

The raw materials used in this country are domestic materials produced and purchased here.

## COST PER UNIT OF PRODUCT IN 1912.

The cost of production in Germany as indicated above is as near as we can estimate from reliable data to hand and seems to be confirmed by prices for which the German product is offered for sale in Mexico, namely, \$2.99 per 1,000 f. o. b. Hamburg, which has always been considered selling practically at cost.

	United States.	Germany.
Materials per 1,000 average caps.....	\$2.64	\$1.90
Labor.....	1.28	.624
Overhead factory.....	.183	.131
Explosions and depreciation.....	.167	.10
Office expense.....	.31	.19
Total cost per 1,000 caps.....	4.59	2.935

## WHOLESALE PRICES AT HOME AND ABROAD.

The prices in Germany, indicated below, are from reports of American Consul General Skinner, previously referred to, and he draws attention to the fact that these were the same in 1909 as they are now.

The United States prices are from prevailing market lists f. o. b. New York. The prices run to 50 cents per 1,000 higher as freight is added to points West. Prices in the United States are 10 per cent lower than they were in 1909 and they are 20 per cent lower now than they were 10 years ago, in spite of increased cost of labor and raw materials.

The Canadian prices are from recent quotations of the Dominion Cartridge Co., of Montreal.

Grade.	Weight for 1,000 caps.	Germany.	United States.	Canada.
No. 3.....	550 grams.....	\$1.57	\$1.55	\$5.64
No. 4.....	650 grams.....	4.05	5.00	6.00
No. 5.....	800 grams.....	4.88	5.45	6.80
No. 6.....	1,000 grams.....	5.95	6.38	7.60
No. 7.....	1,500 grams.....	8.21	8.25	9.40

Nos. 5 and 6 grades most used, representing 90 per cent of total consumption in the United States.

The No. 5 cap, weighing 800 grams per 1,000, is the grade most used. Note that it sells in the United States for only 57 cents per 1,000 more than in Germany, where the cost of production is \$1.65 less. Note also that the price in the United States is \$1 less than in Canada, where the cost of production is the same as in the United States. The profits of American manufacturers are less than those anywhere else. Prices in Germany are controlled by a highly organized syndicate, as confirmed by the consular report previously mentioned, and, although the price for home consumption in Germany is high, the syndicate does dump into Mexico and is trying to dump into the United States their surplus product at exceedingly reduced prices, as will be observed by comparing the above prices with those given in testimony offered by importers before the Committee on Ways and Means. (See pp. 5297, 5301, 5305 of the hearings on Schedule X.)

#### COST OF TRANSPORTATION.

The cost of transportation from our factory to the principal markets in this country varies from a few cents per 1,000 caps in territory tributary to our factory in California, increasing to 25 cents as we distribute north into Oregon and Washington or east into Utah, and then to 50 cents per 1,000 into the Missouri River points and Lake Michigan.

The cost of transportation from Germany to New York or San Francisco is 20 marks per case of 25,000, or 0.8 marks, 16 cents, per 1,000, and some of this is absorbed on through rates to interior points, hence the freight differential between foreign and domestic business is a mere trifle.

#### BALANCE SHEET.

Balance sheets and costs for periods other than 1912 I have not with me in Washington, so can not give comparative data for previous years, but will be pleased to supply same subsequently.

*Balance sheet, Dec. 31, 1912.*

#### ASSETS.

Cash on hand and in banks.....	8956.54
Accounts receivable.....	43,433.62
Merchandise.....	131,088.15
Real estate.....	60,975.00
Plant.....	115,903.36
Roads and wharf.....	2,270.69
Office furniture.....	1,556.05
Stocks and bonds.....	12,711.51
	<hr/>
	398,927.95
	<hr/> <hr/>

#### LIABILITIES.

Bills payable.....	50,000.00
Accounts payable.....	17,313.81
Insurance reserve.....	11,685.18
Capital paid in cash.....	100,000.00
Surplus.....	219,928.93
	<hr/>
	398,927.95

This is an old-style corporation—surplus represents accumulation of 30 years from earnings put back into increasing plant and business instead of all dividends. The assets represent actual values. There is no capitalization of good will or other intangible values.

We have paid in dividends in the last three years an average of \$40,000 per year, and have passed an average of \$2,500 per year to surplus. Profits have not been as large as they used to be.

The only salaries paid to officials are \$6,000 per year to president, who is also general manager, and \$2,500 to secretary, who is also accountant; so the business carries a minimum of overheads. Total wages paid in 1912 amounted to \$54,177; total cost of product for the same period, \$214,023; total net receipts from sale of caps, \$256,588.

Machinery for drawing shells must be constantly maintained for very accurate work similar to machinery for ammunition, but the leading and pressing machinery is only second class. Renewals are frequent because of explosions, hence the machinery is always comparatively new and up to date.

Four concerns are engaged in the manufacture of blasting caps in this country. The Du Pont Powder Co. is the largest producer, California Cap Co. next, then the Fort Pitt Co., and the Union Cap & Fuse Co. Each are independent and competitive companies. There is no combination to control the price or the output. Each is after all the business it can get, taking advantage of freight differentials wherever possible and frequently cutting prices a few cents in order to get the business of some large consumer, often more accessible to one of the other plants. It is this kind of domestic competition which keeps prices as low as they are.

Referring to the question as to what part of the duty under the Payne-Aldrich law represents profit, as a manufacturer I desire to most respectfully state that, although it is difficult to answer without ignoring the personal element and others in the business to which profits are due, such as wise and efficient management, volume of sales, costs of selling, rates, advantageous purchasing of raw materials, freights, and many other elements unnecessary to enumerate, I sincerely believe that the present duty only equalizes foreign competition, especially as foreigners persist in reducing weights of caps for export 20 per cent below standard, noting that comparative costs herein have all been based on equal weights and formulæ, hence the differences in cost as shown herein are not as large as actually exist in foreign competition. Furthermore I doubt if any of the duty represents profit, because domestic competition is so keen in itself that a higher rate of duty would not increase selling prices, but, per contra, a material reduction in duty would result in flooding the country with an inferior and highly dangerous product to the demoralization and ruin of our business and to the benefit of no one, as shown in the brief.

The pecuniary interest which I have in maintenance of a high tariff is that I am manager of the company, my salary is at stake, and the investment of myself and associates is certain to be entirely lost, as we will have to shut down our factory if the proposed law be made effective.

