

UNITED STATES TARIFF COMMISSION

**FOOTWEAR FOR MEN AND WOMEN:
HUBBARD SHOE CO., INC.
ROCHESTER, N. H.**

**Report to the President
on Worker Investigation No. TEA-W-202
Under Section 301(c)(2) of the Trade Expansion Act of 1962**



**TC Publication 598
Washington, D. C.
August 1973**

UNITED STATES TARIFF COMMISSION

Catherine Bedell, *Chairman*

Joseph O. Parker, *Vice Chairman*

Will E. Leonard, Jr.

George M. Moore

J. Banks Young

Italo H. Ablondi

Kenneth R. Mason, *Secretary*

Address all communications to
United States Tariff Commission
Washington, D. C. 20436

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Note.--The whole of the Commission's report to the President may not be made public since it contains certain information that would result in the disclosure of the operations of an individual concern. This published report is the same as the report to the President, except that the above-mentioned information has been omitted. Such omissions are indicated by asterisks.

REPORT TO THE PRESIDENT

U.S. Tariff Commission,
August 7, 1973.

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (TEA) (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation made under section 301(c)(2) of that Act, in response to a petition filed on behalf of a group of former workers.

On June 1, 1973, the Commission received a petition filed by the United Shoe Workers of America, AFL-CIO, on behalf of the former workers of the Hubbard Shoe Co., Inc., Rochester, N.H., for a determination of eligibility to apply for adjustment assistance under the said act. The petition identified footwear for women (of the types covered by items 700.43, 700.45, and 700.55 of the Tariff Schedules of the United States) as the articles formerly produced by the firm and as the like or directly competitive imports. In its preliminary consideration of the petition, it became apparent that the firm also produced men's shoes of the types covered by items 700.26, 700.27, 700.29, and 700.35 of the Tariff Schedules (TSUS). In order that the investigation would cover all footwear made by the firm employing the workers, the Commission, under authority of section 403(a) of the TEA, instituted investigation No. TEA-W-202 on June 8, 1973, to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with the footwear for men and women (of the types provided for in items 700.26, 700.27, 700.29, 700.35, 700.43, 700.45,

and 700.55 of the TSUS) produced by Hubbard Shoe Co., Inc., are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of the firm, or an appropriate subdivision thereof.

On June 18, 1973, the Commission (Commissioners Leonard and Young dissenting) determined that the deadline date for this report be 60 days from June 8, the date the Commission determined the scope of the investigation.

Public notice of this investigation was published in the Federal Register (38 F.R. 15676) on June 14, 1973. No public hearing was requested and none was held.

In the course of its investigation, the Commission obtained information from officials of the Hubbard Shoe Co., Inc., officials of the United Shoe Workers of America, AFL-CIO, CLC; former customers of Hubbard Shoe Co., Inc.; leading manufacturers of golf shoes; bank officials in Rochester, N.H.; the Small Business Administration offices in Durham, N.H.; from James Talcott, Inc., of Boston, Mass., a commercial financing factoring concern; field work by the Commission's staff; official Government statistics; and its own files.

Findings of the Commission 1/

On the basis of its investigation the Commission (Commissioner Ablondi dissenting) finds that articles like or directly competitive with women's footwear (of types provided for in items 700.43, 700.45, and 700.55 of the TSUS) of the types produced by Hubbard Shoe Co., Inc., are, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such company or an appropriate subdivision thereof.

With respect to men's golf shoes (of types provided for in items 700.26, 700.27, 700.29, and 700.35 of the TSUS) of the types produced by Hubbard Shoe Co., Inc., the Commission 2/ finds that like or directly competitive articles are not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such company or an appropriate subdivision thereof.

1/ Commissioners Leonard and Young did not participate in the decision for reasons set forth in their statement.

2/ The negative determination of Commissioner Ablondi includes men's golf shoes and women's casual shoes and stitched dress boots.

Statement Supporting Findings of Chairman Bedell, Vice Chairman
Parker, and Commissioner Moore

This investigation is in response to a petition filed on behalf of the former workers of the Hubbard Shoe Co., Inc., Rochester, N.H., for a determination of their eligibility to apply for adjustment assistance under section 301(a)(2) of the Trade Expansion Act of 1962 (TEA). Hubbard Shoe ceased production of footwear in its Rochester plant in March 1973. Previously the firm had operated two other plants: one, located in East Rochester, N.H., closed in 1965; and the other, located in Marlboro, Mass., closed in 1970. Hubbard Shoe also imported footwear from Brazil.

The petitioning workers produced principally women's dress and casual shoes. During fiscal years 1968-72, such footwear (e.g., clogs, desert boots, loafers, and oxfords) accounted for the great bulk of the total output of the Rochester plant. Women's stitched dress boots (i.e., fashion boots) were introduced to Hubbard's product line in fiscal year 1970; they accounted for about * * * percent of total sales in that year, * * * percent in 1971, and * * * percent in 1972. Men's golf shoes were produced for the first time in fiscal year 1971, and accounted for about * * * of sales that year; such sales were negligible in 1972. The women's dress and casual shoes were constructed by the cement process, mostly with leather uppers, and they retailed from about \$7 to \$13 a pair. The women's fashion boots, having madmade uppers, were also produced by the cement process; they retailed from \$25 to \$30 a pair. The men's golf shoes were made with leather uppers

by both the welt and cement process; they retailed from \$20 to \$30 a pair.

As we have stated in previous cases, the Commission, in order to make an affirmative determination under section 301(c)(2) of the TEA must find that the following four criteria are met:

- (1) Articles like or directly competitive with those produced by the workers' firm are being imported in increased quantities;
- (2) The increased imports are in major part the result of concessions granted under trade agreements;
- (3) A significant number or proportion of the firm's workers are unemployed or underemployed, or threatened with unemployment or underemployment; and
- (4) The increased imports resulting from trade-agreement concessions are the major factor in causing or threatening to cause the unemployment or underemployment of the workers.

With respect to the women's footwear produced by Hubbard Shoe Co., Inc., our judgment is that each of the four criteria listed above has been met; hence we have made an affirmative determination. With respect to men's golf shoes, we find that at least one of the above four criteria has not been met; and accordingly, we have made a negative determination. Our determinations are based on the following considerations.

Women's footwear

Increased imports are a result in major part of trade-agreement concession.--The women's footwear produced by Hubbard Shoe was similar in type, construction, and price to those involved in recent TEA investigations conducted by the Commission. We concluded in those investigations that, within the meaning of the statute, like or directly competitive footwear was being imported in increased quantities and that increased imports were in major part the result of trade-agreement concessions. Our considerations in support of those determinations, which are equally applicable in the instant case, are set forth in our opinions in earlier investigations involving women's footwear.

