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UNITED STATES TARIFF COMMISSION

MINK FURSKINS

Report to the President on Investigation
No. 332-54 Under Section 332 of the
Tariff Act of 1930

TC Publication 242
Washington, D.C.
April 1968

UNITED STATES TARIFF COMMISSION

Address all communications to

United States Tariff Commission

Washington, D.C. 20436

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(TC29107)

U.S. Tariff Commission,
April 9, 1968

To the President:

This report presents the results of an investigation of mink furskins conducted by the Tariff Commission in response to your request of August 28, 1967. Your letter to the Acting Chairman of the Commission requesting the investigation is reproduced below:

> Dear Mr. Chairman:
>
> I request, in accordance with section 332(g) of the Tariff Act of 1930, that the Tariff Commission make an investigation of the conditions of competition in the United States between mink furskins produced in the United States and in foreign countries.
>
> The report of the Commission shall include (but not be limited to) data with respect to U.S. consumption, domestic production, imports, exports, prices, employment, the financial returns to domestic producers, and the effect of imports on the industry.
>
> I request that you report the results of this investigation to me at the earliest practicable date. 1/

1/ Public notice of the institution of the Commission's investigation was issued on Aug. 31, 1967. The notice was posted at the Commission's offices in Washington, D.C., and in New York City, and was published in the Federal Register (32 F.R. 12773) and in the Sept. 20, 1967, issue of Customs Bulletin. A public hearing was held Dec. 5-8, 1967; interested parties were afforded opportunity to produce evidence and to be heard. In addition to the information submitted at the hearing, the Commission obtained information from briefs of interested parties, from fieldwork, from responses to questionnaires sent to producers, importers, auction houses, and others, from other Government agencies, and from other appropriate sources.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

The United States has long been the world's major producer and consumer of mink furskins, but its relative importance has declined as both consumption and production have increased at a faster rate abroad than in the United States. The nature of the product and the demand for it, together with the method of sale (principally by auction), have facilitated the development of a world market and, therefore, a world price structure.

For many years both U.S. production and imports of mink furskins have trended upward, with imports increasing at a faster rate than output. The United States produced 27 percent of the world output of mink furskins in 1966 and accounted for 45 percent of world consumption. During the period 1963-67, imports supplied 53 percent of domestic consumption. 1/

In 1967 there was a sharp drop in the price of mink furskins from the previous year. No single price figure illustrates the extent of this change inasmuch as furskins differ in quality, size, and fashion appeal. Even so, it is generally agreed that the price decline in the United States between 1966 and 1967 averaged about 25 percent for

1/ The Commission's investigation disclosed that previously reported figures on mink production in the United States were overstated. Accordingly, it developed new figures which show that imports are a greater percentage of domestic consumption than previously supposed.

total sales. In 1961, following a period of relative stability, there had also been a sharp price decline and the price structure stabilized at the lower level. The new stability, moreover, was sufficiently below the previous level that the industry faced a different set of business conditions.

In the light of the 1961 price decline, the concern of U.S. mink ranchers with regard to the 1967 price break was not limited to the difficulties it brought about for current operations. They were also apprehensive as to whether it ushered in a period of permanently lower prices which might be some 40 percent below the prices they received in the mid-1950's.

The following factors contributed to the sharp decline in the average price that mink ranchers received in 1967: (1) a retardation in the economic growth of the United States and the major mink consuming countries in Europe; (2) reports late in 1966 that the world supply of new mink furskins was more than adequate to meet demand; (3) the accumulation of large inventories of mink furskins in the hands of domestic fur dealers and garment manufacturers late in 1966; and (4) the introduction of new fur dressing techniques and decisions by the Federal Trade Commission regarding their use, which caused apprehension in the trade.

These factors may be short-term conditions which could be reversed or significantly modified in the normal course of a growing world economy. Mink, being a luxury product, is particularly susceptible to changes in economic conditions; even small changes in general economic conditions contribute to wide swings in the price and demand for mink.

The market for mink has broadened substantially. More mink than previously is used for trim and in new styles that differ significantly from the traditional. Mink-trimmed garments utilize furskins of lower quality and smaller size. The new styles require fewer furskins and less labor per unit, thus lowering the cost of a mink garment to the consumer. The broadening market is, at the same time, both a result of, and a factor contributing to, lower average prices. In the United States imports have been particularly important in furnishing furskins for this segment of the market.

These changing production, consumption, and price patterns, both in the United States and in the world, are clearly interrelated with the number and size of domestic ranches, imports, profit opportunities, and the like. Discussions of the pertinent developments, along with factual information on tariff treatment, inventories, foreign production and marketing, and technical aspects of the product and its marketing, are presented in the body of this report.

Description and Uses

Mink is a small, slender carnivorous animal belonging to the weasel family. The mink furskin is used almost exclusively in women's wearing apparel; the furskin is the only important product obtained from mink ranching. The animals both grow in the wild and are raised in captivity. The wild mink of North America is semiaquatic and is native to the area extending from Alaska and Northern Canada to Louisiana. The mink is raised in captivity throughout the world; it is a descendant of the wild mink of North America and is known as ranch mink. The ranch-raised animal was developed to establish a reliable supply of mink and to improve fur and furskin size, color, and quality. The mature ranch-raised male animal generally weighs from 3 to 5 pounds; the female is smaller.

Furskins of the so-called North American mink (Mustela vison) and the European mink (Mustela lutreola) are the only furskins that may be labeled or sold in the United States as mink, pursuant to regulations issued by the Federal Trade Commission (FTC). 1/ Ranch mink make up all but a small part of the world trade in mink furskins; trade in

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1/ Since May 14, 1967, furskins of Japanese mink (Mustela itatsi) and Chinese mink (Mustela sibirica) must be designated as Japanese weasel or Chinese weasel, respectively, according to the FTC. That agency exercises broad authority to protect producers as well as consumers. The FTC administers the Fur Products Labeling Act (15 U.S.C. 69) covering furskins, fur garments, and fur-trimmed garments. The legislation embodies all phases of the commerce in furs, including manufacturing, wholesaling, and retailing. It provides criminal penalties for willful violation of its provisions. Invoices, advertisements, and labels must show (1) the English name of the fur animal as shown in the Fur Products Name Guide published by the FTC, (2) the name or identification of the manufacturer as registered with the FTC, (3) the country of origin of the fur animal, and (4) whether the fur is natural, bleached, dyed or color-altered, or whether it consists of used fur, paws, or similar pieces.

North American wild mink furskins is relatively small. Mink native to Europe are not raised commercially and furskins of such mink seldom enter the U.S. market.

Ranch mink furskins account for by far the greatest share of the aggregate value of all furskins (mink or otherwise) made into wearing apparel in the United States. In attaining this position, ranch mink furskins displaced other furs, particularly wild mink, fox, and muskrat. During the 1950's, ranch mink furskins were aided in their rise to prominence by the Fur Products Labeling Act which prohibits simulation and sale of a furskin by any but its actual name. More recently, ranch mink furskins have been in abundant supply at reduced prices in competition with other furskins. Moreover, mink is the only fur that offers a wide assortment of natural colors; such colors do not fade as noticeably as dyed colors. The leather and fur of mink are of notably high quality. The leather is tough, yet thin and pliant. The fur is dense, short, and long-wearing. Garments made of mink furskins present a nonbulky appearance, compared with garments made of long-haired furskins such as fox.

Description

The raw mink furskin (item 124.10) 1/ of commerce consists of the entire pelt--i.e., head, tail, and paws. The skin is uncut except in the area under the tail. In its preparation, the skin side of the

1/ For explanations of the term "raw mink furskin" and certain other terms used in this report, see the glossary, appendix D. The term "item" followed by a number refers to that found in the Tariff Schedules of the United States (TSUS).

furskin has been scraped free of fat and thoroughly dried. Mink furskins are marketed either with the skin or leather side turned out (leather-out) or with the fur side turned out (fur-out). The fur side of a furskin consists of underfur and guard hair. The underfur covering the entire furskin is dense and silky, and in the male it measures about five-eighths inch in length. The guard hair, interspersed with the underfur, is larger in diameter than the underfur, and in the male it averages about three-fourths inch in length.

Mink furskins vary in size, condition of leather and fur, and color--all of which are factors determining quality. The size of a ranch mink furskin, measured from nose to base of tail, varies from breed to breed and by sex within the same breed; it generally ranges from 18 to more than 30 inches in length. The female mink furskin varies from one-half to three-fourths as large as that of the male; the underfur and guard hair is shorter and finer, and the leather is thinner.

The pliability and thickness of the leather and the length, density, and silkiness of the fur are factors of quality equally as important as the size of the furskin. A furskin at its best in quality is referred to as being in its prime. At this stage the skin is creamy white and suitable for thinning and tanning. The underfur of the furskin is dense and the guard hair has a desirable sheen. To obtain a prime furskin the animal must be killed at the proper time. The period of the year when the furskin reaches prime depends on several conditions, including the decrease in daylight and temperatures; hence, mink in the far north reach prime earlier than those farther south. The animals are generally born in May and killed the following November or December. Other factors affecting prime include sex, diet, and heredity.

Mink furskins are available in a wide variety of colors. Colors are at their best when furskins are prime; as winter advances the intensity of the color diminishes. Some 50 color categories known as "color phases," are employed; about 15 of them are commercially important (appendix B). Most color phases are known by more than one name. Black-brown furskins having a bluish cast are known as Dark, Standard, or Ranch, or combinations of these names. 1/ Different shades of Dark are indicated by such terms as Black or Pale Dark. Before the 1930's, Dark mink was the only type raised on a commercial scale. After that U.S. ranchers discovered and developed a self-reproducing breed of gray mink, which became known as Platinum. Other mutations soon followed. The commercially important color phases are classed in three groups--standard colors, blue and gray colors, and high-shade colors. Standard colors include Dark, Pastel (medium brown), and Pale Brown. Blue and gray colors include Sapphire (blue to pale blue), Gunmetal (medium gray), and Platinum (gray to pale gray). High shades are very light colors such as Violet (pale blue), Lavender (light gray-beige), Hope (pale blue-beige), Pearl (pale beige), and White. Mutation furskins are those of any color phase except Dark and Half Blood (somewhat lighter in color than Dark).

1/ In this report, such furskins are referred to as Dark or Darks.

Mink furskins are graded on the basis of color, size, and condition of fur and leather. Producer marketing organizations use registered trademarks to designate certain grades of mink furskins that meet specified standards of quality. In addition, the top grade of mutation mink carries a second trademark name identifying the particular mutation. The Mutation Mink Breeders Association (EMBA), for example, awards both the labels "Emba" and "Tourmaline" to top grade Pearl furskins and only the label "Emba" to medium quality Pearl furskins.

In the trade, the grades of mink furskins may be divided broadly into three groups. The first group includes furskins ranging from the finest quality to those of good quality. Furskins in this grade are used mainly for expensive fur garments. The second group consists of furskins ranging from medium to low quality. Furskins in this group are known in the trade as commercial and low grades. Such furskins are used for trimming garments and for making relatively inexpensive fur garments. The third group comprises furskins of the poorest quality, i.e., those which are extremely off color, small in size, or have blemishes, tears, or poor fur. These skins have relatively little commercial value. The grading outlined above and used broadly in the market place cannot be translated into the precise terms of association trademark distinctions. The quality to which each of these trademarks applies may vary from year to year due to variations in natural influences such as weather, feed supply, and changes in ranch conditions.

Furskins of wild mink are marketed apart from those of ranch mink. Such furskins are generally smaller in size than those of ranch mink and tend to vary more widely in quality. The fur color ranges from light brown for the furskins from the southern part of the United States to dark brown for those from the northern areas and Canada. The light brown furskins often show rusty or yellowish tints, considered by the trade to be undesirable.

All raw furskins are dressed to preserve them indefinitely in a pliant state before being made into an article of apparel. Dressed mink furskins (item 124.25) are whole fur-out skins--i.e., they have been shaved to a uniform thickness and tanned. The fur has been cleaned and brushed. The dressing of mink furskins requires a high degree of skill and experience; currently about a dozen U.S. firms are engaged in dressing mink.

For many years a single process was generally used in the United States to dress all colors of mink. The FTC permits mink furskins treated by this process to be labeled "natural mink." A disadvantage of its use on Dark mink is that it lightens slightly the color of the fur. This process became known as number 1 process in 1966, when U.S. dressers introduced a new process (number 2 process) for Dark mink that retains the natural color of the fur. In this process iron sulphate, or copper sulphate, is added to the tanning solution. On July 18, 1966, the FTC permitted mink furskins so treated to be labeled as "natural mink." Hence, most Dark mink furskins are currently treated by the number 2 process. In 1967, another process (number 3 process) was introduced that darkens all but the deepest shades of Dark furskins. In this process, solutions of iron sulphate or copper sulphate are used that are stronger than those used in the number 2 process. On May 10, 1967, the FTC decided that mink furskins treated with the number 3 process must be labeled as "color altered" or "color added." 1/

Mink furskins are seldom dyed, inasmuch as the dyed product (item 124.65) does not command as high a price as do natural furskins of comparable quality. When mink is dyed, it is done to simulate a more expensive natural color such as Black, or to hide defects in color. The color of White mink, which often has a yellowish tinge, is enhanced by bleaching. Furskins dyed or bleached must be so labeled.