I suggest that a 20 per cent reduction of the duty should be amply sufficient to be in keeping with the avowed policy of this adminis-

tration, and I feel that we can manage to get along with such a reduction, namely, to 40 per cent ad valorem or \$1.75 per 1,000, and in no event should the duty be less than this.

(Signed)

CALIFORNIA CAP CO.  
R. L. OLIVER, *Manager*

UNIVERSITY CLUB,  
Washington, D. C., May 24, 1913.

(Inclosure.)

#### CONSULAR REPORTS RELATIVE TO BLASTING CAPS.

American Consul General Robert F. Skinner, at Hamburg, Germany, in his report No. 945 to the Department of State, dated February 27, 1913, published in Daily Consular Report, April 16, 1913, gives data obtained from "reliable sources," showing costs of material and labor necessary for the manufacturing of blasting caps in Germany, and also gives a table showing the weights of charge in each grade of cap and selling prices to the German consumer.

The data from this report is segregated, compiled for comparison, and specifically designated in the accompanying answers to interrogatories of Senators. Data pertaining to reports and exports from Germany has been omitted because it constituted one set of figures combining blasting caps with ammunition, cartridges, and other explosives, hence misleading for the purpose of this report.

We also direct your attention to similar conditions in studying United States' statistical reports which combine blasting caps, percussion caps, firearm cartridges, ammunition, and the like in one classification. Blasting caps constitute only a small part of the general classification. They are the least used but most costly unit price, hence statistical data which combines blasting caps with other explosives is more likely to be misleading than to give even a fair idea of their relation in the general classification.

The consular report gives the following additional information, which is of interest, to wit:

"It is impossible to obtain absolutely correct figures relating to this special industry as a whole. In regard to one very important concern manufacturing blasting caps, the following entirely dependable figures have been obtained: Total number of employees, 177; number of men employed, 96; women, 59; boys, 15; girls, 7.

"It is quite impossible to state the German consumption of caps or the factory output in reliable figures. German official statistics make special mention of this industry. At the conclusion of this report will be found the names and addresses of substantially all the producing concerns, and certainly the most important ones in this country.

"The selling prices communicated to me from a reliable source on February 15, 1913, are identical with the prices quoted in a report from this office on March 18, 1909."

And in a subsequent report, No. 947, dated Hamburg, Germany, March 1, 1913, Consul General Skinner states:

"I am to-day in receipt of a communication from a person engaged in this industry, but who was unable to supply me with an intimate of the annual production of blasting caps in Germany for the reason that the officers of the syndicate composed of all German manufacturers and their representatives have positively forbidden that any reports of this character be given out."

#### GRAIN SEPARATORS, ETC.

THE A. D. BAKER CO., SWANTON, OHIO. BY C. W. CRISMAN,  
SECRETARY.

SWANTON, OHIO, June 11, 1913.

Hon. F. M. SIMMONS,

Chairman Senate Finance Committee,  
Washington, D. C.

DEAR SIR: Replying to your favor of the 24th inclosing list of questions, we wish to say that we do not export any of our articles at the present time, but the time is coming when we expect to, and when



that time comes we want to be able to enter other countries with our merchandise on an equal basis with the merchants of that country who enter the United States with their products of similar manufacture.

We manufacture grain separators, steam traction engines, steam road rollers, and expect to soon enter the gas and oil traction engine field.

We use different kinds of lumber in the manufacture of our products, also pig iron and iron and steel bars, plates, rounds, squares, etc. None of these articles we manufacture ourselves, but buy them from the mills and convert them into proper sizes and shapes at our factory.

Not having entered the foreign field, we are unable to give you the information asked for, and our product being of such a nature, it is almost impossible without great expense to maintain a cost system, and for the further reason that there are so many different sizes of machines, we are unable to give you some of the information.

No. 1. Answered above.

No. 2. Answered above.

No. 3. All manufactured or produced in this country.

No. 4. No cost system.

No. 5. Do not export. Can not answer.

No. 6. Do not export.

No. 7. No.

No. 8. Sixteen-horsepower traction engine, fully equipped, \$1,134; 18-horsepower traction engine, fully equipped, \$1,269; 20-horsepower traction engine, fully equipped, \$1,389; 25-horsepower traction engine, fully equipped, \$1,614; 30-inch cylinder grain separator, fully equipped, \$655; 33-inch cylinder grain separator, fully equipped, \$685; 36-inch cylinder grain separator, fully equipped, \$756.

These are prices charged in domestic. We do not export.

Nos. 9, 10, and 11. Do not export.

No. 12. Twenty-five that we know of.

No. 13. J. I. Case Threshing Machine Co., Racine, Wis.; Emerson-Brantingham Implement Co., Rockford, Ill.; M. Rumely Co., Laporte, Ind.; Port Huron Engine & Thresher Co., Port Huron, Mich.; The Buffalo Pitts Co., Buffalo, N. Y.; The Russell & Co., Massillon, Ohio; The Aultman & Taylor Machinery Co., Mansfield, Ohio; The Huber Manufacturing Co., Marion, Ohio; Nichols & Shepard Co., Battle Creek, Mich.; Minneapolis Threshing Machine Co., West Minneapolis, Minn.

No. 14. No.

No. 15. There are two combinations, but we do not consider them trusts.

No. 16. The large producers are able to sell cheaper and do sell cheaper.

No. 17. Answered in question 8.

No. 18. Do not export.

No. 19. We can not give you prices, owing to the fact that we have no cost system and have so many different sizes and articles which are differently equipped in different parts of the country.

No. 19a. \$100,000.

No. 19b. \$50,000.

No. 19c. None.

No. 19d. \$144,000 cash. Property, \$1,500.

No. 19e. Seven per cent.

No. 19f. 1906 to 1909, inclusive, no dividends; 1910 to 1912, inclusive, 6 per cent per annum.

No. 19g. None.

No. 19h. 1910, \$4,600; 1911, \$27,000; 1912, \$25,000. From \$1,000 to \$6,000 each year is profit on repairs. Had we not set aside earnings for several years, the profit would have been much smaller, and if figured at any percentage on investment the percentage of profit would be less than 12 per cent.

No. 19i. Never in excess of \$6,000.

No. 19j. 1910 assets, \$345,977.18; 1911 assets, \$365,229.59; 1912 assets, \$401,674.11. Out of the above, proper reservation has not been made for depreciation and probable losses.

No. 19k. See No. 19f.

No. 20. Over \$85,000.