The workers are unemployed.--Hubbard Shoe ceased operations on March 30, 1973, and the workers employed at that time were laid off.

Imports are the major factor causing the unemployment.--U.S. imports of women's dress and casual footwear have increased substantially in recent years. The resultant market penetration achieved by competitive imports had an adverse effect on the operations of Hubbard Shoe. The value of sales of women's footwear produced by this firm

* * *

Evidence obtained in this investigation indicates that the principal customers of Hubbard Shoe, accounting for about * * *

of its sales, increasingly turned to foreign sources for their requirements because of the price advantage offered by imported shoes. Despite a plant modernization program, the shift to the use of vinyl for upper material, and other attempts to improve its competitive position, the firm was unable to produce footwear competitive with imports. Consequently, the firm, after sustaining losses * * * in both 1971 and 1972, was forced to terminate production in March 1973, resulting in the unemployment of its workers.

Conclusion.--We conclude that the former workers of Hubbard Shoe Co., Inc., engaged in the production of women's footwear have met the statutory requirements for eligibility to apply for adjustment assistance and therefore we have made an affirmative determination.

Men's golf shoes

With respect to footwear like or directly competitive with the men's golf shoes made by Hubbard Shoe Co., Inc., we find that the first criterion has not been met--namely, that such articles must be imported in increased quantities. Although official data are not available, information from trade sources indicate that imports of golf shoes, which still are small in comparison to domestic production, are not increasing. Accordingly, since this criterion is not met, we are required to make a negative determination regarding men's golf shoes.

Procedural issue

We note, as indicated in their statement which appears later in this report, that two of our colleagues take issue with the action of the Commission on June 8, 1973, when it determined the scope of this investigation, pursuant to its authority under section 403(a) of the TEA of 1962, to include in addition to articles listed in the petition "articles like or directly competitive with footwear for men . . . (of the types provided for in items 700.26, 700.27, 700.29, and 700.35 . . . of the Tariff Schedules of the United States) produced by said firm." We would like to point out that the action was taken by a majority vote of the Commission in order that the investigation would include all of the products made by Hubbard Shoe Co., Inc., and to permit a full and complete investigation. This action was taken on advice of the General Counsel of the Tariff Commission. Accordingly, the date of August 7, 1973--i.e., 60 days after June 8, the date on which the Commission enlarged the scope of the investigation--is the proper deadline for submission of the Commission's report to the President in the instant investigation.

1/ Commissioner Ablondi concurs in the views expressed in this paragraph.

Statement Supporting Findings of Commissioner Ablondi

Hubbard Shoe Co., Inc., operated a single manufacturing plant in Rochester, N.H., at the time production ceased in March 1973. However, prior to that time Hubbard had operated additional plants in East Rochester, N.H. (closed in late 1965) and in Marlboro, Mass. (closed in August 1970). In recent years, about 75-80 percent of the company's output consisted of women's casual footwear, especially clogs, desert boots, oxfords, and loafers, constructed by the cement process, mostly with uppers of leather, and retailing from \$7 to \$13 a pair (with the bulk retailing from \$9 to \$13 a pair). The remainder of output consisted of women's stitched dress boots constructed by the cement process, with manmade uppers, retailing from \$25 to \$35 a pair, and men's golf shoes constructed by the cement and Goodyear welt processes, with leather uppers, retailing from \$20 to \$30 a pair.

Under the Trade Expansion Act of 1962 there are four criteria which must be met before an affirmative determination can be made in a worker investigation. The criteria are as follows:

- (1) An article like or directly competitive with an article produced by the workers concerned must be imported in increased quantities;
- (2) The increased imports must be a result in major part of concessions granted under trade agreements;
- (3) A significant number or proportion of the workers concerned must be unemployed or underemployed, or threatened with unemployment or underemployment; and

- (4) The increased imports resulting in major part from trade-agreement concessions must be the major factor in causing, or threatening to cause, the unemployment or under-employment.

A negative determination on any of the four criteria would disqualify a petitioner from eligibility to receive adjustment assistance.

In the case at hand, I have determined in the negative because I am of the opinion that the statutory criteria have not been met.

Hubbard manufactured primarily women's casual shoes, especially clogs, desert boots, loafers, and oxfords, and women's dress boots. Although imports of such footwear have been on the increase and have undoubtedly been a factor in the marketplace, it is clear that such imports were not the major factor in causing petitioners' unemployment. In the highly fashion-oriented and fiercely competitive women's casual shoe business all available resources should be devoted to keeping abreast of style changes. In the early 1970's consumer demand for Hubbard's traditional lines of loafers and oxfords was declining. The market for stitched fashion boots similar to those produced by Hubbard turned down sharply in mid-1972. Also, in late 1972 Hubbard's principal customer cancelled a large contract for high-heeled clogs (a major part of Hubbard's production in 1972) because of a change in demand by its clientele. At a time when the design of new product lines and styles was clearly called for, Hubbard had no resources upon which it could draw for sufficient working capital. Thus, the management could not invest the necessary amount to keep pace with style changes and was forced to continue to offer the type of shoes for which demand was declining.

This lack of flexibility at a time of rapid change in women's shoe styles and the failure to keep pace with these style changes had a substantial effect on its volume of sales.

Hubbard also manufactured men's golf shoes (about * * * of total output in 1971). The record clearly reveals that men's golf shoes are not imported in significant quantities nor are imports increasing.

Based on the foregoing considerations, I have made a negative determination.

Statement of Nonparticipating
Commissioners Leonard and Young

On July 31, 1973, we filed the statement which follows with the Office of the Secretary, United States Tariff Commission. Subsequent thereto, our colleagues have filed their "Report to the President" on August 7, 1973, which can be found beginning at page 1 of this volume. We are constrained to make an additional comment because of a statement made in that "Report."

On page 1 of the "Report to the President," it is stated: "In order that the investigation would cover all footwear made by the firm employing the workers, the Commission, under authority of section 403(a) of the TEA, instituted investigation No. TEA-W-202 on June 8, 1973" Nowhere in the record of this investigation--official notice, Commission minutes, or staff memoranda--was mention made of section 403(a) of the TEA. 1/ It is only now, on August 7, 1973, that section 403(a) is referred to and invoked for an action previously taken by a majority of the Commission.

1/ Sec. 403(a). In order to expedite the performance of its functions under this Act, the Tariff Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

U.S. Tariff Commission,
July 31, 1973.

To the President:

In accordance with section 301(f)(1) and 301(f)(3) of the Trade Expansion Act of 1962 (76 Stat. 885), Commissioners Will E. Leonard, Jr., and J. Banks Young herein report their determinations in an investigation made under section 301(c)(2) of the act in response to a petition filed on behalf of a group of workers.