Uses

Dressed mink furskins are used almost exclusively in the manufacture of women's apparel, principally fur coats, fur jackets, fur stoles or wraps, and as fur trim on cloth or leather coats. A full-length fur coat requires 50 or more furskins. Male furskins are generally used in the body of the coat; female furskins are used more frequently in making the sleeves and collars. Coats made entirely of female skins require from 60 to 90 furskins. Finger-tip length jackets require

1/ On January 11, 1968, the FTC held a hearing regarding its proposed guidelines relating to the dressing processes used on mink furskins. To date the results of that hearing have not been released by the FTC.

about 30 female furskins; female furskins are of suitable length for jackets. A mink collar on a medium-price or less expensive cloth coat usually is made from one furskin. The furskins used on the less expensive cloth coats are generally lower in quality than those used in all-fur garments. Female furskins are used for narrow collars, male furskins for wide collars.

Female mink furskins are slightly less durable than male furskins of comparable quality, but in some uses are more desirable. Female furskins are lighter in weight, softer, more supple and silkier than male furskins. Because of these characteristics, fur garments made entirely of top quality female furskins are preferred by some as being more desirable and luxurious than garments made of male furskins of the same top quality. Garments made of female furskins require more labor than those made from male furskins inasmuch as a larger number of female skins are required per garment.

Tails, paws, and pieces of mink are exported, principally to Greece, where they are sewn together. Such articles are then shipped to Europe or the United States as strips or plates (items 124.20, 124.60) and manufactured into low-price wearing apparel made of fur.

The bulk of the imported mink furskins are of the standard colors and belong to the so-called commercial grade, i.e., medium-to-low quality; moreover, more female than male furskins are imported. The imported furskins are used primarily in mink garments that are sold in the low and middle price ranges, and as collar or cuff trim on garments not made of fur. Most domestic furskins also fall within the commercial grade. A larger share of domestic than of imported furskins of commercial grade, however, is available in the better qualities. Moreover, domestic mink furskins are available in a wider selection of colors than are the imported goods. It is generally acknowledged that the domestic top-quality trademarked furskins are superior to such imported furskins.

U.S. Tariff Treatment

Imported mink furskins are classified for tariff purposes under part 5B of schedule 1 of the Tariff Schedules of the United States (TSUS). The rates of duty currently applicable to imports from countries other than those designated as being under Communist control 1/ and the share of U.S. total imports (based on value) that entered under each TSUS item in 1967, are as follows:

TSUS item	Commodity	Rate of duty: Jan. 1, 1968	Rate of duty: Jan. 1, 1972	Share of imports (percent)
	Mink:			
124.10	Raw or not dressed-----	Free	Free	97
	Dressed:			
	Not dyed:			
124.20	Plates, mats, linings, strips, crosses, or similar forms.	15.5% ad val.	8.5% ad val.	1
124.25	Other (whole furskins or pieces).	4.5% ad val.	2.5% ad val.	1
	Dyed:			
124.60	Plates, mats, linings, strips, crosses, or similar forms.	18% ad val.	10% ad val.	1
124.65	Other (whole furskins or pieces).	7% ad val.	4% ad val.	-

These rates reflect concessions granted by the United States in the General Agreement on Tariffs and Trade. The duty-free treatment of furskins in TSUS item 124.10 has been bound since January 1, 1936. The

1/ Products of most Communist-controlled countries are dutiable at the statutory rates shown in column 2 of table 1 in appendix A.

rates for the dressed mink furskins in the other TSUS items have been in effect since January 1, 1968 and reflect the first-stage concessions granted in the recently concluded Kennedy Round of trade agreement negotiations. The duty-free status of articles covered by TSUS item 124.10 was bound; the rates of duty for each of the other TSUS items are being reduced in 5 annual stages over a period of 4 years.

A number of bills have been introduced in the 90th Congress which would establish tariff-rate quotas on imports of mink furskins.

The entry, or withdrawal from warehouse, for consumption of undressed or dressed mink furskins which are the product of the Union of Soviet Socialist Republics or of Communist China is prohibited (headnote 4 of part 5B of schedule 1 of the TSUS). This embargo has been in effect since August 31, 1951, on mink furskins produced in those parts of China under Communist domination or control, and since January 5, 1952, on furskins produced in the Union of Soviet Socialist Republics. Proposed legislation, H.R. 10244 introduced in the 90th Congress, would repeal the legislation containing such prohibition.

U.S. Consumption

The U.S. annual apparent consumption of mink furskins has approximately trebled since 1953. The following tabulation shows calculated U.S. apparent consumption of mink furskins in 5-year averages for 1953-67, and annually for 1963-67: 1/

	Million furskins
5-year average:	
1953-57	4.0
1958-62	6.2
1963-67	9.2
Annual:	
1963	8.0
1964	8.4
1965	9.2
1966	10.3
1967	10.2

During 1963-66 the consumption of mink furskins increased at an average annual rate of 9 percent. Consumption data for 1966 and 1967 were adjusted slightly to take account of a surplus of unsold furskins in the hands of dealers on November 30, 1966; this surplus was disposed of in 1967. The figure for 1967 would be higher than shown if it had been also adjusted to account for the unknown quantity of furskins held by garment manufacturers in 1966 and used in 1967.

Almost all of the mink furskins consumed in the United States are from ranch-raised animals; virtually all furskins of wild mink have been exported in recent years. Although the relative importance

1/ Apparent consumption (sales of domestically produced mink furskins, plus imports, minus exports of both domestic and foreign merchandise) is hereinafter referred to as "consumption." The data on U.S. sales are calculated on the basis of information submitted to the Commission by domestic ranchers, auction houses, and others.

of the various colors of ranch-raised mink fluctuates from year to year, the standard colors accounted for more than three-fourths of the quantity of mink furskins consumed during the period 1963-67. It is estimated that about 60 percent of the mink furskins were used in manufacturing mink garments, and 40 percent were used as fur trim on cloth or leather coats. The better grades of furskins are used primarily by manufacturers of mink garments, while the trimming trade takes chiefly the furskins falling into the so-called commercial grades.

The increase in the annual consumption of mink furskins since 1953 reflects chiefly (1) the increased supply of furskins made available by the production of ranch-raised mink, (2) the declining trend in prices, (3) the continued popularity of mink as an item of fashion, (4) the increased U.S. population, (5) the increased per capita disposable income, (6) the advertising and promotional activities of domestic and foreign mink ranchers' marketing associations, (7) the enactment of the Fur Products Labeling Act, which requires the proper labeling of furs, and (8) the repeal of a Federal excise tax on furs in June 1965. In recent years the domestic annual consumption of mink furskins has grown at a rate significantly faster than has the U.S. population or the per capita disposable income.

The gradual decline in the price of mink furskins during the past 15 years has placed mink garments within the reach of a broader group of buyers. While the average annual auction price of mink furskins declined by nearly a third during that period, the annual consumption of the furskins approximately trebled (fig. 1). Because

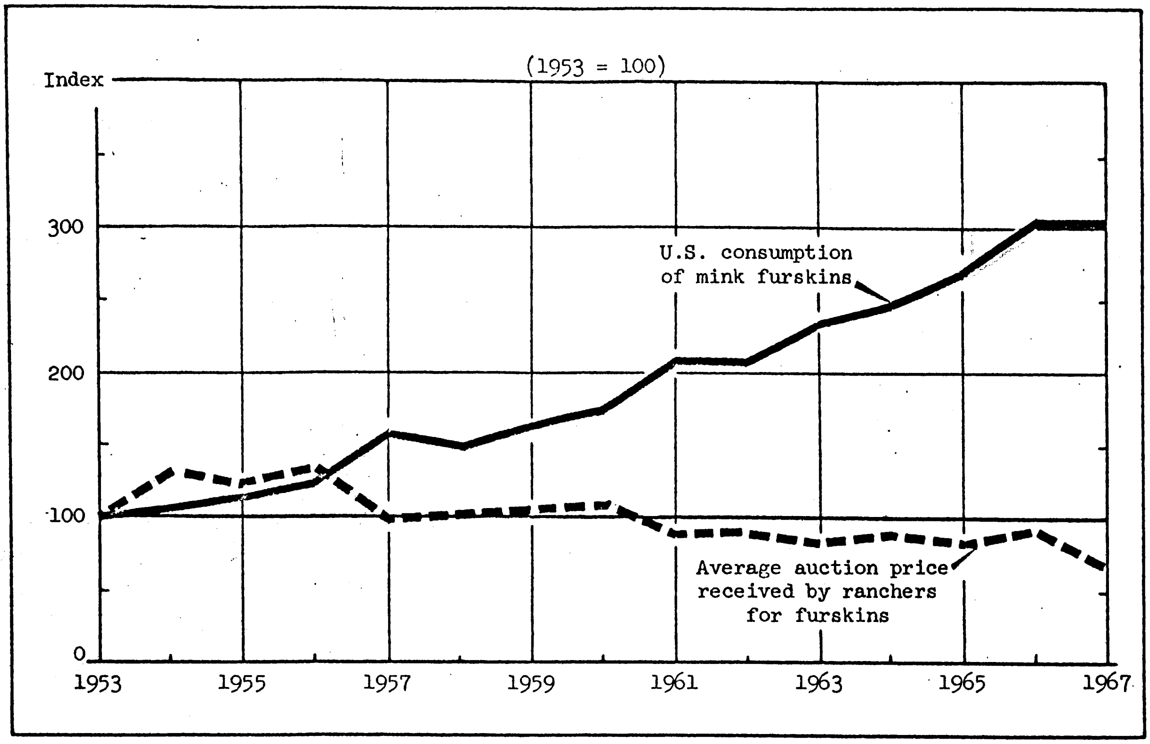

Figure 1.--Mink furskins: U.S. annual consumption and average price received by ranchers, 1953-67

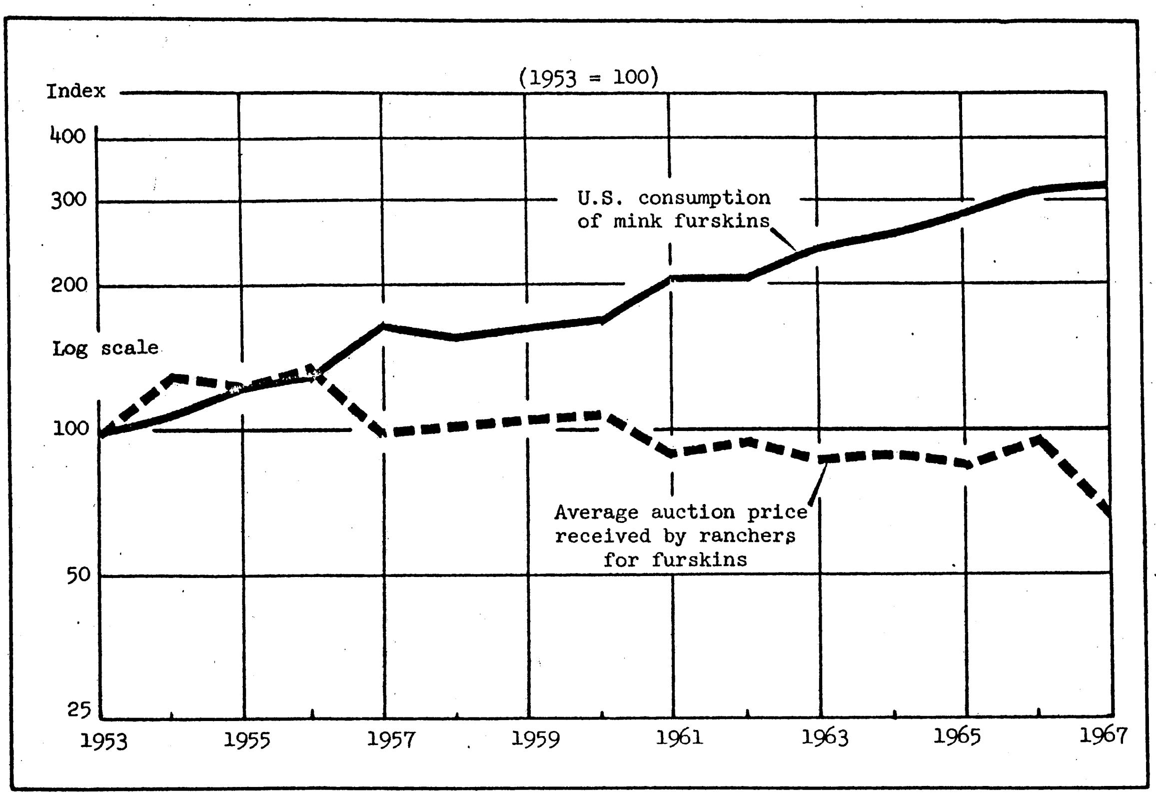

Figure 2.--Mink furskins: Trend of U.S. annual consumption and average price received by ranchers, 1953-67

of a sharp decline in the price of mink furskins in late 1966 and 1967, mink was widely promoted by fashion designers for use as trim and in making very short garments in the medium-to-low price range.

The demand for mink furskins has grown markedly, but unevenly, in recent years (fig. 2). The purchase of a mink garment involves considerable expenditure and the article must compete with other consumer goods for disposable personal income. The purchase of such garments is usually postponable and it is known that the prices of furs change frequently; hence, price and income expectations play an important role in the demand for mink furskins. During periods when a slowdown in economic growth occurs, such as in the United States and Western Europe during the latter part of 1966 and early 1967, the demand for mink and other fur garments generally declines as does also the price received by domestic producers for furskins.