No. 21. We never classified the laborers on our books, nor do we have a record of their nationality. However, as far as we know, all are citizens of the United States, and we believe there are no more than two at this time, and have never been more than five, foreign born. No female employees except in office. All laborers over 16.

No. 22. Wages, 1910, \$32,000; 1911, \$36,000; 1912, \$40,000. Sales, 1910, \$213,000; 1911, \$247,000; 1912, \$261,000.

No. 23. Average.

Nos. 24, 25, 26, and 27. Can not say.

No. 28. None.

No. 29. No. All we ask is reciprocity.

Yours truly,

THE A. D. BAKER CO.,  
By C. W. CRISMAN, *Secretary*.

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#### BEESWAX.

E. A. BROMUND CO., 253 CHURCH STREET, NEW YORK, N. Y.. BY E. A. BROMUND.

No. 1. Bleached white beeswax, and is used in the manufacture of cold cream or face cream, so-called beautifying creams.

No. 2. Raw or crude beeswax.

No. 3. About 2,500,000 pounds white beeswax.

No. 4. About 2,500,000 pounds white beeswax.

No. 5. Only six left.

No. 6. All about alike.

No. 7. White beeswax at 42 cents per pound.

No. 8. White beeswax at 37 to 38 cents per pound.

No. 9. White beeswax at 38 cents per pound.

No. 10. White beeswax at 34 to 35 cents per pound.

No. 11. Labor cost, \$30 per week.

No. 12. Labor cost, \$10 per week.

No. 13. Twenty-five cents per 100 pounds.

No. 14. \$5.50 per ton.

No. 15. No duty.

No. 16. No profit.

The German manufacturers sell white bleached beeswax at 38 cents to 38½ cents per pound, f. o. b. New York City. They make a profit of 12 pfennigs.

The American manufacturer must sell at 41 to 42 cents per pound to make a profit of 2½ to 3½ cents per pound.

How can the American white beeswax bleacher compete against the German white beeswax bleacher?

A distinction should be made between the raw beeswax and the bleached beeswax. The crude or raw beeswax should come in free, but the white or bleached beeswax should be assessed 20 per cent.

[SEAL.]

E. A. BROMUND Co.,  
E. A. BROMUND.

## DOG AND POULTRY FOODS.

### SPRATT'S PATENT (AMERICA) LIMITED.

No. 1. Dog and poultry foods, baked in biscuit form.

No. 2. Wheat and meat.

No. 3. Produced in this country.

No. 4. \$0.0275 per pound, factory cost. ("Factory cost" as here used is the cost of raw materials, wages, fuel, gas, water, insurance, taxes, and materials for repairs and maintenance, and does not include administration or any other expenses.) If the answer to this question should exclude everything but the actual cost of the raw material, f. o. b. factory, it should be \$0.0199 per pound.

No. 5. Unknown. (We wrote at once to Europe and expect replies from correspondents. However, we know the price to be lower, while, of course, wages cost is very much lower.)

No. 6. We have no export business, as the foreign houses can undersell us.

No. 7. No.

No. 8. Our average wholesale price, dependent somewhat on style of packing, is 5½ cents per pound. The bulk price at factory, no packing charges, would be 4 cents per pound.

No. 9. No goods exported.

No. 10. No goods exported.

No. 11. There is, we believe, still a tariff differential against us between Great Britain and Canada, but we do not know the amount. We believe it is 3¾ per cent (of 20 per cent).

No. 12. Twelve at least.

No. 13. Ourselves; Loose Wiles Biscuit Co., Boston Mass.; Potter & Wrightington, Boston, Mass.; The Bennett Biscuit Co., New York City.

No. 14. No.

No. 15. See answer to No. 11.

No. 16. See answer to No. 11.

No. 17. Average price 5½ cents per pound. (Price affected by character of packing.)

No. 18. None.

No. 19. Our "factory cost" (which is the cost of flour, meat, sundries, wages, fuel, gas, water, insurance, taxes, and materials for repairs and maintenance) was as follows: 1910, \$0.025 per pound; 1912, \$0.0275 per pound; the cost of raw material was, respectively, 1910, \$0.0182 per pound; 1912, \$0.0199 per pound; of labor, 1910, \$0.0039 per pound; 1912, \$0.0041 per pound; of depreciation charges, 1910, \$8.852; 1912, \$4.850.

No. 19 (a) \$291,000.

No. 19 (b). None.

No. 19 (c). \$145,500.

No. 19 (d). To the best of our knowledge and belief, the consideration was all in cash at par. However, after losing money continuously for 15 years or so, we reorganized, cutting down the shares two-fifths.

No. 19 (e). None.

No. 19 (f). 6 per cent, 7½ per cent, 7½ per cent, 7½ per cent, 7½ per cent, 7½ per cent, 7½ per cent, 7½ per cent, 7½ per cent (but in 1912 the dividend of 7½ per cent was to the very limit of our ability).

No. 19 (g). 5 per cent.

No. 19*h* and 19*i*:

	1910	1911	1912
(4) Additions to plant.....	\$29,878.42	\$31,087.85	\$8,817.43
Placed to general surplus.....	1,879.00	9,700.00	1,879.00
(5) Manager:			
Salary.....	3,500.00	3,475.00	3,475.00
Commission.....	2,679.00	2,225.00	1,655.00
Assistant manager:			
Salary.....	900.00	900.00	900.00
Commission.....	843.00	1,059.00	1,175.00
Superintendent:			
Salary.....	900.00	900.00	900.00
Commission.....	1,159.99	1,179.00	1,179.00
San Francisco superintendent:			
Salary.....	900.00	900.00	900.00
Commission.....	1,064.00	1,775.00	1,249.00

No. 19*j*. These statements are attached hereto.

No. 19*k*. These statements are attached hereto.

No. 20. Seventy-eight thousand two hundred dollars.

No. 21. Wages for period covered in question 17: January, 1912, \$3,373.66; April, \$3,437.41; July, \$3,018.81; October, \$3,571.13; January, 1913, \$2,816.61.

No. 21*a*. Seventeen per cent.

No. 21*b*. Eighty-three per cent.

No. 21*c*. Average, 60 men.

No. 21*d*. Average, 9 women.

No. 21*e*. None.

No. 21*f*. Unknown.

No. 21*g*. Unknown.

No. 21*h*. So far as we know, all.