On the basis of a petition filed June 1, 1973, under section 301(a)(2) of the Trade Expansion Act of 1962, on behalf of the workers and former workers of Hubbard Shoe Co., Inc., Rochester, N.H., the United States Tariff Commission, on June 8, 1973, instituted an investigation (TEA-W-202) under section 301(c)(2) of the act to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with footwear for men and women (of the types provided for in items 700.26, 700.27, 700.29, 700.35, 700.43, 700.45, and 700.55 of the Tariff Schedules of the United States) produced by the aforementioned firm are being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such firm or an appropriate subdivision thereof.

Public notice of the investigation was published in the Federal Register (38 F.R. 15676) on June 14, 1973. No public hearing was requested, and none was held.

The petition which was filed on June 1 covered practically all of the firm's output, namely, women's cement process sport and casual shoes. However, when the firm was contacted immediately after the petition was received, it was determined that the firm manufactured another type of footwear in very small quantities. The Commission's notice of investigation included this latter type of footwear as well as the types of footwear named in the petition.

We do not take issue with the inclusion of the additional product in the notice and in the investigation, but what we do object to is beginning the 60-day period for the conduct of the investigation as of June 8, 1973, the date of the Commission's decision to institute the investigation, rather than June 1, 1973, the date on which the petition was filed. Section 301(f)(3) of the Trade Expansion Act of 1962 requires the Commission to report its determination in a worker investigation "at the earliest practicable time, but not later than 60 days after the date on which the petition is filed." The petition was filed June 1, 1973 and 60 days after that date is July 31, 1973. The information obtained in the investigation is available. The Commission has not met to make its determination. Accordingly this report is being made by us on this 31st day of July since to do so later would not be in accordance with the 60-day deadline contained in section 301(f)(3).

Finding of Commissioners Leonard and Young

On the basis of the Commission's investigation, Commissioners Leonard and Young find that articles like or directly competitive with footwear for men and women (of the types provided for in items 700.26, 700.27, 700.29, 700.35, 700.43, 700.45, and 700.55 of the Tariff Schedules of the United States) produced by the Hubbard Shoe Co., Inc., Rochester, N.H., are not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of that firm or an appropriate subdivision thereof.

Views of Commissioners Leonard and Young

Our determination in the instant case is negative because one of the statutory criteria has not been met, i.e., that the increase in imports of footwear like or directly competitive with that produced by the Hubbard Shoe Co., Inc., Rochester, N.H., is the result in major part of concessions granted under trade agreements. Our reasoning in support of this determination is set forth in statements of our views in earlier Commission investigations under the Trade Expansion Act. 1/

1/ Commissioner Leonard's views are given in Nonrubber Footwear: Report to the President on Investigation No. TEA-I-18 . . . , TC Publication 359, January 1971, pp. 31-47, and Commissioner Young's views are given in Women's Dress and Casual Shoes: Duchess Footwear Corp., . . . , Report to the President on Firm Investigation No. TEA-F-39 and Worker Investigation No. TEA-W-139 . . . , TC Publication 491, June 1972, pp. 11-25.

INFORMATION OBTAINED IN THE INVESTIGATION

Description of Articles Under Investigation

In recent years about 80 percent or more of the output of Hubbard Shoe Co., Inc., consisted of women's casual footwear (e.g., clogs, desert boots, loafers, and oxfords). They were constructed by the cement process, mostly with uppers of leather, and retailed from \$7 to \$13 a pair, of which the bulk retailed from \$9 to \$13. Most of the remainder of Hubbard's output consisted of women's stitched dress boots (formfitting and nearly knee high), with manmade uppers such as vinyl, urethane, or poromeric 1/ material. However, men's golf shoes accounted for about * * * percent of the total output in 1971 and a negligible part in 1972. The boots were constructed by the cement process, and they retailed from \$25 to \$30 a pair. The men's golf shoes were made with leather uppers by both the Goodyear welt process and cement process; they retailed from \$20 to \$30 a pair.

Women's dress and casual footwear

The principal features of women's shoes that determine the occasion or activity for which a particular pair is suitable--and thus the trade designations such as "dress," "casual," and "slippers"--are the cut of the uppers, the kind of ornamentation, the material and construction of the soles, the style and height of the heels, and the material used for the uppers. In general or commercial usage, however, these descriptive terms for footwear may have various meanings. Some of them are specifically

1/ Poromeric is a synthetic, leather-like, porous material used as uppers for shoes, luggage, belts, and the like.

defined for tariff purposes in the headnotes (including the statistical headnotes) to subpart 1A of schedule 7 of the Tariff Schedules of the United States Annotated (TSUSA). 1/

Women's footwear for casual wear, not considered dress shoes, includes certain sandals, wedge-heeled shoes, flats, clogs, loafers, desert boots, oxfords, moccasins, and sneakers. Casual shoes usually have a lower heel than dress shoes.

The range of styles and quality of footwear increased greatly during the 1960's as a result of new materials, technological developments in production, and new fashions in wearing apparel and this trend has continued into the 1970's.

Simultaneously, consumer interest in a wider variety of footwear also increased, reflecting the changing age structure of the population, increasing per capita income, and a growth in time for leisure activities.

1/ For further discussion of these descriptive terms plus additional information in regard to nonrubber footwear (e.g., factors affecting U.S. consumption and marketing channels), see U.S. Tariff Commission, Nonrubber Footwear: Report to the President on Investigation No. TEA-I-18. . . , TC Publication 359, 1971.

Following these developments, the distinction between dress and casual shoes and attire diminished. Women's footwear styles began to fluctuate greatly as a result of frequent changes in women's fashions.

In 1967 the chunky style (monster) shoe was introduced and continued to be very popular until 1968. The chunky style marked the beginning of a style revolution in women's footwear. In 1969 clogs (an open-back scuff usually with a platform sole) became a popular fashion item, and they remain in vogue in 1973. Clogs accounted for a major part of Hubbard Shoe's output in 1972 and 1973.

In the late 1960's, boots, which were also produced by Hubbard Shoe, became fashionable, along with the miniskirt and other new fashions, and continued to be popular throughout 1970 and 1971. However, with the switch by women to other types of wearing apparel, such as pants suits, which did not complement boot designs, the market for boots diminished in 1972.

The 1970's also began a period in which footwear designs took a new direction owing to the changes in the length of women's dresses, and the increasing popularity of pants suits and flared trousers for women. Double soles to 1-inch or higher platforms and heels became the main interest in shoe designs. New soling includes plantation crepe, leather combinations, inside or concealed platforms, and wedges. Bottom assemblies may be colored, painted, or sculptured. Materials used in uppers range from leather of all types to the newest manmade materials.