Probably the primary determinant of demand for specific furs is style or fashion. The continued popularity of mink as an item of fashion is attributable in large part to the development and promotion of mutation mink. The wide range of colors now available provides increased diversity in fashion, and affords the consumer a wider choice in selecting the particular fur color that best enhances her complexion and hair color.

Source and Nature of Information on Activities of Domestic Producers

No official statistics are available on the domestic production and sales of mink or on the operations of producers, either in the form of a time series or on a spot-year basis. Information on the domestic industry presented in this report was obtained from canvasses conducted by the Commission of producers, fur auction houses, local fur buyers, fur dressers, and other factors in the industry.

The Commission's figures on volume of annual sales (production) are significantly smaller than the estimates of annual sales published by the National Board of Fur Farm Organizations, Inc. (see table 2 for comparison of data). The National Board's figures, which heretofore were the only ones available have been derived from the results of an annual survey of producers, whose responses were voluntary and limited. Estimates of total sales were made from the information received on the basis of certain assumptions regarding the ratio of sales by ranchers who supplied data to sales by those who did not. The Commission, aware of existing opinion in the trade that the published annual estimates were too high, and possibly substantially so, deemed it advisable to conduct its own survey.

A request sent to all known or probable mink ranchers to report the number of furskins pelted in 1966 resulted in returns that accounted for 82 percent of the total sales shown herein for 1967 (peltings in one year are approximately equivalent to sales in the following year). All ranchers were then sent questionnaires requesting detailed information for the years 1963-67. The reports obtained in this canvass were classified by appropriate production-size groups, and a representative sample of returns selected for each group; the returns so selected were subject to intensive office review and field audit to assure accuracy and completeness. Data derived from the sample returns for each group were extrapolated to obtain total figures on all aspects of operations for the group. The aggregate of the constructed figures for all groups was then expanded on the basis of returns obtained in a sample survey of producers who did not supply the requested data and other information to reflect more completely the experience of all domestic producers.

The Commission's figures on ranchers' sales, constructed as described above, are in close accord with aggregate sales reported for recent years by the 5 fur auction houses (through which more than 90 percent of the domestic product is marketed) and all known local fur buyers. Data reported on mink furskins processed by the 12 known domestic fur-dressing firms also confirm that the figures previously available on the level of annual sales of domestic mink were too high.

A detailed technical description of the Commission's method of obtaining statistical data on sales and production of mink furskins by U.S. ranchers will be made available to interested parties upon request to the Secretary of the Tariff Commission.

Domestic Ranchers (Producers)

The commercial production of furskins (chiefly of mink and silver fox) on ranches or farms was started in the United States at the turn of this century, but did not become important until the late 1920's. The principal growth of mink farming has occurred since World War II. Many silver fox ranchers began raising mink instead of silver fox after that fur declined in popularity in the early 1940's.

Although mink ranchers harvest only one crop a year, their operations require constant attention. The yearly cycle for producing mink furskins starts approximately January 1 (appendix C presents a brief account of the principal operations on a typical mink ranch). 1/ By that date, nearly all the pelting of the mink born during the preceding May, as well as of culling discarded breeding stock, has been completed and the furskins have either been shipped to market, or are ready for shipment. Ranchers ship all mink furskins in an undressed condition.

For some domestic ranchers, the raising of mink for sale as breeding stock is a significant part of their operations, but for most of them such sales are relatively unimportant. Most ranchers replace their breeding stock by retaining animals from their own output.

1/ The production of ranch mink is much the same throughout the world. Differences from country to country reflect the quality of the breeding stock used, production costs, the period during which the fur becomes prime, and techniques for drying the raw furskin.

Number and location

Mink are currently raised and pelted on about 3,300 ranches or farms in the United States. Most mink ranches are located in the northern part of the United States where mink fur primes earlier. Early priming affords early pelting, thereby achieving savings in feed costs and allowing furskins to reach the early market. Mink ranches are found in nearly every State, but the greatest numbers are in Wisconsin, Minnesota, and Utah.

Size of operations

A convenient measure of an individual rancher's mink operations is the number of female mink kept for breeding purposes. The number of such females bred annually by individual ranchers in the United States ranges generally from a few up to about 5,000; a few ranchers utilize more than 12,000 breeders. Inasmuch as a litter raised to maturity (i.e., ready for pelting) averages 4 animals, the annual output of mink furskins per individual rancher ranges from a dozen furskins to 48,000 or more.

A mink ranch is not generally considered to be a so-called commercial operation unless it has at least 250 female breeders and an annual output of at least 1,000 furskins. 1/ In 1966, less than 2 percent of the ranchers were large-scale operators, i.e., each producing 10,000 or more furskins; they supplied 17 percent of the U.S.

1/ Some in the trade do not consider a ranch to be a commercial operation unless it has at least 750 female breeders and an annual output of at least 3,000 furskins.

output. Six percent of them produced from 5,000 to 9,999 furskins each; they accounted for 20 percent of the total output. About 43 percent of the ranchers produced from 1,000 to 4,999 furskins each; their aggregate output accounted for 51 percent of the U.S. production. The remainder of the ranchers, 50 percent of the total, were small-scale operators whose aggregate output accounted for 12 percent of domestic production.

Some ranchers receive a significant part of their income from the sale of other agricultural products such as cattle, poultry, or grain raised on the ranch, or from nonranch employment and other sources. About three-fourths of the ranchers who sold 20,000 or more furskins in 1966 received 90 percent or more of their income from the sale of mink furskins; about three-fifths of the ranchers who had smaller-scale operations received 90 percent or more of their income from the sale of mink furskins (fig. 3).

The number of ranches has declined in recent years, but the aggregate operations of those remaining have expanded, consistent with a trend prevailing in other farm enterprises. Ranchers have found that successful mink farming requires management and marketing expertise, full-time labor input, and substantial capital investment. Hence, the number of small-scale ranchers and so-called backyard operators has declined. Some ranchers have expanded their operations by purchasing the equipment of others withdrawing from mink ranching. Commercial feed manufacturers have begun to purchase and operate mink ranches. Operations by such concerns are in the initial stage of

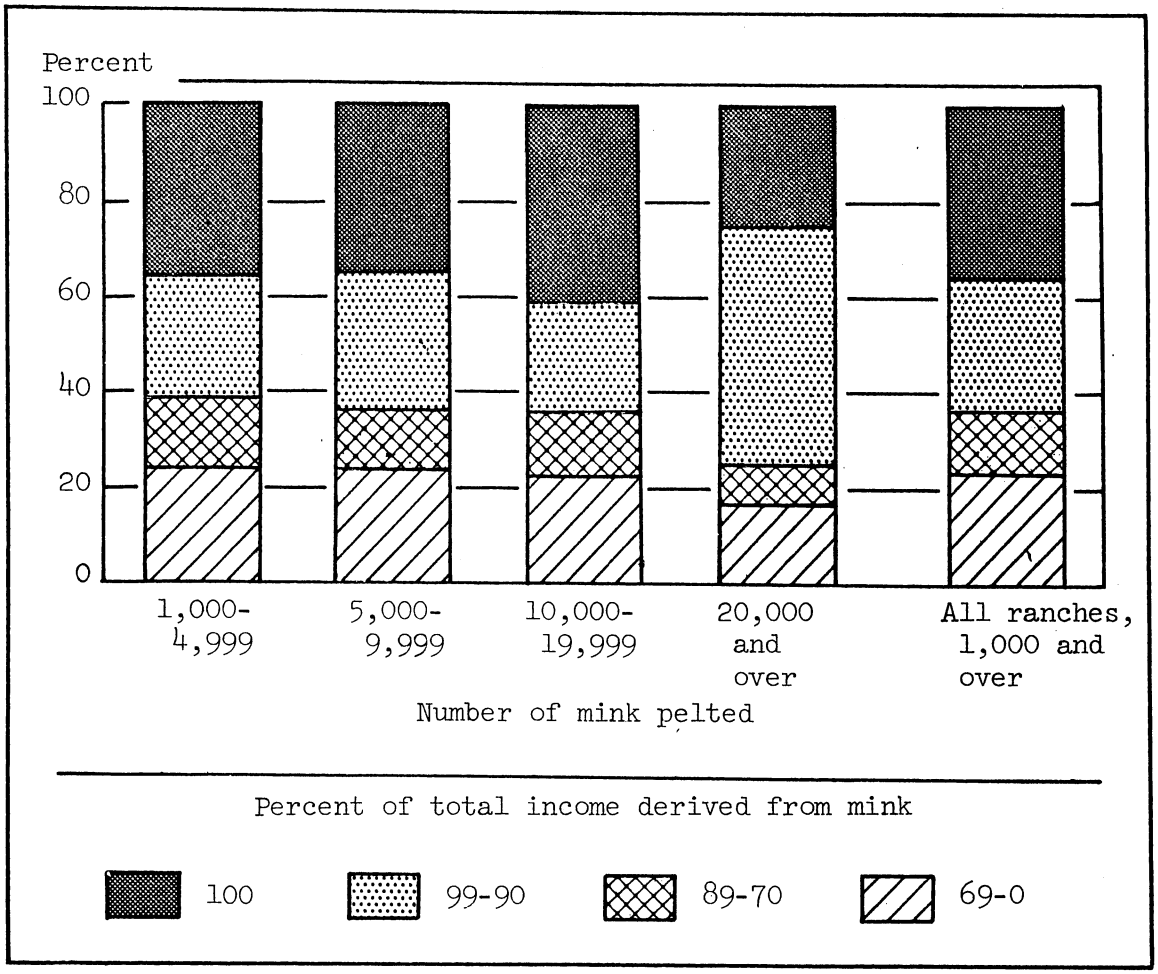

Figure 3.--Mink ranches: Share of total income derived from sale of mink furskins, by size of ranches, 1966

development; since they have access to a ready source of capital and feed, their number is likely to increase as long as mink furskin production is profitable.

Employment

Most mink ranches are operated as single proprietorships; in such operations the owner and members of the family usually perform an important part of the work. Some mink ranches are organized as partnerships, and a small number as corporations. Most of the commercial ranches employ one or more year-round workers and nearly all also employ seasonal workers, particularly during the breeding and pelting seasons.

In 1966 more than 4,000 workers were employed on commercial mink ranches on a permanent basis, 3,500 additional workers were employed during the breeding season, and 8,000 were employed temporarily during the pelting season. About two-thirds of the year-round workers engaged in mink operations, and three-fourth of the seasonal workers so employed, received cash wages; virtually all workers who did not receive cash wages were members of the operator's family.

Employment in mink operations increased moderately during the period 1963-66, as shown by the following indexes computed from the annual average number of workers employed in raising mink in 1963-66, and the estimated number so employed in 1967:

(1963=100)

Item	1963	1964	1965	1966	1967
Year-round workers:					
Receiving cash wages	100	102	102	111	103
Not receiving cash wages	100	101	107	107	107
Seasonal workers:					
Receiving cash wages	100	100	101	102	94
Not receiving cash wages	100	100	107	111	109

The increase in the number of workers employed reflects the expansion in domestic output and the trend toward larger-size operations.

It was not feasible to obtain data on man-hours of employment on mink ranches in recent years; it is estimated, however, that the aggregate man-hours of employment by the seasonal and nonseasonal workers shown in the above tabulation was lower in 1967 than in 1966. Nevertheless, the number of year-round workers receiving cash wages in 1967 exceeded that in any other year during 1963-67 except in 1966. In periods when the prices received by ranchers for mink furskins decline, as they did in 1967, fewer workers are employed to effect economies. Moreover, ranchers frequently do not compensate family labor with cash wages; this practice is particularly evident during periods when gross ranch returns decline.

Financing

Mink ranchers, in common with other producers of agricultural products, frequently borrow to finance part or all of their operations. They receive funds supplied by either furskin auction houses, the Production Credit Association of the U.S. Farm Credit Administration, or commercial banks. A rancher accepting a loan from an auction house generally agrees to market his furskins to that outlet. The so-called operating loan for feed and labor expenses is the principal type of loan utilized by ranchers. Such loans are typically obtained after the first count of young mink in May or June. The value of the loan is generally equivalent to half of the estimated returns that the furskins will bring at marketing time. Operating loans, which are generally secured by a mortgage on live mink, are repaid at the time the furskins are sold.

Credit also is extended to ranchers by firms selling feed--e.g., suppliers of meat or poultry byproducts and cereal, as well as feed mixing companies.

Financial experience

In the period 1963-66, the annual aggregate gross ranch income of the commercial ranchers increased from $77 million in 1963 to $104 million in 1966 (table 3). 1/ The ratio of annual aggregate net return to aggregate gross ranch income ranged from 11.3 percent in 1963 to 15.8 percent in 1965; in 1966 it was 15.7 percent. Income and expense data from ranchers for 1967 were not available for this

1/ Income and expense data were obtained by the Commission from commercial ranchers--i.e., from those who sold at least 1,000 furskins in 1966. Most of these ranchers produced mink furskins only; some engaged in other operations, particularly the raising of other agricultural products. Proceeds from the sale of mink furskins by commercial ranchers represented about 90 percent of their aggregate gross ranch income in each of the years 1963-66. As indicated earlier, some mink ranchers receive a significant share of their total income from sources not related to the ranch.

report. Inasmuch as the price received by ranchers declined sharply in 1967, it is probable that most realized lower net returns, or sustained losses, in their mink furskin operations that year. About a third of the commercial ranchers who submitted data reported net losses for 1963; a fifth did so for 1964, a fourth for 1965, and an eighth for 1966.