No. 22. Wages and value of product:

	Wages	Value of product	Wages on additions to plant
1910.....	\$12,214.47	\$267,275.63	
1911.....	79,977.15	309,980.93	\$7,000.00
1912.....	48,757.17	322,008.31	2,443.00

No. 23*a*. Character: Milling and baking machinery, engine, and boilers.

No. 23*b*. Quality, best.

No. 23*c*. Two to thirty years.

No. 24. Unknown.

No. 25. Unknown.

No. 26. Boston, 20 cents; Cleveland, 25 cents; St. Louis, 42 cents; Chicago, 35 cents; San Francisco, \$1.50.

No. 27. We do not know positively, but the ocean freight is low, for in spite of the present 20 per cent protection it pays European manufacturers to export to America. The competitive country is almost exclusively England with possibly some trade from Germany.

No. 28. All of it.

No. 29. We perhaps do not understand this question, but we may say that in our opinion, our very existence depends upon the maintenance of a 20 per cent tariff under which we have invested so much money and built up a thriving industry.

#### REPLIES TO QUESTIONS PROPOUNDED BY SENATOR LA FOLLETTE.

No. 1. Dog and poultry foods, baked in biscuit form.

No. 2. Wheat and meat.

No. 3. We do not know, but we suppose it to be not less than 100 tons per week, possibly much more.

No. 4. See answer to last question. We are not able to state (on account of classification) what the weight of the imported biscuits is, but it amounts to a good many tons per annum.

No. 5. Twelve in all.

No. 6. Ourselves; Loose Wiles Biscuit Co.; Potter & Wrightington; The Bennett Biscuit Co.

No. 7. Average price, 5½ cents per pound.

No. 8. Unknown.

No. 9. No goods exported.

No. 10. Unknown.

No. 11. Unknown.

No. 12. Unknown.

No. 13. Boston, 20 cents; Cleveland, 25 cents; St. Louis, 42 cents; Chicago, 35 cents; San Francisco, \$1.50 per 100 pounds (does not include cartage, etc.)

No. 14. Unknown.

No. 15. All of it.

No. 16. All of it. For the year 1912, after a very careful and economical administration and the strictest economy, with perhaps rather less money expended on repairs and maintenance than was desirable, our net profit amounted almost exactly to 6 per cent of our gross sales.

P. S. In replying to these interrogatories, we have earnestly tried to answer clearly and frankly and we shall be glad to answer in greater detail if we have not done so sufficiently. We are also trying to gather information to reply to those questions that we are not at present able to reply to.

In conclusion, we submit that a material reduction of the present tariff, or its removal altogether, would not merely cripple us, but, to the best of our knowledge and belief, in the light of last year's business which was the largest on record, although the price of raw materials was high, would put us completely out of business.

We have invested a large sum of money in a plant, patent rights, good will, etc., that would be almost a total loss if we are closed up.

In spite of the present 20 per cent protection several of the English houses export and do a fair business in competition with us.

Our product is distinctly a luxury and not a necessity.

We have believed that it was never intended to be included under Schedule G.

Respectfully submitted,

SPRATT'S PATENT (AMERICA) LIMITED.

JUNE 6, 1913.

(Inclosure.)

*Balance sheet, Dec. 31, 1910*

LIABILITIES.		ASSETS.	
To capital, 54,000 shares of £1.....	\$54,000.00	By freehold premises, machinery, plant, patent rights, and good will, as May 31, 1910, account.....	\$99,005.45
debenture bond.....	145,500.00	less written off from above list account.....	1,500.00
reserve account.....	67,900.00	additions during the 7 months.....	16,967.63
sunbry creditors.....	11,531.80	trade debtors.....	411,723.09
debenture interest accrued.....	1,212.50	stock in trade, horses, wagons, etc.....	28,684.07
reserve accounts for doubtful debts and taxes.....	4,511.23	insurance unexpired.....	1,759.34
unclaimed dividends.....	984.12	cash at bankers and in hand.....	11,765.80
profit and loss, balance as per account below.....	\$46,673.80		
less interest on debenture bond.....	1,161.25		
	42,509.55		
	<u>546,063.20</u>		<u>546,063.20</u>

*Balance sheet, Dec. 31, 1911.*

LIABILITIES.		ASSETS.	
To capital, 60,000 shares of £1.....	\$291,000.00	By freehold premises, machinery, plant, patent rights, and good will, as Dec. 31, 1910, account.....	\$411,723.09
debenture bond.....	145,500.00	less written off list account.....	9,700.00
reserve account.....	48,500.00	additions during the year.....	\$92,023.09
sunbry creditors.....	27,430.72	trade debtors.....	416,410.94
debenture interest accrued.....	1,212.50	stock in trade, horses, wagons, etc.....	31,377.87
reserve accounts for doubtful debts and taxes.....	3,791.75	insurance unexpired.....	110,634.31
unclaimed dividends.....	984.45	cash at bankers and in hand.....	670.37
banker's bank.....	16,005.00		
profit and loss, balance as per account below.....	\$57,265.80		
less interest on debenture bond.....	\$7,275.00		
interim dividend to June 30, 1911, at 6d. per share.....	7,275.00		
	11,550.00		
	42,715.80		
	<u>577,180.31</u>		<u>577,180.31</u>

*Balance sheet, Dec. 31, 1912.*

LIABILITIES.		ASSETS.	
To capital, 60,000 shares of £1.....	\$291,000.00	By freehold premises, machinery, plant, patent rights, and good will, as Dec. 31, 1911, account.....	\$433,410.94
debenture bond.....	145,500.00	less written off last account.....	4,500.00
reserve account.....	54,450.00	additions during the year.....	\$428,200.94
sunbry creditors.....	34,828.28	trade debtors.....	417,078.07
debenture interest accrued.....	1,212.50	stock in trade, horses, wagons, etc.....	31,641.68
reserve for doubtful debts and taxes.....	5,420.51	insurance unexpired.....	958.00
unclaimed dividends.....	900.66	cash at bankers and in hand.....	11,993.82
Roberts, Lubbock & Co.....	29,100.00		
profit and loss, balance as per account below.....	\$51,402.63		
less interest on debenture bond.....	\$7,275.00		
interim dividend to June 30, 1912, at 6d. per share.....	7,275.00		
	11,550.00		
	36,552.63		
	<u>595,903.58</u>		<u>595,903.58</u>

## HARNESS AND COLLAR LEATHER.

CHAS. S. WEISSE & CO., SHEBOYGAN, WIS., BY CHARLES H. WEISSE,  
PRESIDENT.