For several decades the principal method of attaching the outsoles to women's shoes has been the cement process (the method used by Hubbard Shoe), whereby the outsole (or midsole, if any) is affixed to the upper by an adhesive without sewing. It is estimated that 80 percent of the total U.S. output of women's shoes in recent years (and probably an even higher percentage of the domestic output of dress shoes) has been made by the cement process. This process permits narrow edges on the outsole to give a trim appearance and produces a lighter and more flexible shoe than other processes except the turn (or turned) process. In the turn process, which is currently used **in** very minor degree in the United States to produce dress shoes, 1/ the footwear is initially lasted inside out and then turned right side out for the finishing operations.

The great bulk of women's imported dress and casual shoes are entered under TSUS items 700.20, 2/ 700.43, 700.45, and 700.55. As explained briefly in the following paragraphs, the footwear classifiable

1/ The turn process has been used in the United States in recent years principally to produce footwear of the types reported in official U.S. production statistics as slippers for housewear (SIC product code 3142). Slippers are also produced by the cement process.

2/ Imports of turned footwear under item 700.20 have been small. Women's imported leather footwear made by this process and dutiable under item 700.20 does not differ significantly in appearance from the leather dress shoes entered under items 700.43 and 700.45. Imports under item 700.20 were not considered competitive with the women's dress and casual shoes made by Hubbard Shoe Co.

under the last three of these TSUS items varies with respect to materials, method of construction, price line, and/or style.

Imports entered under TSUS items 700.43 and 700.45, which provide for leather footwear having a foreign (export) value of not over \$2.50 a pair, and over \$2.50 a pair, respectively, consist predominantly of women's footwear in a wide range of styles, types, and prices. In terms of quantity, about half of the combined imports under these two items in recent years have consisted of women's sandals having a retail selling price of about \$3 to \$9 a pair. The remainder have probably consisted predominantly of women's cement-process dress shoes of moderate prices (i.e., in the retail-price range of \$8 to \$20 a pair) but have also included sturdy types with vulcanized or injection-molded soles, lightweight slippers suitable principally for housewear, and more expensive high-fashion types.

Women's imported footwear with supported vinyl uppers, dutiable under TSUS item 700.55, has in recent years consisted predominantly of two groups: (1) Street shoes of sturdy construction, produced in a single width for each particular length and for sale mostly at \$3 to \$6 a pair at self-service counters in variety stores, discount stores, and department-store basements and (2) folding slippers and sandals, usually selling at retail for less than \$2 a pair. It is believed that before 1970 only a negligible portion of the annual imports of women's dress shoes and boots admitted under item 700.55 retailed at more than \$10 a pair. It is estimated that, in the years 1971-72, annual imports of such footwear retailing at more than \$10 a pair (mostly just over that price) accounted for less than 10 percent of the total imports.

Men's golf shoes

Golf shoes, as the name implies, are a specially designed types of footwear; they usually have 10 or more spikes (protruding about 1/2 inch below the sole) affixed to the shoe bottom. The spikes, which afford stability to help the golfer retain his balance throughout the swing, are usually arranged with four located on the heel in the shape of a square; the remainder are normally arranged in the shape of a diamond on the sole. The upper part of the spike usually has threads and is screwed into the shoe, which allows for replacement of the spikes; some golf shoes are produced with the spikes permanently affixed to the sole.

Golf shoes are made in a variety of styles and of various materials. Many have leather uppers, but some are constructed with poromeric, urethane, or vinyl uppers; the sole may be of leather, crepe (rubber), solid rubber, or composition material. Generally, most of the styles in golf shoes follow those of men's footwear in general. In recent years a type of men's golf shoe with suede leather upper and crepe wedge sole, known as "Hush Puppies" has become very popular. Currently, men's golf shoes with straps have been widely sold.

Golf shoes are made by the welt, cement, and injection-molded processes. Those made by Hubbard Shoe were of both the cement process and the welt process. In the welt process a narrow strip of supple leather or manmade material called the welt, is sewed to the shoe upper and to a lip on the surface of the insole; the outsole is then sewed and/or cemented to the welt. The cement process was described earlier. In the injection-molded process of construction, a sole and heel of polyvinyl chloride or an elastomer resin compound are simultaneously molded and attached to the shoe upper, thus

reducing production time and labor costs by eliminating a number of the steps required to attach the sole to the upper.

Industry sources estimate that 60 percent of the golf shoes now produced annually in the United States are by the injection-molded process; 30 percent are made by the Goodyear welt process and 10 percent by the cement process. These sources report that the Goodyear welt process will continue to decline in importance as a method of producing golf shoes, and that future growth will be of golf shoes by the cement process as opposed to those by the injection-molded process. Trade sources estimated that most imports of golf shoes are made by the injection-molded or cement process.

U.S. Tariff Treatment 1/

Women's dress and casual footwear

In the Tariff Act of 1930, women's leather footwear of cement-process construction was originally dutiable under paragraph 1530(e) at 20 percent ad valorem. Such footwear is provided for in the TSUS, which became effective on August 31, 1963, under items 700.43 and 700.45. The rate of duty was reduced for the first time effective January 1, 1968, pursuant to concessions granted during the Kennedy Round of negotiations. The current rate for item 700.43 is 15 percent, and that for item 700.45 is 10 percent.

1/ Prior to the Kennedy Round, the rate of duty on turn or turned shoes (now provided under TSUS item 700.20) was first reduced on January 1, 1932, from 20 percent ad valorem to 10 percent, pursuant to section 336 of the Tariff Act of 1930. The 10 percent rate, which was bound against increase in a concession granted to Switzerland, effective February 15, 1936, was reduced to 5 percent pursuant to a concession, effective May 30, 1950, granted under the General Agreement on Tariffs and Trade (GATT). The current rate for item 700.20 is 2.5 percent.

Supported vinyl was not used for uppers until the late 1940's or early 1950's. Prior to the effective date of the TSUS, imports of women's supported-vinyl-upper footwear, which were dutiable under various provisions of the Tariff Act, were classified principally--

- (1) By similitude, at the rate of 20 percent ad valorem applicable to leather footwear provided for in paragraph 1530(e). 1/
- (2) Under paragraph 1537(b) as articles in chief value of rubber, at the trade-agreement rate of 12.5 percent ad valorem, where the soles were of india rubber and constituted the chief value of the footwear in question.
- (3) Under paragraph 1539(b) at the reduced rate of 21 cents per pound plus 17 percent ad valorem where the footwear was in chief value of a product having a synthetic resin as the chief binding agent.

In the TSUS a rate of 12.5 percent ad valorem was established for item 700.55 as the trade-agreement rate to replace the wide range of rates previously applicable to the various types of footwear provided for in this item. 2/ The current rate on footwear with supported vinyl uppers is 6 percent ad valorem.