Many of the ranchers and their families perform much of the labor required in their operations. The data submitted by such ranchers include expenses for wages paid to hired workers, but do not reflect the value of labor supplied by the operators themselves. For these ranchers, their net income may be considered to be partly profit and partly compensation for their own labor. An analysis of the income and expense data indicates that ranchers who sold from about 1,000 up to 10,000 mink furskins annually reported higher average ratios of net returns to gross ranch income in each of the years under review than did those ranchers who sold more than 10,000 mink furskins annually. The higher average net return ratio for the ranchers who had smaller operations reflects the practice by such ranchers and their families of supplying a large share of the labor requirements themselves, instead of utilizing hired labor.

Channels and Methods of Distribution

Domestic mink furskins reach the respective manufacturers by various trade channels. The great bulk of the domestically produced mink furskins is marketed by ranchers through auction houses. The remainder is sold directly to dealers or to manufacturers; ranchers occasionally market their furskins through brokers. The following tabulation shows the percentage distribution of ranchers' sales of mink furskins, by principal kinds of outlets in 1966 (by quantity): 1/

	Percent of sales
Auction houses------	93
Dealers or brokers--	6
Other----------------	1
Total-----------	100

Sales made outside the auction are called "back door" sales by the trade. Those who buy furskins directly from ranchers do so for cash and provide producers with a quicker cash return for their efforts than do auction houses. Prices received at the ranch are generally lower than those received at auction, inasmuch as competitive bidding is usually absent and certain costs (i.e., freight, insurance, grading) are borne by the buyer.

The auction houses

Five U.S. auction houses provide the central market for mink furskins. 2/ The aggregate sales at two of them, both located in New York,

1/ These data are from questionnaires submitted to the Tariff Commission by U.S. ranchers.

2/ New York Auction Company, Inc., New York City; Hudson's Bay Company Fur Sales, Inc., New York City; Seattle Fur Exchange, Seattle; New York Auction Company (Minnesota), Inc., Minneapolis; Ranchers Fur Auctions Co-op, Milwaukee.

account for the bulk of the total domestic mink furskins sold at auction in the United States. Although the first auction sales of the marketing season are held in December, the large-volume sales occur in January, February, and April. By tradition, virtually no auctions are held in March, but they continue thereafter as long as there are substantial offerings. After May, most of the better-quality furskins sought by the garment trade have been auctioned and an increasing share of the furskins marketed thereafter are bought by the trimming trade. By July, most ranchers' furskins have been sold. A generally small yearend sale to dispose of any furskins remaining from previous auctions is held in September.

The principal buyers at auction are furskin dealers and fur garment or fur trim manufacturers. Virtually all mink furskins sold at U.S. auctions are of domestic origin. 1/ Each rancher's furskins are customarily sold at auction separately under his name. This practice often results in individual offerings of lots containing as few as 10, but more commonly 50 or so, furskins matched for sex and, as closely as possible, for color, quality, and size. Inasmuch as a rancher's offerings are generally small, however, the furskins within a lot may vary somewhat in size and color. Such variations are found undesirable by manufacturers who require lots containing furskins of

1/ U.S. auction houses are occasionally the importers of record for mink furskins auctioned at their respective branches in other countries. Such entries are generally delivered directly to the concern that had purchased the furskins abroad.

uniform color and size. Large-scale buyers find that the practice of offering furskins in small units necessitates time-consuming inspection; small-scale buyers, however, are able to purchase their requirements direct at auction rather than from large buyers.

Auction houses permit ranchers to set minimum prices below which their furskins may not be sold. Furskins for which the auction bids fail to meet the specified minimum price are known as "buy backs." Such furskins are generally held over for a later auction or are sold at a private treaty sale; such a sale is held for individuals by an auction house apart from its auction selling. 1/ Fur dealers contend that the practice of selling such goods at private treaty places the auction house in the position of a dealer.

Both sellers and buyers at auction pay fees to the auction house. When selling a rancher's mink furskins, the auction house deducts certain fees that aggregate about 7 percent of the value of the sale. Of this, 5 or $5\frac{1}{4}$ percent is the selling commission which is charged by the auction house for undressed or dressed furskins, respectively; the remainder (2 percent) represents the dues which the auction house collects from members of producer cooperative marketing associations and remits to the associations. The commission charged by the auction house covers its expenses for selling, grading, and storage. Additional charges are made to ranchers for individual services

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1/ The two auction houses located in New York City have announced that, for the period January-June 1968, "buy back" furskins will not be offered at private treaty sales.

rendered. 1/ From buyers, the auction house collects an additional amount--$1\frac{1}{2}$ percent of the value for undressed furskins, and 2 percent for dressed furskins.

Cooperative marketing associations

In recent years about 90 percent of the furskins sold at auction have been for the account of ranchers who belong to one or both of two large cooperative marketing associations: the Mutation Mink Breeders Association (EMBA) and the Great Lakes Mink Association (GLMA); the latter represents ranchers who produce Dark furskins. Most members who market their furskins at auction do so under the auspices of their association. The associations counsel ranchers on raising techniques, establish standards for trademark-quality furskins, and promote sales of mink. 2/ They also recommend marketing procedures. Ranchers are advised to offer their furskins throughout the selling season, rather than all at once early in the season. In the 1968 season ranchers are being advised to cooperate with their associations in destroying low-quality furskins. EMBA, for example, adopted a program of not marketing on the behalf of ranchers any furskins that receive a final auction bid of less than $2.00 for undressed furskins, or less than $3.00 for dressed furskins; such

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1/ Ranchers frequently leave to the discretion of the auction house the decision of whether a furskin should be offered for sale in the dressed form; if the furskin is to be dressed, the auction house will make the necessary arrangements. Mink furskins are dressed by specialized dressing firms on a fee or contract basis.

2/ During 1964-66 the aggregate annual expenses of EMBA and GLMA for advertising and promotion amounted to $1 million.

furskins will be destroyed by EMBA unless the rancher requests the return of them at his expense. EMBA and GLMA are encouraging ranchers to combine (part lot) their furskins with those of other ranchers into larger units of evenly matched furskins; in such part lotting, a common practice at European auction houses, the identity of the rancher is lost to the buyer. These programs for 1968 are intended to improve the average quality of the furskins offered and permit more efficient large-scale selling and buying.

Furskin dealers

Furskin dealers constitute the principal link between the auction house and the manufacturer. They buy most of their domestic mink furskins at auction and only a small part of their supply directly at the producer's ranch. The furskin dealer generally sells the bulk of his goods to fur garment or fur trim manufacturers, frequently extending credit to small-scale operators. The dealers that buy large quantities are able to sort, regrade, and match the furskins into small units having homogeneous color, quality, and size. This is often necessary to meet the requirements of manufacturers. His functions also include the storage and financing of furskins purchased at auctions and held by him for later sale. Many furskin dealers offer both domestic and imported mink furskins; the imported furskins generally have been purchased by them at auctions abroad. The following tabulation shows the calculated percentage distribution of the quantity of domestic and imported mink furskins sold by furskin dealers to their outlets in 1966:

	Domestic furskins (percent)	Imported furskins (percent)
Manufacturers of fur garments	48	45
Manufacturers of fur trim or of fur-trimmed garments	28	42
Exports	11	3
All other	13	10
Total	100	100

A larger part of the imported than of domestic mink furskins went to fur trim manufacturers.

U.S. Sales and Inventories

As used in this report, sales of domestic mink furskins for the years shown reflect the output of furskins by ranchers and trappers that were obtained almost entirely from peltings during the preceding November and December. Yearend stocks of furskins held by ranchers and trappers have generally been negligible in relation to their sales.

Sales of mink furskins 1/

U.S. annual sales of mink furskins have been increasing for many years (table 4). In the period 1953-57, sales averaged 2.8 million furskins annually. In 1963-67 the aggregate annual sales of mink furskins increased from 4.7 million to 6.2 million furskins and averaged 5.5 million furskins. In the latter 5-year period, the sale of ranch-raised furskins, which increased at an average annual rate of 9 percent, constituted 95 percent of the total U.S. sales. The sale of wild mink furskins was small--5 percent of the total.

The annual value of U.S. sales of ranch-raised mink furskins (computed on an undressed furskin basis) increased from $69 million in 1963 to $96 million in 1966 and then declined to $76 million in 1967. The decreased value of sales in 1967 reflects largely a sharp decline in the price which U.S. ranchers received that year. In 1963-67 the average annual value of sales of wild mink furskins was less than $4 million.

1/ The data on U.S. sales of mink furskins used in this report were calculated from information obtained by the Commission in the course of its investigation (see p. 20).

In the 1963-67 period ranchers' sales of furskins of the standard colors accounted for about four-fifths of their total sales. The bulk of the remainder of ranchers' sales, 20 percent, consisted of furskins of the high shades. The following tabulation shows the calculated volume and percentage distribution of ranchers' sales of mink furskins, by major color groups, in the period 1963-67:

Year	Standard color group		High shade and blue-gray color group		Total	
	Million furskins	Percent	Million furskins	Percent	Million furskins	Percent
1963---	3.4	80	0.9	20	4.3	100
1964---	3.8	80	.9	20	4.7	100
1965---	4.2	80	1.1	20	5.3	100
1966---	4.6	80	1.1	20	5.7	100
1967---	4.6	76	1.4	24	6.0	100

During 1963-66 ranchers' sales of furskins in the standard group and in the high shade and blue-gray group increased at average annual rates of 11 percent and 7 percent, respectively; in terms of value, however, the average annual rate of increase for standard-color furskins was 10 percent and that for the high shade and blue-gray furskins, 18 percent. In 1967 the volume of ranchers' sales of high shade and blue-gray furskins was 27 percent over that in 1966 while that of standard-color furskins was unchanged.

Ranchers sell the bulk of their output of mink furskins in the dressed condition. The following tabulation shows the percentage distribution of ranchers' sales of dressed and undressed mink furskins, by major color groups, in the period 1963-67 (by volume):

	Percent of sales		
	Dressed	Undressed	Total
Average, all colors---	63	37	100
Standard colors-----	56	44	100
Blue-gray and high shade colors------	85	15	100

As indicated earlier, the standard color group includes Dark mink furskins. Dark furskins are customarily sold by ranchers in the undressed condition. Hence, the sales of undressed furskins by ranchers make up an important part of the total sales in the standard color group.

Inventories of mink furskins

U.S. ranchers' yearend inventories of mink furskins do not vary materially from year to year; during 1963-67 such inventories averaged 5 percent of their annual sales. 1/ As the marketing season progresses, the furskins not sold at a particular auction are carried over for sale at the next auction or are sold by private treaty. Thus, at the beginning of September there is usually little merchandise of good quality to sell. During the 1967 marketing season, however, an unusually large quantity of mink furskins was carried over for sale at September auctions. Bids in previous auctions had either been too low, or had not been made at all, and private treaty sales

1/ Ranchers' yearend inventories are their unsold stocks as of September 30, including furskins in transit and those held for ranchers' accounts by dressers, dealers, brokers, and auction houses. The inventories during 1963-67 consisted almost entirely of furskins in the standard colors, and were composed about equally of dressed and undressed furskins.

had not absorbed the accumulated stocks. By the end of September, however, ranchers had disposed of most of their furskins, either through auction or private treaty sales, and yearend inventories had been reduced to customary levels.

Dealers' yearend (November 30) inventories of undressed and dressed mink furskins held during the period 1963-65 were equivalent to about 5 percent of their annual sales. In 1966 dealers' inventories increased somewhat and the quantity held on November 30 was equivalent to 7 percent of their sales in that year. The quantity of mink furskins held in dealers' inventories on September 30, 1967, was equivalent to about 16 percent of their sales for the first 9 months of 1967. Many of these furskins, however, were probably purchased at September auctions and represented normal replenishment of dealers' stocks for the coming 2 or 3 months. It is believed that by the end of November, dealers' inventories had been reduced to the usual year-end levels.

Sales and inventories of live mink

Most U.S. ranchers replace their breeding stock by retaining animals from their own output. Thus, the aggregate U.S. sales of breeding stock are small and are made largely by ranchers who have developed new colors or superior-quality animals. Information was submitted to the Commission by domestic producers concerning their sales of mink breeding stock for the years 1963-66 and their estimate of sales for 1967. In that period the aggregate sales of live mink by ranchers did not exceed 100,000 animals annually. The average annual value ranged from $31 to $57 per animal.

The mink breeder population constitute the inventories of live mink; all mink not kept for breeding purposes are slaughtered. Year-end inventories of live mink consist of those animals retained as of December 31. By that date pelting operations generally have been completed, and only animals that are to be used for breeding during the coming year are retained. In the period 1963-66 the yearend breeder population on U.S. ranches is calculated to have increased from 1.7 million to 2.0 million animals. 1/ U.S. ranchers reported that they planned to reduce their breeder population for 1968; the reduction in breeding stock is probably attributable to the low price that they received for their furskins in 1967.

1/ Slightly more than four-fifths of the mink breeder population reported by ranchers consisted of females.

U.S. Exports

During the 1950's the trend in U.S. exports of whole mink furskins was moderately upward. In recent years, however, exports have evidenced no upward or downward trend; in 1963-67 annual exports averaged 1.1 million furskins, valued at $21 million. Such exports were equivalent to about a fifth of the sales by domestic ranchers and trappers in that period.