SHEBOYGAN FALLS, WIS., *May 28, 1913.*

Hon. F. M. SIMMONS,

*United States Senate, Washington, D. C.*

MY DEAR SIR: I submit the following answers in response to your letter of the 24th instant.

No. 1. Harness and collar leather.

No. 2. Packer and native green salted butcher hides, and imports from India and China.

No. 4. Green salted hides, cost 11½ cents; dry hides, about 30 cents. Foreign prices are about the same.

No. 6. None.

No. 8. Wholesale price is about 36 cents a pound for B grade of harness and 23 to 25 cents for collar leather.

No. 9. Transportation charges from our city to New York is about 75 cents a hundredweight; from London to New York, on the same stock, about 22 cents.

No. 10. Export none.

No. 12. About 900.

No. 14. There are two trusts—United States Leather Co., which controls about 25 per cent of the sole output, and the American Hide & Leather Co., which controls about 10 per cent of the upper leather output.

No. 15. Prices vary according to the quality.

No. 17. There has been practically no profit in the harness and upper leather business in the last three years.

No. 23. Splitting machines have been used for the last 30 years; shaving machine is an invention of the last 15 years, as well as the fleshing and unhairing machines.

No. 24. Have no data on foreign cost of production.

No. 28. There is no duty in the Payne-Aldrich bill that represents our profits, as the leather imported is of a different class than we manufacture here and does not come in direct competition with our stock. The variations in quality of the leather manufactured in the United States and price is greater than the rate of duty.

No. 29. Have no interest in a tariff excepting to have a counter-vailing duty with other nations allowing us to trade with them as they trade with us.

We export about \$70,000,000 worth of leather and leather goods and import about \$7,000,000 worth.

Yours, truly,

CHAS. S. WEISSE & Co.,  
Per CHAS. H. WEISSE, *President.*

## ROLLED OATS.

THE BECK CEREAL CO., DETROIT, MICH., BY ITS PRESIDENT.

DETROIT, MICH., June 3, 1913.

Hon. F. McL. SIMMONS,

*Chairman Finance Committee, Washington, D. C.*

DEAR SIR: Replying to yours of May 24th, we will answer all the questions we can, as nearly as possible, but most of our records were destroyed by fire, so can not give you details of any past work.

No. 1. Commodity manufactured, rolled oats.

No. 2. Natural oats.

No. 3. All produced in the United States; none imported.

No. 4. Average cost of oats for 12 months, 40 cents per bushel for 32 pounds.

No. 5. Canadian oats practically the same price for the last 12 months, 40 cents per bushel for 34 pounds.

No. 6. Have exported none for two years. Canadian manufacturers took the trade away from us, especially in Norway, for the reason that they get more pounds to the bushel than we do, the standard in Canada being 34 pounds, while the standard in the United States is 32 pounds to the bushel.

No. 7. Not interested in any concern manufacturing rolled oats, excepting the Beck Cereal Co., Detroit, Mich.

No. 8. The selling price for rolled oats in January was \$3.70 per barrel to the wholesale trade; in February, \$3.75 per barrel; in March \$3.90 per barrel; in April, \$4 per barrel, delivered to the wholesale grocer in the State of Michigan.

No. 9. The average freight rate for transportation in Michigan is 10 cents per 100 pounds.

No. 10. The Canadian oatmeal millers are the principal competitors in England, Norway, and Sweden.

No. 11. England, Norway, and Sweden rolled oats are a free commodity; no tariff.

No. 12. There are seven independent mills in the United States; approximate output, 4,900 barrels daily. Approximately 12 mills owned by the Quaker Oats Co., known as the trust; daily capacity, approximately, 3,500 barrels.

No. 13. Quaker Oats Co. are the principal individual producers.

No. 14. The Quaker Oats Co. are the only trust or combination. We have no connection or interest directly or indirectly in any such trust or combination.

No. 15. Independent mills, approximately, produce 4,900 barrels. The Quaker Oats Co. approximately 3,500 barrels.

No. 16. At certain points the trusts make cut prices in order to drive the independent mills out of territory. Where they control the market, the prices by them are higher.

Nos. 17, 18, and 19. Records destroyed by fire.

No. 20a. \$75,000 common stock.

No. 20b. No preferred stock issued.

No. 20c. No bonds issued.

No. 20d. Actual cash paid for common stock, \$75,000.

No. 20e. No preferred stock issued.



No. 20*f*. Six per cent paid in 1906, 1907, 1908, 1909, 1910; 8 per cent paid in 1912 on common stock.

No. 20*g*. No bonds issued.

No. 20*h*. In 1912, \$12,360 placed to surplus and addition to the plant.

No. 20*i*. Salaries paid to officials, \$3,500 per annum.

No. 21*a*. Eight skilled labor.

No. 21*b*. Forty-five unskilled.

No. 21*c*. All men.

No. 21*d*. Three.

No. 21*e*. Children, none.

No. 21*f*. Native born, 35.

No. 21*g*. Twenty-one.

No. 21*h*. All citizens.

No. 22 Total amount of wages paid for 1912, \$10,600.

No. 23 Entire plant has been remodeled four years. Additional machinery is now being added.

Nos. 24 and 25. Do not know.

No. 26. Freight rate to New York and points is 16 cents per 100 pounds; Boston and points, 18 cents per 100 pounds; Philadelphia and points, 14 cents per 100 pounds.

Nos. 27 and 28. Do not know.

No. 29. Have no pecuniary interest in the maintaining of a high tariff, excepting from Canada. Canadian standard of oats being 34 pounds to the bushel against 32 pounds in the United States, giving the Canadian manufacturer an advantage of 20 cents per barrel over the United States manufacturer. If a duty of 50 cents per barrel and \$2 per ton on oat hulls instead of the present prohibitory tariff of \$1.80 per barrel and \$2 per ton on oat hulls were left on the tariff, it would prevent the Canadian trust from coming into the United States with their manufactured product.

Respectfully submitted.

THE BECK CEREAL CO.,  
Per GUY BECK, *President*.

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### SURGICAL INSTRUMENTS.

E. SCHMID CO., BY E. SCHMID, PRESIDENT.

Question 1. What is the name, nature, and use of the commodity you produce?

Answer. Surgical instruments made of steel and used for minor, major, or capital operations in surgical procedure.

Question 2. What are the raw materials used in their production? State exact nature of each.