Table 1 in the appendix shows the reductions in rates of duty resulting from trade-agreement concessions granted under the GATT for women's and misses footwear of the types now dutiable under items 700.20, 700.43, 700.45, and 700.55. Tables 2, 3, and 4 show U.S. imports of women's shoes admitted under the TSUS items mentioned above and the applicable rates of duty.

1/ The principal kinds of footwear with supported-vinyl uppers now being imported (i.e., those with soles of vinyl or other plastics) would have been dutiable by virtue of the similitude provisions under par. 1530(e) at a rate of 20 percent ad valorem.

2/ The column 2 rate of duty for item 700.55 is 35 percent.

Men's golf shoes

Since August 31, 1963, the effective date of the TSUS, imported men's leather footwear of the types produced by Hubbard Shoe--golf shoes--are, if of welt construction, classified for duty purposes under TSUS items 700.26, 700.27, and 700.29 (depending on the value per pair). 1/ If of cement, injection-molded, or other types of construction, the imports are classifiable under item 700.35.

Footwear in chief value of leather (except with uppers in chief value of fibers) was originally dutiable in the Tariff Act of 1930 at 20 percent ad valorem under paragraph 1530(e). From 1930 until January 1, 1948, the effective date of the earliest concessions granted by the United States under the GATT, the tariff rates on the footwear discussed here were reduced pursuant to the following two pre-GATT concessions: (1) Effective January 1, 1939, the rate on welt footwear with a dutiable value of over \$2.50 a pair (now TSUS items 700.26, 700.27, and 700.29) was reduced to 50 cents a pair, but not less than 10 percent ad valorem; and (2) effective January 30, 1943, the rate on footwear made by cement and miscellaneous processes (now TSUS item 700.35) was reduced to 10 percent ad valorem.

1/ Imports of footwear of welt construction classified under item 700.25 (valued not over \$2 a pair) are of types less expensive than those made by Hubbard Shoe; imports under this item have been negligible in recent years.

Table 5 shows the 1930 rates of duty and the concession rates granted under the GATT (including all stages of the Kennedy Round reductions) for items 700.26, 700.27, 700.29, and 700.35, the four TSUS items under which men's leather golf shoes have been admitted in recent years.

Imports of men's golf shoes with uppers of manmade material (e.g., vinyl, urethane, or poromeric) would enter under TSUS item 700.55.

U.S. Consumption, Production, and Imports

Women's dress and casual footwear

During the period 1965-72, apparent annual U.S. consumption of all women's footwear (including dress and casual shoes and fashion boots) rose from an estimated 386 million pairs in 1965 to a peak of 455 million pairs in 1968, and then declined to 421 million pairs in 1972. Annual U.S. production of such footwear declined from 319 million pairs in 1965 to 223 million pairs in 1972. Annual imports almost tripled during this period, and their share of the market increased without interruption from 17 percent to 47 percent, as shown in the following tabulation.

Nonrubber footwear for women: U.S. production, imports for consumption, and apparent consumption, 1965-72

Year	Production <u>1/</u>	Imports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to apparent consumption
	Million pairs	Million pairs	Million pairs	Percent
1965-----	319	67	386	17
1966-----	323	70	393	18
1967-----	290	96	386	25
1968-----	322	133	455	29
1969-----	271	139	410	34
1970-----	260	165	425	39
1971-----	237	180	417	43
1972-----	223	198	421	47

1/ Production represents the output of women's and misses' footwear as reported by the U.S. Bureau of the Census, plus shipments to the U.S. mainland from Puerto Rico.

2/ Partly estimated from the official statistics for footwear of the kinds described in pt. 1A of schedule 7 of the TSUSA except imports described in items 700.32, 700.51, 700.52, 700.53, and 700.60 and except zoris (very inexpensive thonged sandals of rubber or plastics), dutiable under item 700.55. Includes imports of misses' footwear, which have been negligible compared with those of women's.

3/ Computed from U.S. production plus imports without an allowance for exports, which in 1972 amounted to about 1 million pairs.

Source: Compiled from official statistics of the U.S. Department

U.S. imports of women's footwear entered under TSUS items 700.20, 700.43, 700.45, and 700.55 in the aggregate accounted for 90 percent of the imports of nonrubber footwear in 1972. 1/ About 15 percent of the total entered under item 700.43, 30 percent under item 700.45, and 45 percent under item 700.55. 2/ As shown in table 6, in 1972 about 22 million pairs of imported footwear of leather, with an average dutiable value of about \$1.70 a pair, were entered under TSUSA items 700.4310 and 700.4340; more than 6 million pairs of imported footwear of leather, with an average dutiable value of \$3.89 a pair, were entered under item 700.4510; while over 51 million pairs of imported footwear of leather, with an average dutiable value of \$5.12 a pair, were entered under item 700.4540; and nearly 90 million pairs of imported footwear of vinyl, with an average dutiable value of \$1.22 a pair, were entered under item 700.5545. Although precise data are not available, it is believed that the major part of the imported footwear of leather with an average dutiable value of \$1.70 a pair and the imported footwear of vinyl consist of casual shoes. It is believed that imported footwear of leather having an average dutiable value of \$3.89 a pair is about equally divided between casual shoes and dress shoes, while such footwear having an average dutiable value of \$5.12 a pair consist primarily of dress shoes.

1/ A negligible part of imports was entered under item 700.20.

2/ A Bureau of Customs import specialist at the Port of New York reported that imports of women's stitched fashion boots, which entered under item 700.55, became significant in 1970 and 1971; but imports declined sharply in 1972, and have been virtually nil in 1973. Imports of women's fashion boots of manmade uppers, that retail for \$20 to \$30 a pair, were imported principally from Spain and Italy; those that retail between \$10 and \$15 a pair came principally from the Far East. Brazil was reported to be the major source of dress boots with leather uppers (TSUS item 700.45; these retailed for \$20-\$25 a pair.)

Italy and Spain have been the principal suppliers of women's leather footwear; the Republic of China (Taiwan) and Japan, the principal suppliers of women's vinyl footwear.

Data on U.S. consumption of women's dress shoes, which include fashion boots, are not reported in official statistics. It is estimated, however, that during 1965-72 apparent annual U.S. consumption (production plus imports) of such footwear followed an irregular trend, rising from about 204 million pairs in 1965 to about 231 million in 1968, then declining to 200 million in 1972.

Estimated domestic production of women's dress shoes during this period reached a peak of about 210 million pairs in 1968 and then declined to 150 million pairs in 1972. Estimated imports rose from 4 million pairs in 1965 to 50 million pairs in 1972. The share of apparent annual U.S. consumption of women's dress shoes supplied by imports increased from 2 percent in 1965 to 25 percent in 1972, as shown in the following table.