U.S. exports include most of the wild mink furskins produced in this country as well as a wide variety of ranch-raised mink furskins. Three-fourths of the mink furskins exported are shipped in the undressed condition. In recent years the bulk of the exports of undressed mink furskins have gone to the European Economic Community, Canada, the United Kingdom, and Switzerland (table 5). Furskins going to Europe generally have been of high quality, while most of those going to Canada have been of medium quality.

Countries that take domestic undressed mink furskins also take about half of the U.S. exports of dressed mink furskins; other markets have included Hong Kong and Spain (table 6). In recent years the unit value of exports of dressed furskins has averaged at least $7 above that of the undressed goods. This difference in unit value is substantially more than the cost of dressing, indicating that such furskins were of higher average quality than those exported in the undressed condition. A large share of the exports of dressed mink consisted of high quality furskins of the mutation colors.

Inasmuch as it is customary in the United States to dress most mutation mink furskins before they are offered for sale, it is sometimes necessary for export buyers to take them in the dressed condition. Most countries levy an import duty on dressed furskins but admit undressed goods duty free.

In view of the recent expansion of world mink production to a point where annual supplies of foreign furskins of medium-to-low quality are available in large quantities at low prices, it appears unlikely that exports of such grades of domestically produced mink furskins can be expanded significantly. The export market for U.S. furskins of high quality and newer colors, however, will probably continue to expand. If U.S. prices were increased relative to prices in other countries, the bulk of the exports would probably be eliminated, leaving only sales of those grades and colors not available elsewhere.

As the largest producer and leading developer of new strains of mink, the United States has been exporting live mink breeding stock for many years. Although such exports are small compared with the trade in mink furskins, they have an important bearing on the quality of furskin production in other countries. In recent years exports have averaged from 1,000 to 2,000 live mink per year, with an average unit value of about $80.

Foreign Production and Marketing

The annual world production of mink furskins has increased substantially in recent years. In the period 1963-67, it increased from 15 million to 23 million furskins (table 7). In that period, the Scandinavian countries accounted for 39 percent of the world output (Denmark--14 percent, Norway--10 percent, Sweden--8 percent, and Finland--7 percent), the United States--30 percent, the U.S.S.R.--12 percent, Canada--9 percent, and other countries--10 percent. During 1963-66 Scandinavian production increased at an average annual rate of 20 percent; in 1967, however, output was 7 percent less than in 1966, resulting in a 1963-67 average annual increase of 12 percent. During 1963-67 the annual rate of increase in U.S. output averaged 8 percent, and that in Canadian output, 6 percent.

Scandinavian countries

The production of ranch mink furskins in the Scandinavian countries developed several years after it did in North America. Virtually all of the original breeding stock came from North America. Imports of breeding stock from the United States increased during the mid-1950's; this was followed by a rapid expansion in production. In recent years, the demand for such breeding stock has declined, because Scandinavian ranchers have enlarged their own breeding population. Meanwhile, the upward trend in production has continued. In the period 1963-66, the annual production in the four Scandinavian countries increased from 5.5 million to 9.5 million furskins; the crop harvested in late 1967 is estimated at 8.8 million furskins.

In recent years about 70 percent of the Scandinavian production of mink furskins has been exported. The United States has taken 40 percent of the average annual output; West Germany, the United Kingdom, and Italy together have taken 25 percent. The average annual unit values of exports to European countries in 1963-67 were consistently higher than those of exports to the United States, indicating that Scandinavian furskins exported to European markets were in general larger and of better quality than those sent to the United States (table 8). Most of the furskins exported to the United States were of the commercial and low grades; they consisted principally of female furskins, which are smaller and hence lower in unit value than male furskins of comparable quality.

Imports of mink furskins into Scandinavia have been insignificant, except for the shipment since 1963 of Finnish furskins to Denmark for sale at the Danish auction house.

Scandinavian mink ranchers do not carry on as extensive color breeding as do U.S. rancners. Changes in color in response to changing fashion are less pronounced in Europe--where the better grades of Scandinavian furskins are generally sold--than in the United States. Hence, the standard colors make up about four-fifths of the total Scandinavian production. Scandinavian ranchers have begun to increase their output of furskins in the blue-gray colors and high shades, which currently sell at materially higher than average prices. Most such production is derived from imported U.S. breeding stock, but some mutations, such as Silverblue, were developed in Scandinavia.

As the Scandinavian output of the high shades expands, larger quantities will be available for European and U.S. markets traditionally supplied with similarly-colored U.S. furskins.

In 1966 mink was produced on more than 17,000 ranches in Scandinavia. Although these ranches include some of the largest in the world, less than 1,000 had more than 500 breeders. The average Scandinavian mink ranch is considerably smaller than that in the United States or Canada. Except in Sweden, an upward trend has been evident in the number of mink ranches of all sizes in Scandinavia.

Each Scandinavian country has a producer cooperative association to which nearly all mink ranchers belong. Scandinavian producer cooperatives are active in production research, Government relations, marketing and market promotion. Their market promotion program, using the SAGA trademark, operates on an annual budget estimated at about $1 million. About a fourth of the funds go to advertising in the United States; most of the balance is spent in important European markets. Other Scandinavian cooperatives specialize in the production of feed and in preparing undressed furskins--the latter being necessary for drying facilities suitable for fur-out processing.

The three auction houses in Scandinavia are located in Norway, Sweden, and Denmark; Finnish furskins are sold at the Danish auction. These auctions handle about 90 percent of the mink furskins produced in Scandinavia; each auction is owned and controlled by a producer cooperative association. (In the United States and Canada virtually all of the auction houses are privately owned.) Generally, the first auction of the season is held in Oslo, Norway, early in December, followed in succession by the Danish and Swedish auctions. The three auction houses usually hold additional sales in January, March, and May, followed by a "clean-up" sale of low-grade furskins in September. The bulk of the prime mink furskins is sold during the first three sales, at each of which a large number of furskins are sold. Buyers from the important consuming countries, including the United States, participate in open competitive bidding.

To facilitate sales, the Scandinavian auction houses assemble the furskins in large, uniform lots according to color, sex, and size. Each lot is subsequently graded. Four grades are generally used: SAGA Select, SAGA, No. 1, and No. 2. In late 1967 and early 1968, SAGA Select furskins constituted 15 percent of the total offerings; SAGA made up 48 percent, No. 1 furskins, 24 percent, and No. 2 furskins, 13 percent. As indicated earlier, furskins falling below these grades are sold late in the season. Virtually all Scandinavian mink furskins are sold in the undressed condition with the fur side out.

Buyers requiring large quantities of furskins of uniform size and color can easily obtain them at the Scandinavian auctions; units of 1,000 or more furskins can usually be purchased from samples containing a few furskins displayed with fur side out. Thus, the Scandinavian auctions relieve the buyer of the resorting that he often must do in combining the smaller units purchased at U.S. auctions.

In the United States such marketing services are frequently performed by furskin dealers after they have purchased their supplies at auction.

In the fall of 1966 a retardation in economic growth in some important fur consuming countries and reports of large world supplies depressed the world market for mink. The Scandinavian auctions took several steps to combat the depressed market conditions. The March sales in 1967 were deferred for the purpose of allowing the trade more time to utilize inventories. When sales were resumed in April, the auctions withheld from sale any furskins for which bids did not meet preestablished minimums. In September the auctions withdrew from sale those furskins receiving bids of $2.00 or less in an attempt to reduce the quantity of low-quality furskins marketed; this practice is continuing in 1968. The average prices paid for Dark mink furskins at Scandinavian auctions held in December 1967 and January 1968 were generally higher than those paid during the same two months of the previous (1966) selling season, whereas those paid for Pastel furskins were lower (table 9). Prices paid for furskins in most other color phases varied but slightly from those paid a year earlier. The average prices at the Scandinavian auctions in the current season for furskins in most categories are generally higher than those in the spring of 1967.

In the spring of 1967 the Scandinavian producer associations announced a program designed to reduce the production of low-quality Dark and Pastel mink furskins. The associations offered to pay ranchers approximately $1.40 for each animal voluntarily destroyed, up to a maximum of 30 percent of his 1966 output. The payments would be financed by a small fee to be collected on all mink furskins sold at auction during the 1967-68 season. It appears that the program successfully removed about 1.2 million furskins from the 1967 crop. The 1967 output was about 7 percent below that in 1966.

Canada

The development of mink ranches in Canada paralleled that in the United States, although on a smaller scale. In 1965 mink furskins were produced on some 1,500 ranches; 470 ranches of these had 500 or more breeders. During 1963-67, the annual Canadian production of ranch and wild mink increased from 1.5 million to 1.9 million furskins. Mink ranches are located in all Provinces, with the greatest concentration in Ontario. In recent years the total number of mink ranches in Canada has declined gradually but the number of large ranches has increased.

Most mink ranchers in Canada belong to the Canadian Mink Breeders Association (CMBA), whose functions are similar to those of the two U.S. producer associations. In addition, each Province has a local association. Five of the eight auction houses in Canada are important outlets for mink furskins. The Canadian auction houses are not owned by mink ranchers.

In recent years, Canada has exported about half of its output of mink furskins to the United States and a fifth to other countries, principally in Europe. The average quality of the furskins exported to the United States has been lower than that of those going to

Europe (table 10). Nonetheless, Canada has generally supplied the United States with a better grade of furskins than have the Scandinavian countries.

In recent years Canada has imported an average of about 660,000 furskins per year. The United States has supplied a third of the total and the United Kingdom has supplied a fifth. Canada is the only important mink producing country that imports significant quantities of furskins from the United States; few mink furskins have come from Scandinavian countries or the U.S.S.R. Imports from the United States and Scandinavia have generally been either comparable in quality or better than those from the United Kingdom or the U.S.S.R. The average quality of furskins imported is lower than that of those exported. Canadian consumption of mink furskins in trim for garments is substantial.

United Kingdom

London is an important fur-trading center which handles mink furskins produced in a number of countries, including some that are the product of the United Kingdom. Mink furskins are handled by three auction houses; one of them has affiliates in the United States and Canada. 1/

London is the headquarters of the International Fur Trade Federation. The membership is made up of organizations from 21 countries. Three members from each country make up the governing council which meets in London, generally four times a year, coincident with the

1/ Hudson's Bay Company.

important auction sales. U.S. furskin dealers are represented through the American Fur Merchants Association. The Federation is primarily engaged in public relations work, much of it designed to influence fashions.

Other countries

Notable among other mink-producing countries is the U.S.S.R., whose production is estimated to have totaled nearly 3 million furskins in 1967. Although statistics are not available, it is believed that a substantial part of the output in the U.S.S.R. is sold to buyers from western Europe. As indicated earlier, Russian mink is not permitted entry into the United States. 1/ Imports into Canada from the U.S.S.R. have been negligible.

Significant quantities of the so-called North American mink are produced not only in Scandinavia and the U.S.S.R., but in all other northern European countries and in Japan. Exports of mink furskins from such countries, however, have not been appreciable.

1/ See headnote 4 of part 5B of schedule 1 of the TSUS.

U.S. Imports

A sustained upward trend in U.S. imports of mink furskins began in the late 1940's. Since that time the annual increase has averaged about 250,000 furskins. U.S. imports of undressed mink furskins increased from 4.5 million furskins in 1963 to 5.7 million furskins in 1966, when they were valued at $73 million (table 11). Imports in 1967 amounted to 5.3 million furskins, a 7 percent decline from those in 1966; a 25 percent decline in the value of imports in 1967 to $55 million is attributable to the lower market prices. In recent years, about one-third of the aggregate output of mink furskins in foreign countries has been imported into the United States. Virtually all imported furskins have been in the undressed form.

The recent currency devaluations of Finland and Denmark might have some effect on future production and sales in those countries. The extent of the possible change, however, cannot be assessed so soon. These two countries supplied more than a third of the U.S. imports of mink furskins during the period 1963-67. Finland lowered the exchange rate of the Markka on October 12, 1967 by about 24 percent; Denmark devalued the Kroner on November 21, 1967 by about 8 percent.

In the period 1963-67, average annual imports were equivalent to 53 percent of domestic consumption; in 1953-57, they were equivalent to 42 percent (table 4). In 1967, foreign-produced furskins were equivalent to 51 percent of U.S. consumption, a somewhat lower ratio than in 3 of the preceding 4 years.

In recent years, Scandinavia has supplied about three-fourths of the U.S. imports of undressed mink furskins. The bulk of the imports from that area have come from Denmark, Norway, and Sweden. Canada has been the fourth largest supplier, accounting for nearly a fifth of the total imports; before 1955, annual imports from that country were larger than the aggregate imports from Scandinavia. As indicated earlier, imports of mink furskins from the U.S.S.R., an important producer, have been prohibited since 1952.

U.S. imports of mink furskins from Scandinavia consist generally of the standard colors--primarily the commercial grade and include more female furskins (which are smaller in size) than male furskins. Imports from Canada customarily have been of a somewhat better quality than have been those from Scandinavia. The bulk of the imported furskins are used to trim cloth coats or are made up into medium-to-low priced fur garments.