Answer. High-grade, specially-made, imported steel, German silver, aluminum, shell, celluloid, and fiber. Steel is special formula of fine texture. This is 95 per cent of the material used. Other articles are in small quantities.

Question 3. Are the raw materials used by you produced in this country or imported? If imported in whole or in part, from whence are they imported, and what proportion of the whole is imported?

Answer. The steel is imported from England. German silver purchased in this country, although a number of the German silver handles used are imported in an unfinished state from Germany. All of the steel used comes from England, and about 50 per cent of the handles used from Germany.

Question 4. What is the cost per unit of the raw material of your product?

Answer. English steel laid down in Indianapolis is \$32 per 100 pounds. German silver handles imported from Germany cost from \$1.10 to \$7 per dozen, freight and duty paid to Indianapolis.

Question 5. Give also, if you can, the cost per unit of raw materials of this commodity in foreign countries. State figures for each country.

Answer. Can not state as to these points.

Question 6. What part of your production of this commodity do you export? To what countries, etc.?

Answer. Export nothing. All consumed in the United States.

Question 7. Are you interested in any other concern exporting this commodity, etc.?

Answer. Not interested in any other concern of any kind.

Question 8. What are the wholesale prices charged by you and by any concern in which you are interested for this commodity in the domestic market, and what are the prices charged by you and any concern in which you are interested when sold in foreign markets during the first four weeks of January, first four weeks in April, first four weeks in July, and first four weeks in October, 1912, and first four weeks in January, 1913.

Answer. Average prices charged for the periods named \$10 to \$12 per dozen. Have thousands of styles of instruments varying in price from \$1 to \$100 per dozen, but fully 80 to 90 per cent of annual business is done on articles running not over \$12 per dozen.

Wholesale prices received have not varied 10 to 15 per cent in past five years. Competition is very keen with both American and foreign manufacturers and impossible to reduce further owing to the high cost of labor.

Question 9. What was the cost of transportation of your product from your factory in the principal foreign markets, giving the names of markets for the periods mentioned in question 8?

Answer. Do not have any foreign markets; sell all we have at home.

Question 10. What country or countries are your chief competitors in the sale of this commodity in the foreign markets to which you export?

Answer. Do not sell abroad, as unable to compete with foreign manufacturer because of the greatly increased scale of wages for all class of labor employed.

Question 11. Is there a tariff differential for or against you in any of the countries to which you export this commodity?

Answer. Do not export.

Question 12. How many concerns are engaged in the production or manufacture of this commodity in this country?

Answer. From 15 to 20.

Question 13. Who are the principal producers?

Answer. Fred Haslam, Brooklyn, N. Y.; Geo. Pilling & Son, Philadelphia, Pa.; Western Instrument Co., Chicago, Ill.; J. Sklar Manufacturing Co., Brooklyn, N. Y.; H. Carstens Manufacturing Co., Chicago, Ill.

Question 14. Are any of these producers organized into a trust or combination to control the price or output, or for any other purpose, and have you any connection or interest, directly or indirectly.

Answer. There is an association consisting of manufacturers, wholesalers, importers, and allied lines. We are members of the credit division of the association and pay annual dues for its maintenance. The purpose and sole object of this department is to keep its members advised as to the credit of the various concerns and individuals to whom our products are sold. As for the other divisions of the association, we do not know what objects they have, as we have never belonged to any of them nor have we been asked to join in their activities. We might state here that we have nothing to fear from American competitors, as they operate under identically the same conditions as ourselves and are not able to produce or sell their goods for any less money than we are, owing to the high cost of labor. Labor is the greatest item, in fact might be said to represent four-fifths of the total cost of production, as our last analysis of costs shows a percentage of slightly over 77 per cent on cost. Skilled labor such as we require is very limited and of course be imported, and when we get a good man we are obliged to pay his price in order to keep him.

Question 15. What proportion of the production of this commodity in this country is produced by such a trust? What proportion by independent concerns?

Answer. So far as we have observed or have been able to ascertain there is no trust. There has been no change in the competition since this surgied trade association was formed. Do not know who are members of the other divisions of the organization mentioned under No. 13, so can not state who are independent and who are not. As for ourselves, we have always operated along independent lines.

Question 16. Is there any difference in the price charged for this product in the domestic market by the independent producer and the trust producer?

Answer. No trust so far as known, as stated in answer to No. 15. Prices are regulated entirely by character and quality of the goods and demand for them.

Question 17. What were your wholesale prices f. o. b. factory on this commodity sold in the United States during the first four weeks in January, April, July, and October, 1912, and first four weeks in January, 1913?

Answer. In answering this question we give you a statement of the cost on sales and the cost on production. This in connection with the statement that the average price of our articles is \$12 per dozen we think will supply the information desired.

[Percentages as of Dec. 31, 1911.]

	On sales.	On cost.
<b>Manufacturing cost direct:</b>	<i>Percent.</i>	<i>Percent.</i>
Materials.....	31.76	21.971
Productive labor.....	68.24	47.207
<b>Manufacturing expense:</b>		
Nonproductive labor.....	6.758	5.675
Miscellaneous materials.....	.945	.688
Light, heat, and power.....	3.391	2.347
Machinery and shop repairs.....	.419	.311
<b>Overhead expenses:</b>		
Office.....	5.068	3.506
Rent account.....	5.918	3.172
Taxes.....	.719	.497
Losses from customers' accounts.....	1.207	.835
Insurance.....	1.062	.735
<b>Selling expense:</b>		
Commissions.....	6.525	4.514
Advertising and traveling.....	2.387	1.766
Shipping expense.....	2.421	1.674
<b>Total.....</b>	<b>136.202</b>	<b>94.222</b>

Our sales less all returns and allowances represent 144.553 per cent of the cost of manufacture and 142.633 per cent of the selling price which we receive. A glance at these figures will show that the net profit left out of operations is not sufficient to permit of any disturbing influence either in the way of excessive losses or the introduction of competition by foreign cheap labor companies, as even a limited variation would make it impossible to continue operations at all. We think you will find that practically all if not every one of the companies manufacturing our class of goods operate under the same conditions. As we have a certified audit taken of our business annually we will be glad to furnish them for inspection on support of the above if desired.

Question. 18. What were your wholesale prices on this commodity f. o. b. factory, sold in foreign countries during the periods mentioned in question 17.

Answer. As previously stated, we do not do any export business. We might qualify this by the statement that occasionally we receive an unsolicited order from Canadian territory for some special articles of our manufacture, but we do not work this trade and endeavor to market our products there. The total volume of business so received will not run over \$200 per annum.