Dress footwear for women: U.S. production, imports for consumption,
and apparent consumption, 1965-72

Year	Production <u>1/</u>	Imports <u>2/</u>	Apparent consump- tion <u>3/</u>	Ratio of imports to apparent consumption
	<u>Million pairs</u>	<u>Million pairs</u>	<u>Million pairs</u>	<u>Percent</u>
1965-----	200	4	204	2
1966-----	206	7	213	3
1967-----	188	11	199	6
1968-----	210	21	231	9
1969-----	177	28	205	14
1970-----	165	36	201	18
1971-----	156	43	199	22
1972-----	150	50	200	25

1/ Estimates by the U.S. Tariff Commission, based on the assumption that dress shoes, as defined in the trade, account for about 2/3 of the total annual output of nonrubber footwear for women and misses.

The term "dress shoes" does not include footwear especially made for athletic, occupational, and leisure activities. Women's footwear not considered dress shoes includes certain sandals, wedge-heeled shoes, flats, clogs, loafers, desert boots, moccasins, and sneakers.

2/ Data represent estimated imports of dress shoes entered under TSUS items 700.20, 700.43, 700.45, and 700.55, as estimated by the Tariff Commission.

3/ Data represent estimated production plus estimated imports without an allowance for exports, which in 1972 amounted to less than 1 million pairs.

Source: Estimated by the U.S. Tariff Commission, based on official statistics of the U.S. Department of Commerce.

Data on U.S. consumption, production, and imports of women's casual shoes also are not reported separately in official statistics. Estimates of these data are shown in the following table. The table indicates that during the last 7-year period apparent consumption fluctuated from 180 million pairs in 1966 to 224 million pairs in 1968 and 1970. The import share of domestic consumption almost doubled over the period, expanding from 35 percent in 1965 to 67 percent in 1972.

Women's casual footwear: Estimated production, imports for consumption, and apparent consumption, 1965-72

Year	Production <u>1/</u>	Imports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to consumption
	Million pairs	Million pairs	Million pairs	Percent
1965-----	119	63	182	35
1966-----	117	63	180	35
1967-----	102	85	187	45
1968-----	112	112	224	50
1969-----	94	111	205	54
1970-----	95	129	224	58
1971-----	81	137	218	63
1972-----	73	148	221	67

1/ Casual shoes are believed to account for about 1/3 of the total annual output of nonrubber footwear for women and misses.

2/ Data represent estimated imports of casual shoes entered under TSUS items 700.20, 700.43, 700.45, and 700.55. Casual shoes are believed to have accounted for about 3/4 of the total annual imports of nonrubber footwear for women and misses in recent years.

3/ Data represent estimated production plus estimated imports without an allowance for exports, which in 1972 amounted to less than 1 million pairs.

Source: Estimated by the U.S. Tariff Commission from official statistics of the U.S. Department of Commerce.

Men's golf shoes

Official statistics on U.S. consumption, production, and imports of golf shoes are not available. Industry sources estimated that U.S. consumption of men's golf shoes has increased at an annual rate of 3 to 5 percent during the period 1968-72. They also estimated that consumption in 1972 amounted to about 2.4 million pairs with a retail value of \$32 to \$40 million.

According to both industry sources and an import specialist at the Bureau of Customs (Port of New York), imports of better quality men's golf shoes, i.e., those retailing between \$25 and \$60 a pair, are small; virtually all of these imports are from the United Kingdom.

Although official data are not available, Japan is believed to be the principal source of imports of men's golf shoes which retail from \$15 to \$25 a pair, most of which have uppers of manmade material. Industry and Government contacts report that imports of men's golf shoes in this lower retail price range are of greater significance than those of the better men's golf shoes, but are still small in comparison to domestic production of similar men's golf shoes.

U.S. and Foreign Wage Rates

The table on the following page shows the published average hourly earnings and the estimated compensation per hour received by shoe workers in six countries in 1964, 1970, and 1971. It should be noted, however, that there are **several** difficulties involved in comparing these data. First, the definition for "shoe industry" varies among nations; in only two countries--Italy and the United States--are shoes specifically broken out from more encompassing industry classifications. This definitional problem makes it difficult to isolate the "shoe industry" in each country. Second, as footnote 1 to the table indicates, published hourly earnings in the various nations differ in composition. Third, total compensation for workers includes varying factors in the six countries.

Hourly earnings of production workers and estimated total compensation per hour worked by them in specified industries related to footwear in 6 countries, 1964, 1970, and 1971

		(in U.S. dollars)					
Country	Industry	Published average hourly earnings ^{1/}			Estimated compensation per hour worked ^{2/}		
		1964	1970	1971	1964	1970	1971
Brazil-----	Clothing and shoes-----	^{3/} \$0.23	^{4/} \$0.28	^{5/} .	^{5/} .	^{5/} .	^{5/} .
Italy-----	Shoes ^{6/} -----	.42	.65	\$0.90	\$0.71	\$1.19	\$1.67
Japan-----	Leather products ^{7/} -----	.37	.78	1.04	.41	.88	1.18
Spain-----	Shoes, leather, and clothing-----	.23	.38	.46	^{5/} .	^{8/} .57	^{8/} .68
Taiwan-----	Leather and leather products ^{7/} -----	.12	.18	^{5/} .	^{9/} .14	^{9/} .21	^{5/} .
United States----	Footwear, excluding rubber-----	1.77	2.43	2.53	2.10	2.96	3.09

^{1/} Published earnings do not represent the same items of labor compensation in each country because of differences in the treatment of various supplementary benefits. Earnings generally refer to gross cash payments to wage workers before deductions for taxes and social security, and include overtime pay, shift differentials, regular bonuses and premiums, and cost-of-living adjustments. Holiday, vacation, and sick leave pay, bonuses not paid regularly each pay period, and other supplementary benefits are included by some countries and excluded by others. The earnings data are per paid hour for some countries and per hour worked for other countries.

^{2/} Compensation refers to all payments made by employers directly to their workers before deductions of any kind, plus employer contributions to legally required insurance programs and private welfare plans for the benefit of employees. The figures on additional compensation per hour worked as a percent of published earnings are the best estimates currently available to the Bureau of Labor Statistics. The estimates are based primarily on labor cost or labor compensation surveys adjusted to the listed years on the basis of other available data.

^{3/} Average for 1966.

^{4/} Average for 1969; monthly earnings of 211.60 cruzeiros converted to an hourly basis by assuming 195 hours of work per month.

^{5/} Not available.

^{6/} Approximately 15 percent of the workers in the Italian shoe industry are home workers who are paid at a lower wage rate than the factory workers in the industry.

^{7/} The shoes shipped from Japan and Taiwan to the United States are principally of plastics. Separate data are not available on the plastics footwear industries of these two countries. Approximately half of the workers in the Japanese plastics shoe industry are home workers who are paid at a lower rate than the factory workers in that industry. Apparently none of the workers in the Taiwan plastics shoe industry are home workers.