Virtually all imported mink furskins are purchased abroad at auction. Imports follow the seasonal pattern of sales established primarily by auctions (fig. 4 and table 12). Generally, about a fifth of the annual 1/ imports of mink furskins arrive in December, the first month of the Scandinavian auction season. 2/ The quantity imported each month thereafter generally declines. By June, four-fifths of the annual imports have arrived.

1/ Year beginning Dec. 1.
2/ Virtually all imported mink furskins arrive by air freight.

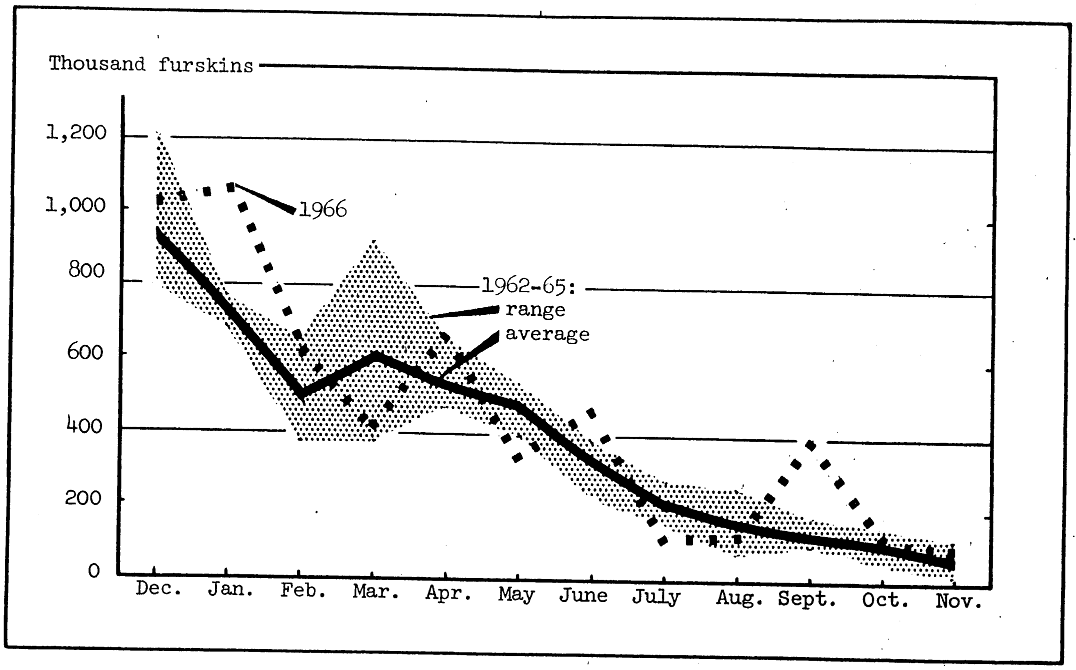


Figure 4.--Undressed mink furskins: U.S. imports for consumption, by months, average for years beginning December 1, 1962-65 and for the year beginning December 1, 1966

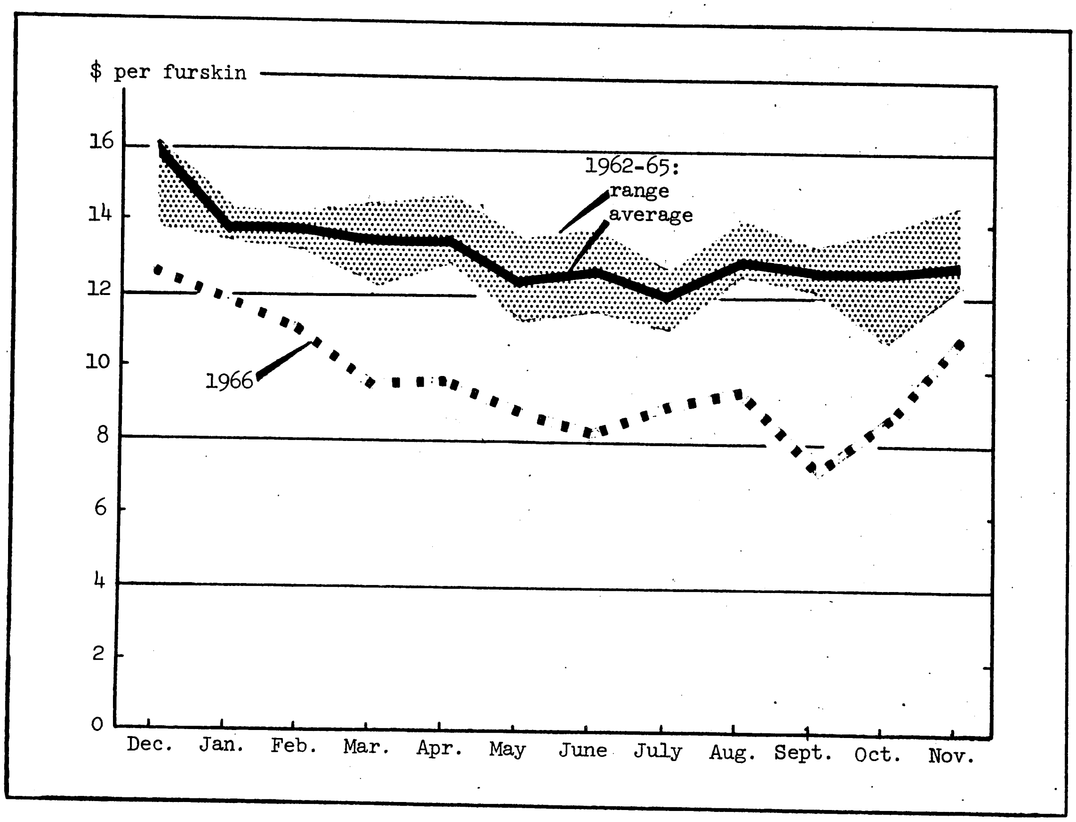


Figure 5.--Undressed mink furskins: Average unit value of imported furskins, by months, average for years beginning December 1, 1962-65 and for the year beginning December 1, 1966

The monthly average unit value of imports generally declines throughout each marketing year (fig. 5), reflecting the sales practices of foreign auctions. The quality of the furskins sold in the early months of the season is generally the best. The customary decline in the average monthly unit value of imports in the late winter and spring months is attributable in part to a lower average quality marketed, and in part to a reduced competition among buyers after their immediate needs have been met at the December auctions. The need for supplies is probably the dominant factor responsible for the unit value of imports being higher in December than in January, when the quality of the furskins is as good or better. The decline in the unit value of imported mink furskins was more evident in the spring of 1967 than usual because of both the retardation of economic growth in consuming countries and the large world supply available.

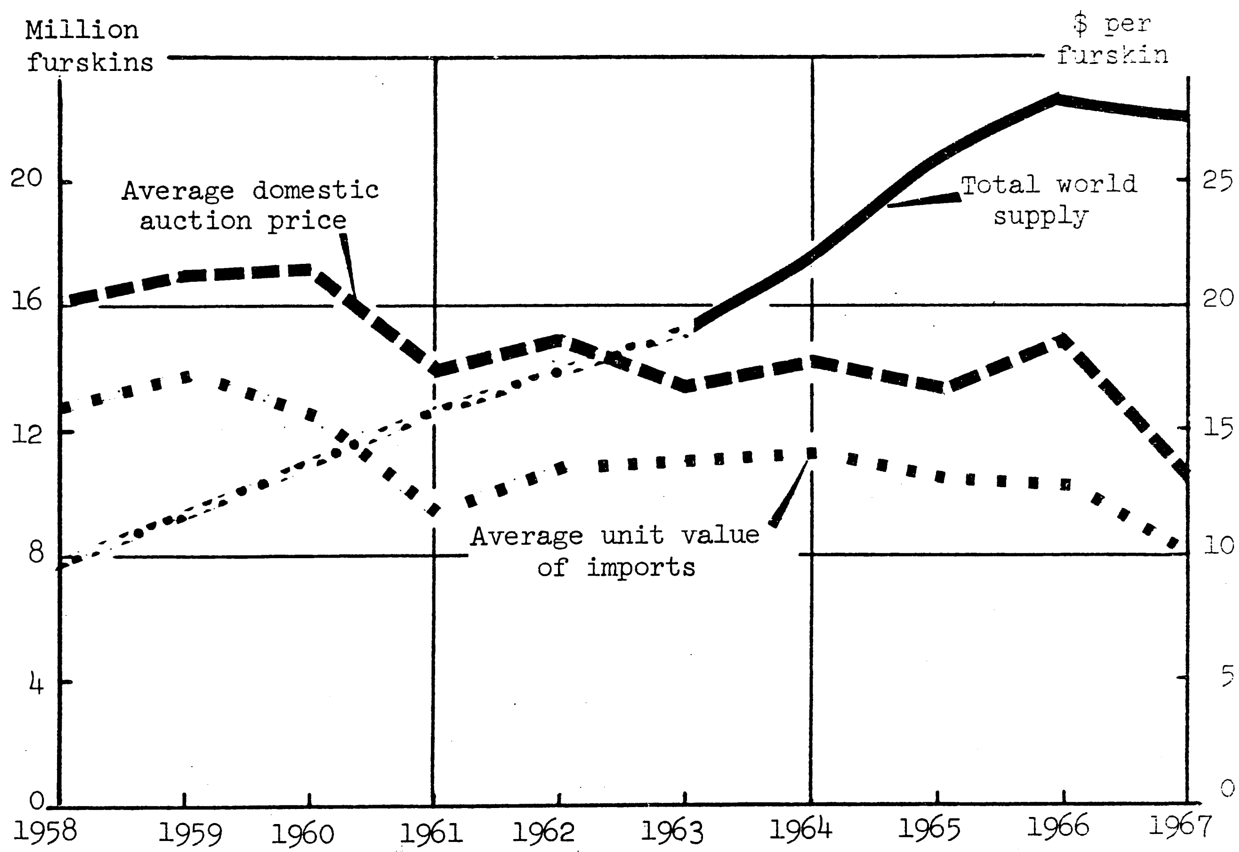
Purchases of mink furskins in substantial volume at foreign auctions early in the season tend to establish the character of the market elsewhere and may, when supplies are large, diminish the incentive to buy furskins offered at the later domestic auctions.

U.S. imports of dressed, or dressed and dyed, mink furskins have been small in relation to imports of those in the undressed form. The duty-free treatment accorded undressed mink furskins favors their importation in that form; moreover, domestic dressers are reported to have operations that offer faster and more efficient service than their counterparts in Europe. In the period 1964-67, annual imports of mink furskins in the dressed or dyed form ranged from 26,000 to 81,000 furskins. The United Kingdom and West Germany were the principal sources of imports (tables 13 and 14).

Imports of mink in the form of plates, strips, and similar forms are not separately reported. The bulk of such imports, which are small, have come from Greece. Scraps and pieces collected from U.S. apparel manufacturers are exported to Greece, where they are sewn together. The sewn pieces are shipped to the United States or Europe and used in making relatively inexpensive wearing apparel.

Prices

The market for undressed mink furskins is worldwide. After appropriate adjustments are made for transportation costs and related changes, furskins of comparable quality tend to bring comparable prices in the major mink-producing countries. The great bulk of the annual world supply of mink furskins is sold at auction in the respective producing countries. Many of the major buyers participate in the auctions held in both North America and Europe. The bids offered by these buyers are determined largely by the quantity of furskins available and the demand for mink garments in their home markets. The world demand for mink, as well as that for other furskins, is partly dependent on the unpredictable dictates of fashion. Changes in the annual world supply, as well as changes in demand in any of the principal mink consuming countries, therefore, tend to produce parallel changes in the average prices at all major auctions. Whereas, the annual world supply of mink furskins increased substantially in 1958-67, both the average U.S. auction price and the average unit value of U.S. imports, which largely reflects Scandinavian auction prices, declined approximately in parallel (fig. 6). The decline in the U.S. auction price and in the average unit value of imports resulted largely from a concurrent increase in the production of mink furskins in Europe and North America. The average unit value of U.S. imports during the last decade has been lower than the average U.S. auction price, largely because the quality and size of the imported furskins were below those of the domestic furskins.



Note.--Trend of total world supply in 1958-62 based on data available only for the years 1958 and 1961.

Figure 6.--Mink furskins, undressed: Total world supply, average domestic auction price, and average unit value of imports, 1958-67

With the declining prices during the past decade, the U.S. annual consumption of mink furskins increased substantially, reflecting in part some increase in the popularity of the product itself. Although the increased consumption of mink is attributable mainly to the lower prices that have prevailed and the general prosperity of consumers, it reflects also increased promotional efforts on the part of producer organizations, fashion designers, and others.

The Commission obtained information on prices of mink furskins from U.S. ranchers, auction houses, and fur dealers. The following discussion provides information for recent years on the average annual prices that mink ranchers received, compares the prices paid by buyers at auction for furskins representing different color phases, quality grades and sex, and compares the prices that fur dealers received for their imported and domestic furskins.

Prices received by U.S. ranchers

The average annual price received by U.S. ranchers for their mink furskins fluctuated only moderately from 1963 to 1966, but declined by about a fourth in 1967.

In most years during the period 1963-67, the prices received by ranchers for mink furskins of the standard color group generally averaged somewhat below those received for furskins belonging to the high shade and blue-gray color group (table 15). 1/ The latter group, which comprised about a fifth of the mink furskins sold by U.S.