Question. 19. What was the cost of production in your plant per unit of your product for the fiscal years 1910 and 1912? Give cost of materials, etc.

Answer. Amount of stock issued (common), \$9,000; amount of stock (preferred), none; amount of bonds, none; amount of actual cash or its equivalent in property received in consideration of the stocks and bonds given above, \$9,000 cash; rate of dividend on preferred stock, none; rate of dividend on common stock, none; rate of interest borne by bonds, none. How much of your earnings for each year have been credited to surplus during 1910, 1911, 1912, and how much have been devoted to additions to the plant? None to surplus. What little earnings we have made have gone back into the business either for machinery or increased inventory stock. Salaries paid during each of the years 1910, 1911, 1912 to the principal officials, \$30 per week to the president and general manager. No other salaries to officers.

## Statement of assets and liabilities for the years 1910, 1911, and 1912.

	Joint statement 1910 and 1911.	Taken Dec. 31, 1911.
<b>LIABILITIES.</b>		
Capital stock:		
Authorized issue, 120 shares of \$100 each.....	\$12,000.00	
Issued and fully paid.....		\$9,000.00
Notes payable.....		1,000.00
Trade and sundry creditors.....		8,627.02
Surplus:		
Balance per books, Dec. 31, 1909.....	1,671.73	
Net earnings for year ended Dec. 31, 1910.....	597.14	
Net earnings for year ended Dec. 31, 1911.....	314.55	
Appreciation of tools and machinery.....	324.17	
		2,907.59
		<u>21,534.61</u>
<b>ASSETS.</b>		
Inventories:		
Machinery and tools.....	5,670.22	
Finished goods and goods in process.....	9,680.71	
Raw materials.....	2,379.19	
Patterns.....	325.00	
Advertising supplies.....	577.45	
		18,633.00
Prepaid insurance.....	73.92	
Prepaid interest.....	9.09	
		82.02
Accounts receivable.....		2,796.54
Cash on hand and in bank.....		21.55
		<u>21,534.61</u>

Question 20. Give value for which property mentioned in the above statement of assets was assessed for taxation in the year 1912.

Answer. \$2,800.

Question 21. Give transcript of your labor pay roll for the periods covered by questions 17 and 18. Let transcript show separately, etc.

Answer. (a) Ten skilled laborers, (b) 1 unskilled laborer, (c) 10 men, (d) 1 office girl, (e) employ no children in any capacity, (f) 7 foreign-born laborers, (g) 3 native-born laborers, (h) all have taken out naturalization papers.

Question 22. State amount of wages paid in the years 1910, 1911, and 1912, and the total value per annum of your product for the same years.

Answer. Pay roll, 1910: Productive, \$8,333.14; nonproductive, \$715. Pay roll, 1911: Productive, \$8,158.78; nonproductive, \$ 58. Pay roll, 1912: Productive, \$8,168.43; nonproductive, \$825. Sales, less returns and allowances: 1910, \$15,269.72; 1911, \$17,282.93; 1912, \$16,642.66.

Question 23. State the nature, character, quality, and age of the machinery used in manufacturing your product.

Answer. Lathes, punch presses, forges, drop hammers, tempering ovens, grinding and polishing lathes, milling machines, screw machines, etc. All, with the exception of some small machines, are about 10 years old. The quality, when they were bought, was the best obtainable and most suitable for the class of work for which they were required.

Question 24. What is the total cost of production per unit of the same products as yours in competing countries? In answering this question give exact source of your knowledge or information, stating countries separately.

Answer. All we can say in answer to this question is with reference to the labor. As this is the all-important item in our business, it is the controlling factor. A skilled instrument maker in Germany and Austria receives a maximum weekly wage of from 30 to 40 marks, which is \$7.50 to \$10 in our money. We have an average wage with skilled and unskilled labor amounting to between \$18 and \$30. Apprentice labor abroad is supplied by contract and costs nothing during its term, although a donation of about 100 marks is usually paid the apprentice at the end of his term and amounts to approximately \$25. We are unable to obtain any class of labor for less than \$6 per week to begin with. The term of service abroad is usually for three years. Our source of information is from the actual experience of men in our employ, including the president and general manager, who learned his trade abroad, and from statements made in foreign trade papers, treating with the labor situation in the countries mentioned. We receive these regularly.

Question 25. What is the percentage of labor cost to the total cost of production of a unit in competing countries, etc.?

Answer. Do not know.

Question 26. Give cost of transportation from your factory to the principal markets of this country, naming markets.

Answer. As fully 95 per cent of our products are shipped by parcel post, the zone rates apply. When shipped by express the rates run from 25 cents per package to \$3.50, according to weight and distance. Transportation charges are always paid by customer, as you will see from statement given under question 17 that the percentage of our expense in this connection is small and covers packing cases, etc. Have no statistics upon which we could base the cost per unit.

Question 27. What is the cost of transportation from the principal points of production in competing countries to the markets of this country?

Answer. Freight about 5 per cent of net price and duty 45 per cent of net price.

Question 28. What part of the duty under the Payne-Aldrich law represents your profit as a manufacturer?

Answer. All of the duty represents our profit and also a considerable proportion of our costs. If this duty were removed, you can readily figure from the actual statement of itemized costs which we are now standing that we could not compete with foreign-made goods and would have to discontinue entirely. Removing the present tariff or even lowering it would so affect the industries making this line in the United States that within a year there would be none of them in existence. They could not live, as it is not a question of excessive profits, but rather one of having to pay more for identically the same service. Even under the present conditions we would be glad to have our money out of the business, as it is at once apparent that the same amount of capital could be turned to better advantage than tied up as it is in the manufacture of this line.

Question 29. Have you a pecuniary interest in the maintenance of a high tariff rate on this commodity?

Answer. We certainly have. If the rate is removed or tampered with in any way it literally means a discontinuance of our business. We are sure that your committee will find that the same conditions prevail in every company manufacturing surgical instruments in this

country, and such being the case, a removal of the duty would remove them from the field. This would throw the control of the situation over to the foreign companies, who, while able to produce and sell at a lower figure than American manufacturers, are not so slow as to fail to appreciate the opportunity thus afforded and increase their prices to American consumers, perhaps even to a point in excess of that which is now being paid for domestic goods.