^{8/} The compensation factor included in this figure is employer social security payments, which range from 40 to 50 percent of payroll.

^{9/} The published earnings data are computed per hour worked and include overtime pay, regular premiums, and bonuses; family allowances; the market value of payments in kind; and wages paid to persons absent from work. Compensation figure also includes annual bonuses.

Source: Based on data provided by U.S. Bureau of Labor Statistics, from the following: Brazil--Yearbook of Labour Statistics 1971, International Labour Office, Geneva; Italy--Social Statistics (various issues), Statistical Office of the European Communities, Luxembourg and Brussels; Japan--Year Book of Labor Statistics (various issues), Ministry of Labor, Tokyo; Spain--Monthly Bulletin of Statistics (various issues) National Institute of Statistics, Madrid; and Taiwan--Report of Taiwan Labor Statistics 1971, Department of Construction, Provincial Government of Taiwan.

Note.--The exchange rate used to convert other currencies into U.S. dollars for 1971 is the rate that became effective in December 1971. Part of the large increase in wages for Italy and Japan in 1971 is attributable to use of the 1971 rate, which more accurately reflects trading conditions in 1971.

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Data Relating to Hubbard Shoe Co., Inc.

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APPENDIX A
STATISTICAL TABLES

Table 1.--U.S. rates of duty applicable to women's and misses' footwear of the types provided for in specified TSUS items, July 1, 1934, and GATT concessions to Jan. 1, 1972

TSUS item No.	Abbreviated description	Rate of duty		
		July 1, 1934 ^{1/}	GATT concession ^{2/}	
			Rate	Effective date
		Percent ad val.	Percent ad val.	
700.20	Leather footwear: Turn or turned-----	10 ^{3/}	5	May 30, 1950-Dec. 31, 1967.
			4	Jan. 1, 1968-Dec. 31, 1969.
			3	Jan. 1, 1970-Dec. 31, 1971.
			2.5	Jan. 1, 1972.
700.43	"Other" (including cement proc- ess): Valued not over \$2.50 per pair.	20	19	Jan. 1-Dec. 31, 1968.
			18	Jan. 1-Dec. 31, 1969.
			17	Jan. 1-Dec. 31, 1970.
			16	Jan. 1-Dec. 31, 1971.
			15	Jan. 1, 1972.
700.45	Valued over \$2.50 per pair--	20	18	Jan. 1-Dec. 31, 1968.
			16	Jan. 1-Dec. 31, 1969.
			14	Jan. 1-Dec. 31, 1970.
			12	Jan. 1-Dec. 31, 1971.
			20	Jan. 1, 1972.
700.55	Footwear having uppers of supported vinyl.	Princi-	5/ 12.5	Aug. 31, 1963-Dec. 31, 1967.
		pally	11	Jan. 1-Dec. 31, 1968.
		20 ^{4/}	10	Jan. 1-Dec. 31, 1969.
			8.5	Jan. 1-Dec. 31, 1970.
			7	Jan. 1-Dec. 31, 1971.
		6	Jan. 1, 1972.	

^{1/} Except as noted, the rate on July 1, 1934, was the same as the original rate in the Tariff Act of 1930, effective June 18, 1930.

^{2/} For concessions granted in the Kennedy Round, effective Jan. 1, 1968, the table shows staged rates that became effective up to and including Jan. 1, 1972.

^{3/} Effective Jan. 1, 1932, the statutory rate of 20 percent ad valorem was reduced to 10 percent ad valorem, pursuant to sec. 336 of the Tariff Act of 1930.

^{4/} Supported vinyl was not used for shoe uppers until the late 1940's or early 1950's. When footwear with supported vinyl uppers was imported during the 1950's and early 1960's, it was generally dutiable, by virtue of the similitude provisions of par. 1559, at the rate provided for "similar" leather footwear in par. 1530(e). The column 2 rate for item 700.55 is 35 percent.

^{5/} The trade-agreement rate established in the TSUS, effective Aug. 31, 1963, under authority of the Tariff Classification Act of 1962 (Public Law 87-456) to replace the wide range of rates previously applicable to the various types of footwear provided for in this TSUS item.

Note.--Pursuant to Presidential Proclamation No. 4074, effective from Aug. 16 to Dec. 19, 1971, the rates of duty on most imported products were increased by the temporary imposition of an additional duty of 10 percent ad valorem or less, as provided for in new subpt. C to pt. 2 of the appendix to the TSUS.

Table 2.--Leather footwear for women and misses made by the turn or turned process (item 700.20): U.S. rates of duty and imports for consumption, 1939, 1946, and 1955-72

Year	Rate of duty	Quantity
	<u>Percent</u> <u>ad valorem</u>	<u>1,000 pairs</u>
1939-----	<u>1/</u> 10	5
1946-----	10	4
1955-----	<u>2/</u> 5	10
1956-----	5	97
1957-----	5	209
1958-----	5	434
1959-----	5	402
1960-----	5	664
1961-----	5	882
1962-----	5	1,067
1963-----	5	916
1964-----	5	864
1965-----	5	1,053
1966-----	5	1,106
1967-----	5	1,361
1968-----	4	1,905
1969-----	4	2,459
1970-----	3	2,398
1971-----	3	1,604
1972-----	2.5	1,589

1/ Effective Jan. 1, 1932, the statutory rate of 20 percent ad valorem was reduced to 10 percent pursuant to sec. 336 of the Tariff Act of 1930.

2/ GATT concession, effective May 30, 1950.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 3.--Leather footwear for women and misses, made principally by the cement process (items 700.43 and 700.45): U.S. rates of duty and imports for consumption, 1939, 1946, and 1955-72 ^{1/}

Year	Rate of duty		Quantity	
	700.43	700.45	700.43	700.45
	<u>Percent</u> <u>ad valorem</u>	<u>Percent</u> <u>ad valorem</u>	<u>Million</u> <u>pairs</u>	<u>Million</u> <u>pairs</u>
1939-----	20		2	
1946-----	20		1	
1955-----	20		1	
1956-----	20		1	
1957-----	20		2	
1958-----	20		9	
1959-----	20		5	
1960-----	20		7	
1961-----	20		9	
1962-----	20		12	
1963-----	20		17	
1964-----	20		19	
1965-----	20		21	
1966-----	20		28	
1967-----	20		38	
1968-----	19 :	18 :	34 :	20
1969-----	18 :	16 :	29 :	27
1970-----	17 :	14 :	37 :	35
1971-----	16 :	12 :	33 :	44
1972 ^{2/} -----	15 :	10 :	25 :	61

^{1/} Statutory rate under par. 1530(e) for 1939 and 1946 through Aug. 30, 1963, and under TSUS item 700.40 for Aug. 31, 1963, through 1967. Effective Jan. 1, 1968, new items 700.41 (sandals of buffalo leather), 700.43, and 700.45 replaced item 700.40.