1/ The annual prices shown in table 15, and used to compute the indexes on p. 60, are an average of the prices received by ranchers for furskins in a wide variety of colors and grades.

ranchers during the period, consisted in part of relatively scarce new-color furskins, which commanded prices higher than did the more abundant furskins in the standard color group. Ranchers' sales of furskins in the high shade and blue-gray color group increased at a faster rate than did the sales of furskins in the standard color group.

The average annual price received by U.S. ranchers for their undressed furskins was generally higher than that received for their dressed furskins (after adjusting for dressing charges); this difference in price was more pronounced in the standard color group. As indicated earlier, the standard color group consists chiefly of Pastel and Dark mink furskins; Darks are customarily sold by ranchers in the undressed condition, whereas most Pastels are sold dressed. In recent years, Dark furskins have sold at higher average prices than have Pastel furskins. The difference in the average prices received by ranchers for their undressed and dressed furskins of the standard color group, therefore, largely reflects the difference in the average prices received for Dark and Pastel mink furskins.

Indexes of the prices received by U.S. ranchers in the period 1963-67 were as follows:

(1963=100)

Item	1963	1964	1965	1966	Jan.-Sept. 1967
Standard-color furskins:					
Undressed-------------------	100	94	93	88	66
Dressed---------------------	100	114	103	110	86
Average-------------------	100	103	97	98	75
High-shade and blue-gray furskins:					
Undressed-------------------	100	126	122	126	63
Dressed---------------------	100	111	118	137	95
Average-------------------	100	113	119	135	90
Average, all colors-------	100	105	102	105	79

The average annual price received by U.S. ranchers for their aggregate sales of mink furskins was relatively stable in 1963-66; the price in 1966 was only 5 percent above that in 1963. There were, however, divergent trends in the prices of the two color groups. The average annual price of the standard-color furskins in 1966 was 2 percent lower than that in 1963, whereas the price of the furskins in the high-shade and blue-gray color group in 1966 was 35 percent above that in 1963. Approximately equal prices were received by ranchers for the furskins in the two groups in 1963, but by 1966 the average price for the furskins in the standard-color group was more than $5 per furskin below that for the furskins in the other group. In 1967 the average price received by domestic ranchers for their standard-color mink furskins declined 23 percent from that which they received in 1966; the corresponding decline in the average price of the high-shade and blue-gray color furskins was 33 percent. 1/

The average prices paid for mink furskins at U.S. auctions held in December 1967 and January 1968 were generally lower than those paid during the same two months of the previous (1966) selling season. Prices had generally declined throughout the 1966 selling season, however, and the prices paid at these early auctions of the 1967 selling season were actually somewhat higher than those prevailing during the spring of 1967. The average prices paid for Dark mink furskins at the December 1967 and January 1968 auctions appear to have increased relative to the prices paid for furskins of other color phases.

The following factors contributed to the sharp decline in the average price that mink ranchers received in 1967: (1) a retardation in the economic growth of the United States and the major mink consuming countries in Europe; (2) reports late in 1966 that the world supply of new mink furskins was more than adequate to meet demand; (3) the accumulation of large inventories of mink furskins in the hands of domestic fur dealers and garment manufacturers late in 1966; and (4) the introduction of new fur dressing techniques and decisions by the FTC regarding their use, which caused apprehension in the trade.

1/ Mink was not the only furskin whose price declined in 1967; prices of furskins in general declined in that year. For example, the average annual price of Alaska fur seal, a furskin which is not imported, increased from 1965 to 1966 by 14 percent and then declined in 1967 by 27 percent.

Changes in fashion and a dressers' labor union strike probably moderated somewhat the price decline in 1967. Wearing apparel designers introduced mink fur into more medium-to-low priced fashions than before in response to the low price of mink furskins. More apparel with mink trim was offered. Mink garments presenting an appearance differing from the traditional, and which are made by techniques requiring less labor in their manufacture, were featured. In addition, the ultra short style of mink coat was promoted; fewer furskins are used in such coats than in full length coats and this saving is reflected in a lower price for the garment. The new style, although employing fewer furskins per garment, probably caused an increase in the aggregate use of mink inasmuch as the lower price put a mink coat within the reach of more buyers. A labor union strike in December 1966, which affected virtually all of the dressing concerns that work on mink, is believed also to have moderated the price decline of mink furskins. The strike caused most dressed mink held in inventory at that time to be used before the bulk of the new furskins became available.

<u>Prices paid at auction for furskins of specified colors</u> 1/

Changes in the annual prices of mink furskins in the quality categories of a color phase are generally parallel. In the auction selling seasons of 1964-66 the average annual prices of furskins in

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1/ Prices were calculated for mink furskins in the Dark, Pastel, and Pearl color phases sold through the New York auction houses. Sales in these color phases represented two-thirds of the aggregate sales of mink furskins through these auction houses.

each of the quality categories of the Dark and Pearl color phases increased from 1964 to 1965 and then declined in 1966 (table 16). 1/ The average annual prices of the furskins in the medium and the low quality categories of the Pastel color phase also increased in 1965 and then decreased in 1966, but the prices of the first quality Pastel furskins ("Autumn Haze") decreased in both 1965 and 1966. In the latter year the price of the female furskins of the top quality "Autumn Haze" declined the least.

Differences in price, as a reflection of quality, in general were more pronounced for the furskins in the Dark color phase than for the furskins in the Pastel and Pearl color phases. The following tabulation presents the relationship of the prices paid at New York City auction houses for furskins of the several qualities in specified color phases, based on the averages for the three selling seasons 1964-66:

Grade	Color phase					
	Dark		Pastel		Pearl	
	Male	Female	Male	Female	Male	Female
First quality	100	100	100	100	100	100
Second quality	62	61	80	87	84	84
Third quality	-	-	64	69	67	60

About a fourth of the total furskins in the three specified color phases fall into the first quality category; of the furskins belonging

1/ The auction house selling season begins Dec. 1 and generally ends on the following Sept. 30.

to the Pastel and Pearl color phases, the remainder fall about equally into the other two quality categories.

In 1964-66 the average price of the smaller female furskins in all three color phases was some 40-50 percent below the average price of the male furskins of the same qualities.

Prices received by dealers for imported and domestic mink furskins

Prices of imported mink furskins, like those of domestically produced furskins, vary widely depending upon the quality and the color. The average annual price received by fur dealers for the imported mink, however, was lower than that for the domestic mink; in 1963-66 and in the first 9 months of 1967, the average price received for their imported goods (after adjustment to exclude the cost of dressing where applicable) was 12 percent less than that received for their domestic goods. The difference in price is, in large measure, a reflection of differences in quality and composition. As indicated earlier, the bulk of the imported furskins are from female animals and belong to the commercial grade. About nine-tenths of the imported furskins and three-fourths of the domestic furskins sold by dealers during the period belonged to the standard-color group. Only about a sixth of the imported furskins were sold in the dressed condition, whereas more than half of the domestic furskins were sold dressed.

Table 17 shows the computed indexes of prices received by fur dealers in 1963-66 and January-September 1967. The data indicate that, for the period under review, the prices of both imported and domestic mink furskins generally declined. The trend of prices received for imported mink furskins roughly paralleled that of prices received for domestic furskins. The average price of imported mink (both dressed and undressed of all colors) declined 26 percent between 1963 and 1967, while that of domestic mink declined 28 percent during the same period. Most of the decline in prices occurred between 1966 and 1967.

Appendix A

Statistical Tables

Table 1.--Certain furskins, raw or not dressed, or dressed: U.S. rates of duty, April 1968

TSUS 1/ item	Description	Rate of duty 2/	
		1	2
	Furskins other than furskins of silver, black, or platinum foxes (including mutations from such foxes):		
124.10	Raw or not dressed-------------------	Free	Free
	Dressed:		
	Not dyed:		
124.20	Plates, mats, linings, strips, crosses, or similar forms.	15.5% ad val.	35% ad val.
124.25	Other, of beaver, caracul and Persian lamb, chinchilla, ermine, fisher, fitch, fox, kolinsky, leopard, lynx, marten, mink, nutria, ocelot, otter, pony, raccoon, sable, and wolf.	4.5% ad val.	25% ad val.
	Dyed:		
124.60	Plates, mats, linings, strips, crosses, or similar forms.	18% ad val.	40% ad val.
124.65	Other, of beaver, caracul and Persian lamb, chinchilla, ermine, fisher, fitch, fox, kolinsky, leopard, lynx, marten, mink, nutria, ocelot, otter, pony, raccoon, sable, and wolf.	7% ad val.	30% ad val.

1/ Tariff Schedules of the United States.

2/ The rates in column 1 apply to all products except (a) Philippine articles, which receive preferential treatment, (b) products of most Communist-controlled countries, which are dutiable at the rates shown in column 2, and (c) certain products of insular possessions.

Table 2.--Mink furskins, ranch-raised: Comparison of sales calculated by the Tariff Commission with the sales reported by the National Board of Fur Farm Organizations, Inc., 5-year averages 1953-67, annual 1963-67

(In millions of furskins)

Period	Commission data	National Board data
Average:		
1953-57	2.4	3.2
1958-62	3.7	5.7
1963-67	5.2	7.7
Annual:		
1963	4.3	7.0
1964	4.7	7.1
1965	5.3	7.5
1966	5.7	8.2
1967	6.0	9.0

Source: Tariff Commission data compiled from information submitted by U.S. ranchers and others; National Board data submitted by the National Board of Fur Farm Organizations, Inc.

Note.--Data submitted by furskin auction houses and local furskin dealers substantiate the Commission's calculations. The data on sales that were used in the Tariff Commission's Report on Escape-Clause Investigation No. 79 Under Section 7 of the Trade Agreements Extension Act of 1951, As Amended (issued in September 1959) have been revised on the basis of more complete information.

Table 3.--Calculated income and expenses of U.S. mink ranchers, 1963-66 1/

Item	1963	1964	1965	1966
Gross ranch income---1,000 dollars--	77,159	86,923	94,314	104,279
Total ranch expense--------do---------	68,474	75,440	79,397	87,947
Net return-----------------do---------	8,685	11,483	14,917	16,332
Ratio of net return to gross ranch income--------------------percent--	11.3	13.2	15.8	15.7

1/ Data shown are calculated totals for all ranchers (each of which sold at least 1,000 mink furskins in 1966) based on data furnished by those ranchers who responded to the Commission's questionnaire. The data represent overall ranch operations; gross income from mink operations alone accounted for about 90 percent of the gross ranch income in each year.

Source: Calculated by the Tariff Commission on the basis of data submitted to the Tariff Commission by domestic ranchers.

Table 4.--Mink furskins: U.S. sales, imports for consumption, exports of domestic merchandise, exports of foreign merchandise, and apparent consumption, 5-year averages 1953-67, annual 1963-67

Period	U.S. sales (production) 1/			Imports for consump- tion 2/	Exports		Apparent domestic consump- tion 4/	Ratio of imports to consump- tion 5/
	Ranch	Wild	Total		Domestic merchan- dise	Foreign merchandise (reexports)		
	Million furskins	Million furskins	Million furskins	Million furskins	Million furskins	Million furskins	Million furskins	Percent
Average:								
1953-57----------	2.4	0.4	2.8	1.8	3/ 0.5	0.1	4.0	42
1958-62----------	3.7	.3	4.0	3.2	.9	.1	6.2	50
1963-67----------	5.2	.3	5.5	5.0	1.1	.1	9.2	53
Annual:								
1963-------------	4.3	.4	4.7	4.5	1.1	.1	8.0	55
1964-------------	4.7	.3	5.0	4.4	.9	.1	8.4	51
1965-------------	5.3	.3	5.6	4.9	1.2	.1	9.2	52
1966-------------	5.7	.2	5.9	5.7	1.1	.1	6/ 10.3	54
1967-------------	6.0	.2	6.2	5.3	1.3	.1	6/ 10.2	51

1/ For a particular year, the data reported here represent sales by ranchers and trappers of mink furskins that were obtained almost entirely from peltings during the preceding November and December.

2/ Excludes Japanese mink and dressed mink furskins which are imported in insignificant quantities.

3/ Includes estimates for dressed furskins.

4/ Sales plus imports minus exports of both domestic and foreign merchandise.

5/ Imports as used here equal imports for consumption minus exports of foreign merchandise.

6/ Consumption data for 1966 and 1967 were adjusted slightly to take account of a surplus of unsold furskins in the hands of dealers on Nov. 30, 1966; this surplus was disposed of in 1967. The figure for 1967 would be higher than shown if it had also been adjusted to account for the unknown quantity of furskins held by garment manufacturers in 1966 and used in 1967.

Source: Sales (production) of ranch-mink furskins compiled from information submitted to the U.S. Tariff Commission by ranchers, auction houses, and others; sales (production) of wild-mink furskins compiled from official statistics of the U.S. Department of the Interior; imports and exports compiled from official statistics of the U.S. Department of Commerce.

Note.--The data on sales that were used in the Tariff Commission's Report on Escape-Clause Investigation No. 79 Under Section 7 of the Trade Agreements Extension Act of 1951, As Amended (issued in September 1959) have been revised on the basis of more complete information.