One importer in New York stated to the members of our company a few days ago that a reduction or removal in the tariff on surgical instruments would make no difference in the price. They would simply be raised abroad, and conditions would therefore not be bettered for the American consumer.

REMARKS.—We assume that the questions propounded by Senator La Follette, being embodied in the questions and answers covered above, are not to be answered separately. However, if it is desired that they be handled separately, we will be pleased to cover them the same as we have above.

STATE OF INDIANA, *County of Marion, ss:*

Before me, the undersigned notary public, in and for said county and State, personally appeared Mr. E. Schmid, president of the E. Schmid Co., who, being duly sworn, states that the attached interrogatories are true and correct in every particular.

E. SCHMID, *President.*

Subscribed and sworn to before me this 9th day of June, 1913.

[SEAL.]

GEORGE H. STILZ,  
*Notary Public.*

My commission expires January 23, 1914.

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### WOOD FLOUR.

E. I. DU PONT DE NEMOURS POWDER CO., WILMINGTON, DEL., BY C. B. LANDIS.

WILMINGTON, DEL., *June 5, 1913.*

Hon. F. M. SIMMONS,  
*Chairman Finance Committee,  
United States Senate, Washington D. C.*

MY DEAR SIR: I transmit herewith statement properly acknowledged in the matter of wood flour as per your circular request of recent date.

Yours, very truly,

C. B. LANDIS.

### ANSWERS,

No. 1. Name, wood flour; nature, dry-ground wood; use (a) as an absorbent of nitroglycerin in the manufacture of dynamite; (b) in the manufacture of linoleum; (c) in the surfacing of one kind of wall covering; (d) other minor uses.

No. 2. (a) Peeled white-pine pulp-wood or slabs; (b) dry white-pine sawdust free from bark; (c) burlaps for baling; (d) baling wires.

No. 3. Wood and sawdust produced in this country, burlaps imported from India, baling wires produced here.

No. 4. Our average unit cost is \$7.82 per ton of product, of which about \$1 is labor in handling preparatory to manufacturing.

No. 5. In Germany the cost is \$5.17 per ton of product.

No. 6. A small part of our product goes to Canada and there may be an occasional shipment to some other country; for some special reason we can not compete for general export business. We know nothing about rates of duty at foreign ports. See answer to question 8.

No. 7. No.

No. 8. For domestic prices see answer to question 17. Our export prices are the same as domestic. See answer to question 6.

No. 9. See answer to questions 6 and 8.

No. 10. Germany, Norway and Sweden are the principal shippers. See answer to question 6.

No. 11. We know nothing about tariff differentials on this commodity. We do not seek export business. See answer to question 6.

No. 12. Five.

No. 13. Du Pont Powder Co., John C. Hoornbeek Sons, Kingsley Bros., Hercules Powder Co., Hoquiam Wood Pulp Co.

No. 14. No.

No. 15. See answer to 14.

No. 16. See answer to 14.

No. 17. January, 1912, \$22.26 per ton; April, 1912, \$21.73; July, 1912, \$22.33; October, 1912, \$21.61; January, 1913, \$22.11. (From which is to be deducted the freight. In our answer to question 19 we show the freight to New York, as that is the point where we encounter foreign competition.)

No. 18. Our export prices are the same as our domestic prices. See answer to question 6.

No. 19. Cost of production.

Cost in 1910:

Raw materials, including preparatory labor estimated at \$1.....	\$7.95
Labor and superintendence manufacturing.....	4.15
General expenses, including depreciation at 3 per cent of plant cost.....	3.90
	16.00
Freight to New York.....	3.00
	19.00

Cost in 1912:

Raw material, including preparatory labor estimated at \$1.....	7.82
Labor and superintendence manufacturing.....	3.17
General expenses, including depreciation at 3 per cent.....	3.39
	15.08
Freight to New York.....	3.00
	18.08

Answers to the items (a) to (k) relating to capitalization are omitted for the reason that the manufacture of wood flour is not capitalized separately from other items that make up the business of the du Pont Powder Co.

No. 20. The property used in the manufacture of wood flour was assessed for taxation in 1912 at \$176,435.

No. 21. We employ about 75 men (no women or children) in the manufacture of wood flour. Some of them are semiskilled, in the sense that they have acquired experience in our kind of work, but not highly skilled workmen in the ordinary meaning.



## No. 22. Wages and value of product:

	Wages.	Value of product.
1910.....	\$41,768.00	\$121,030.00
1911.....	49,828.00	135,751.00
1912.....	49,001.00	111,896.00

No. 23. Machinery consists of cutters for granulating wood; blowers for moving material; electric apparatus for light and power; stones for grinding raw material; reels for bolting the flour after grinding; hydraulic presses for baling it. All machinery is kept up to date by renewals when necessary.

No. 24. Our information is that the cost in Germany is—

Raw material.....	\$5. 17
Labor and superintendence.....	1. 85
General expenses.....	2. 98
	10. 00
Freight to New York.....	4. 00
	14. 00

The source of our information is the report of a man we sent to Germany to get the information.

No. 25. In Germany it appears to be about 18 per cent. See answer to question 24.

No. 26. \$3 per ton from factory to New York, the principal port of entry for foreign wood flour.

No. 27. \$4 per ton from ports in Norway, Sweden, and Germany.

No. 28. The duty is 35 per cent ad valorem and amounts to about \$3.50 per ton. Our profit averages \$3.70 per ton.

No. 29. As manufacturers of wood flour competing with a foreign product that costs less to manufacture, we, of course, have a pecuniary interest in the maintenance of a tariff on this commodity, but all we ask is a tariff sufficient to cover a portion of the difference in cost to manufacture here and abroad.

## ANSWERS TO SENATOR LA FOLLETTE'S INQUIRIES.

No. 1. See answer No. 1 above.

No. 2. See answer No. 2 above.

No. 3. About 15,000 to 16,000 tons per year.

No. 4. About 18,000 to 19,000 tons per year.

No. 5. Five.

No. 6. See answer No. 13 above.

No. 7. Average about \$21.70 per ton.

No. 8. About \$12 to \$14 per ton.

No. 9. See answer to No. 19 above.

No. 10. See answer to No. 24 above.

No. 11. About 33 per cent. See answer to No. 19.

No. 12. About 18 per cent. See answer to No. 25.

No. 13. See answer to No. 26.

No. 14. See answer to No. 27.

No. 15. The present duty is \$3.50 per ton; the difference in cost delivered at New York is \$4 per ton.

No. 16. See answer to No. 28.



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