^{2/} U.S. imports of sandals under item 700.41 amounted to 2 million pairs in this year.

Source: Compiled from official statistics of the U.S. Department of Commerce and partly estimated.

Table 4.--Footwear having supported-vinyl uppers for women and misses (item 700.55): U.S. rates of duty and imports for consumption, 1934, and 1964-72

Year	Rate of duty	Quantity	Value	Unit value
	<u>Percent</u> <u>ad valorem</u>	<u>1,000</u> <u>pairs</u>	<u>1,000</u> <u>dollars</u>	<u>Per</u> <u>pair</u>
1934-----	<u>1/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>
1964-----	<u>3/</u> 12.5	27,574	12,429	\$0.45
1965-----	12.5	29,579	13,564	.46
1966-----	12.5	33,239	17,024	.51
1967-----	12.5	49,767	27,704	.56
1968-----	11	68,579	46,603	.68
1969-----	10	70,777	55,820	.79
1970-----	8.5	77,288	73,757	.95
1971-----	7	86,942	104,196	1.20
1972-----	6	89,776	104,907	1.22

1/ During the period before the TSUS became effective, footwear with supported-vinyl uppers (with soles other than india rubber) was generally dutiable by virtue of the similitude provisions of par. 1559 of the Tariff Act of 1930, at a rate provided for similar leather footwear in par. 1530(e), principally 20 percent ad valorem. The column 2 rate for item 700.55 is 35 percent.

2/ Not available.

3/ Rate established in the TSUS, effective Aug. 31, 1963.

Source: Compiled from official statistics of the U.S. Department of Commerce (data for 1964 and 1965 are partly estimated).

Note.--Data are not available on U.S. imports of footwear with supported vinyl uppers for the years prior to 1964. Such imports were probably negligible in the mid-1950's.

Table 5.--U.S. rates of duty applicable to leather footwear of the types provided for in specified TSUS items, 1930 and GATT concessions to Jan. 1, 1972

TSUS item No.	Abbreviated description	1930 rate	GATT concessions	
			Rate	Effective dates
		Percent ad val.	Cents per pair or percent ad val.	
	Leather footwear:			
	Welt, valued per pair----			
700.26 ^{1/}	Over \$2 but not over \$5-----	20%	40¢ 38¢ 36¢ 34¢ 30¢ 27¢ 23¢ 20¢ 17¢	Jan. 1, 1948-June 29, 1956. June 30, 1956-June 29, 1957. June 30, 1957-June 29, 1958. June 30, 1958-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.
700.27 ^{1/}	Over \$5 but not over \$6.80.	20%	40¢ 38¢ 36¢ 34¢ 6¢ but not more than 34¢ 5.5 but not more than 34¢ 5%	Jan. 1, 1948-June 29, 1956. June 30, 1956-June 29, 1957. June 30, 1957-June 29, 1958. June 30, 1958-Dec. 31, 1967. Jan. 1, 1968-Dec. 31, 1969. Jan. 1, Dec. 31, 1970. Jan. 1, 1971.
700.29 ^{1/}	Over \$6.80 (except ski boots).	20%	40¢ but not less than 5% 38¢ but not less than 5% 36¢ but not less than 5% 5%	Jan. 1, 1948-June 29, 1956. June 30, 1956-June 29, 1957. June 30, 1958, to date.
700.35	"Other" footwear (including cement process) for men, youths, and boys.	20%	10% 9.5% 9.0% 8.5%	June 6, 1951-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1, 1969-Dec. 31, 1970. Jan. 1, 1971.

^{1/} New item effective Jan. 1, 1968.

Note.--Pursuant to Presidential Proclamation No. 4074, effective from Aug. 16 to Dec. 20, 1971, the rate of duty on most imported products were increased by the temporary imposition of an additional duty of 10 percent ad valorem or less as provided for in new subpt. C to pt. 2 of the appendix to the TSUS.

Table 6.--Nonrubber footwear for women: U.S. imports,
by selected TSUSA items, 1968-72

TSUSA item no.	Description	1968	1969	1970	1971	1972
Quantity (1,000 pairs)						
	Footwear of leather:					
	Valued not over \$2.50					
	per pair:					
700.4310	Casual footwear:					
	For women-----	19,024	12,015	11,905	8,298	4,189
700.4340	Cement footwear:					
	For women-----	11,891	13,532	21,159	20,008	17,685
	Valued over \$2.50 per					
	pair:					
700.4510	Casual footwear:					
	For women-----	1,428	1,922	2,489	3,554	6,348
700.4540	Cement footwear:					
	For women-----	16,884	22,734	28,471	37,563	51,250
700.5545	Supported vinyl uppers:					
	For women and misses--	68,579	70,777	77,288	86,942	89,776
	Total-----	117,806	120,980	141,312	156,365	169,248
Value (1,000 dollars)						
	Footwear of leather:					
	Valued not over \$2.50					
	per pair:					
700.4310	Casual footwear:					
	For women-----	27,559	17,749	18,238	13,256	7,084
700.4340	Cement footwear:					
	For women-----	19,265	22,144	35,614	34,437	30,153
	Valued over \$2.50 per					
	pair:					
700.4510	Casual footwear					
	For women-----	5,293	7,899	10,007	13,711	24,701
700.4540	Cement footwear:					
	For women-----	76,236	112,866	146,161	193,846	262,403
700.5545	Supported vinyl uppers:					
	For women and misses--	46,603	55,820	73,757	104,196	109,907
	Total-----	174,936	216,478	283,778	359,446	434,248
Unit value (per pair)						
	Footwear of leather:					
	Valued not over \$2.50					
	per pair:					
700.4310	Casual footwear:					
	For women-----	\$1.44	\$1.48	\$1.53	\$1.60	\$1.69
700.4340	Cement footwear:					
	For women-----	1.62	1.64	1.68	1.72	1.70
	Valued over \$2.50 per					
	pair:					
700.4510	Casual footwear					
	For women-----	3.70	4.11	4.02	3.86	3.89
700.4540	Cement footwear:					
	For women-----	4.51	4.96	5.13	5.16	5.12
700.5545	Supported vinyl uppers:					
	For women and misses--	.67	.79	.95	1.20	1.22
	Average-----	1.48	1.79	2.01	2.30	2.57

Source: Compiled from official statistics of the U.S. Department of Commerce.

APPENDIX B

LETTERS RECEIVED FROM CUSTOMERS OF HUBBARD SHOE CO., INC.

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APPENDIX C

LETTERS RECEIVED FROM SECURED LENDERS OF HUBBARD SHOE CO., INC.

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