Table 5.--Whole furskins of mink, not dressed: U.S. exports of domestic merchandise, by principal markets, 1963-67

Market	1963	1964	1965	1966	1967
	Quantity (1,000 furskins)				
Italy	99	51	82	130	136
West Germany	91	106	243	204	201
Switzerland	88	64	65	76	109
Canada	200	149	169	95	183
United Kingdom	149	139	150	186	140
France	126	94	89	86	83
Belgium	26	16	29	19	24
All other	38	35	79	74	129
Total	817	654	906	870	1,005
	Value (1,000 dollars)				
Italy	2,799	1,518	2,136	3,170	2,923
West Germany	1,275	1,601	3,659	3,436	2,353
Switzerland	2,175	1,606	1,543	1,340	2,258
Canada	2,228	2,020	2,053	1,510	1,967
United Kingdom	2,545	2,532	2,556	2,369	1,963
France	2,347	1,567	1,575	1,546	946
Belgium	494	302	419	370	298
All other	513	495	919	848	935
Total	14,376	11,641	14,860	14,589	13,643

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

Table 6.--Whole furskins of mink, dressed or dyed: U.S. exports of domestic merchandise, by principal markets, 1963-67

Market	1963	1964	1965	1966	1967
	Quantity (1,000 furskins)				
Switzerland	84	62	73	58	66
Italy	42	18	30	44	56
Canada	18	23	27	22	42
West Germany	15	20	40	20	24
France	26	24	32	27	19
Hong Kong	15	11	10	17	15
Spain	15	12	12	10	10
Belgium	9	10	10	9	9
Uruguay	-	-	2	10	1
All other	47	68	58	37	1/ 85
Total	271	248	294	254	327
	Value (1,000 dollars)				
Switzerland	2,172	1,618	2,025	1,945	1,610
Italy	1,119	519	755	1,476	1,356
Canada	408	481	574	563	643
West Germany	325	462	830	514	485
France	732	723	858	780	471
Hong Kong	372	326	280	540	363
Spain	362	275	298	275	206
Belgium	192	267	236	227	177
Uruguay	-	-	67	254	11
All other	1,045	1,546	1,298	967	1/1,645
Total	6,727	6,217	7,221	7,541	6,967

1/ Includes 33 thousand furskins from the United Kingdom, valued at 637 thousand dollars.

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

Table 7.--Production of mink furskins, by principal producing countries, 1/ crops of 1963-67

(In millions of furskins)

Area and country	Crop of--				
	1963	1964	1965	1966	1967 2/
Scandinavia:					
Denmark	1.8	2.4	2.9	3.3	3.0
Norway	1.4	1.8	2.2	2.6	2.2
Finland	.8	1.1	1.5	1.8	2.0
Sweden	1.5	1.4	1.7	1.8	1.6
Total	5.5	6.7	8.3	9.5	8.8
United States	5.0	5.6	5.9	6.2	6.7
U.S.S.R.	1.7	1.9	2.8	2.9	2.9
Canada	1.5	1.5	1.7	2/ 1.9	1.9
All other	1.6	1.8	2.1	2.3	2.3
Grand total	15.3	17.5	20.8	22.8	22.6

1/ These countries annually produce 90 percent of the world's mink furskins. Wild-mink furskins, which are included in the production of the United States and Canada only, are not produced in significant quantities elsewhere. The data reported here represent output by ranchers and trappers of mink furskins that were obtained almost entirely from peltings during November and December of the year shown; most of the output was sold in the succeeding year.

2/ Partly estimated.

Source: U.S. production compiled from official statistics of the U.S. Department of the Interior and from information submitted to the U.S. Tariff Commission by ranchers, auction houses, and others; Scandinavian production compiled from data of the Board of Scandinavian Fur Farm Organizations; Canadian production compiled from data of the Dominion Bureau of Statistics (Canada); other data calculated from information supplied by various sources.

Table 8.--Mink furskins, undressed: Exports from Scandinavia, by specified markets, 1963-66 and January-June 1967

Market	1963	1964	1965	1966	Jan.-June 1967
	Quantity (1,000 furskins)				
United States	2,639	2,737	3,268	3,745	2,329
West Germany	540	733	1,286	1,182	826
United Kingdom	477	544	642	791	470
Italy	404	377	456	638	1/ 491
All other	458	457	647	815	924
Total	4,518	4,848	6,299	7,171	5,040
	Value (1,000 dollars)				
United States	35,155	38,753	40,979	46,709	22,746
West Germany	8,412	12,224	21,894	18,392	9,666
United Kingdom	7,382	8,209	9,783	11,088	5,195
Italy	8,859	8,352	9,426	12,779	1/ 6,516
All other	8,003	8,293	11,158	13,072	10,519
Total	67,811	75,831	93,240	102,040	54,642
	Unit value (per furskin)				
United States	$13.32	$14.16	$12.54	$12.47	$9.77
West Germany	15.58	16.68	17.02	15.56	11.70
United Kingdom	15.48	15.09	15.24	14.02	11.05
Italy	21.93	22.15	20.67	20.03	1/ 13.27
All other	17.47	18.15	17.25	16.04	11.38
Average	15.01	15.64	14.80	14.23	10.84

1/ Exports from Finland to Italy are not available; included in "All other".

Source: Compiled from official export statistics of Denmark, Norway, Sweden, and Finland.

Note.--Valuation based on f.o.b. port of export.

Table 9.--Mink furskins: Percentage changes in average prices paid at Scandinavian auctions, by specified color phases, December 1966 and 1967 and January 1967 and 1968

Item	Denmark	Norway	Finland	Sweden
	Percentage change from December 1966 to December 1967			
Dark:				
Male	+17	+6	+11	+2
Female	+11	0	+5	-1
Pastel:				
Male	0	-17	1/	-15
Female	-8	-17	1/	-15
	Percentage change from January 1967 to January 1968			
Dark:				
Male	+13	+5	+2	+5
Female	+9	-7	+3	+7
Pastel:				
Male	-10	-20	-15	-13
Female	-15	-18	-14	-14

1/ None offered in December 1967.

Source: Compiled from information from officials of the Scandinavian auction houses.

Table 10.--Mink furskins, undressed: Exports from Canada, by specified markets, 1963-66 and January-June 1967

Market	1963	1964	1965	1966	Jan.-June 1967
	Quantity (1,000 furskins)				
United States	912	787	803	830	662
West Germany	27	81	96	118	28
Switzerland	53	39	54	68	44
United Kingdom	143	114	86	92	61
Italy	12	1	6	13	4
All other	16	28	29	20	23
Total	1,163	1,050	1,074	1,141	822
	Value (1,000 dollars)				
United States	14,487	11,587	11,827	11,885	7,546
West Germany	362	1,237	1,598	2,318	382
Switzerland	1,262	980	1,268	1,683	953
United Kingdom	2,433	1,879	1,523	1,658	933
Italy	250	33	142	328	75
All other	327	561	566	471	384
Total	19,121	16,277	16,924	18,343	10,273
	Unit value (per furskin)				
United States	$15.88	$14.72	$14.73	$14.32	$11.40
West Germany	13.41	15.27	16.65	19.64	13.64
Switzerland	23.81	25.13	23.48	24.75	21.66
United Kingdom	17.01	16.48	17.71	18.02	15.30
Italy	20.83	33.00	23.67	25.23	18.75
All other	20.44	20.04	19.52	23.55	16.70
Average	16.44	15.50	15.76	16.08	12.50

Source: Compiled from statistics of the Dominion Bureau of Statistics, Canada.

Note.--Value converted from Canadian dollars to U.S. dollars and based on f.o.b. inland shipping point.

Table 11.--Whole furskins of mink, not dressed: U.S. imports for consumption, by principal sources, 1963-67

Source	1963	1964	1965	1966	1967
	Quantity (1,000 furskins)				
Scandinavia:					
Denmark	879	1,037	1,175	1,508	1,195
Norway	676	734	853	1,182	1,053
Sweden	1,000	935	923	1,001	895
Finland	426	438	600	696	674
Total	2,981	3,144	3,551	4,387	3,817
Canada	940	675	847	800	1,143
All other	538	537	458	464	386
Total, all countries	4,459	4,356	4,856	5,651	5,346
	Value (1,000 dollars)				
Scandinavia:					
Denmark	11,803	14,424	14,016	18,567	11,282
Norway	9,374	10,894	11,418	15,700	10,795
Sweden	13,433	13,297	12,096	12,479	8,816
Finland	5,467	5,827	8,250	8,771	6,520
Total	40,077	44,442	45,780	55,517	37,413
Canada	15,611	10,264	13,235	12,026	13,777
All other	6,149	6,613	4,916	5,226	3,444
Total, all countries	61,837	61,319	63,931	72,769	54,534
	Unit value (per furskin)				
Scandinavia:					
Denmark	$13.43	$13.91	$11.93	$12.31	$9.44
Norway	13.87	14.84	13.39	13.28	10.25
Sweden	13.43	14.22	13.10	12.47	9.85
Finland	12.83	13.30	13.75	12.60	9.67
Average	13.44	14.14	12.89	12.65	9.80
Canada	16.61	15.21	15.63	15.03	12.05
All other	11.43	12.31	10.73	11.26	8.66
Average, all countries	13.87	14.08	13.17	12.88	10.20

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

Table 12.--Whole furskins of mink, not dressed: U.S. imports for consumption, by months, December 1962-February 1968

Month	Year beginning Dec. 1--					
	1962	1963	1964	1965	1966	1967
	Quantity (1,000 furskins)					
December	747	1,217	791	950	1,022	933
January	686	728	774	770	1,069	630
February	437	568	373	651	592	365
March	377	625	473	923	420	
April	490	477	663	470	672	
May	484	396	501	540	335	
June	339	223	344	386	463	
July	163	154	274	214	114	
August	75	97	222	261	133	
September	125	116	101	185	392	
October	48	149	116	109	124	
November	18	32	65	120	100	
	Value (1,000 dollars)					
December	10,354	19,572	11,067	13,883	12,553	10,697
January	9,230	10,469	10,453	10,717	12,635	6,570
February	5,765	7,868	5,296	9,231	6,504	4,140
March	4,625	9,060	6,302	12,282	4,008	
April	6,316	7,061	8,939	6,161	6,485	
May	6,162	5,420	5,821	6,146	2,934	
June	4,683	3,104	3,987	4,558	3,913	
July	2,039	1,969	3,041	2,538	1,030	
August	1,057	1,337	2,796	3,286	1,255	
September	1,524	1,536	1,355	2,282	2,881	
October	611	1,963	1,257	1,512	1,154	
November	252	464	801	1,504	1,038	
	Unit value (per furskin)					
December	$13.86	$16.08	$13.99	$14.61	$12.28	$11.46
January	13.45	14.38	13.50	13.92	11.82	10.44
February	13.19	13.85	14.20	14.18	10.99	11.33
March	12.27	14.50	13.32	13.31	9.54	
April	12.89	14.80	13.48	13.11	9.65	
May	12.73	13.69	11.62	11.38	8.76	
June	13.81	13.92	11.59	11.81	8.45	
July	12.51	12.79	11.10	11.86	9.04	
August	14.09	13.78	12.59	12.59	9.44	
September	12.19	13.24	13.42	12.34	7.35	
October	12.73	13.17	10.84	13.87	9.32	
November	14.00	14.50	12.32	12.53	10.42	

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

Table 13.--Whole furskins of mink, dressed, not dyed: U.S. imports for consumption, by principal sources, 1964-67

Source	1964	1965	1966	1967
	Quantity (1,000 furskins)			
United Kingdom	1	3	6	61
Canada	4	1	4	1
West Germany	45	19	8	1/
Belgium	11	-	1	-
All other	18	2	-	2/ 16
Total	79	25	19	78
	Value (1,000 dollars)			
United Kingdom	9	27	53	403
Canada	26	22	35	18
West Germany	544	228	84	4
Belgium	129	3	19	-
All other	208	17	13	2/ 133
Total	916	297	204	558
	Unit value (per furskin)			
United Kingdom	$9.00	$9.00	$8.83	$6.61
Canada	6.50	22.00	8.75	18.00
West Germany	12.09	12.00	10.50	12.94
Belgium	11.73	-	19.00	-
All other	11.56	8.50	-	2/8.31
Average	11.59	11.88	10.74	7.15

1/ Less than 500 furskins.
2/ Includes about 11 thousand furskins from Finland, valued at about 64 thousand dollars.

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

Table 14.--Whole furskins of mink, dressed and dyed: U.S. imports for consumption, by principal sources, 1964-67

Source	1964	1965	1966	1967
	Quantity (1,000 furskins)			
West Germany	-	-	3.7	-
France	0.6	-	.9	0.8
United Kingdom	.8	1.0	.7	-
All other	.5	.3	1.6	1/
Total	1.9	1.3	6.9	.8
	Value (1,000 dollars)			
West Germany	-	-	54.0	-
France	8.7	-	12.0	14.4
United Kingdom	9.6	10.5	10.4	-
All other	4.1	4.5	3.3	1.4
Total	22.4	15.0	79.7	15.8
	Unit value (per furskin)			
West Germany	-	-	$14.46	-
France	$14.75	-	13.03	$17.61
United Kingdom	12.54	$10.42	14.25	-
All other	8.05	14.30	2.14	45.00
Average	12.01	11.36	11.51	18.58

1/ Less than 50 furskins.

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

Table 15.--Mink furskins: Average prices received by U.S. ranchers, by color phase group, 1963-66 and January-September 1967 1/

Item	1963	1964	1965	1966	Jan.-Sept. 1967
Standard-color furskins:					
Undressed	$19.06	$17.96	$17.80	$16.73	$12.65
Dressed	13.61	15.51	14.06	14.99	11.67
Average	16.10	16.55	15.61	15.72	12.13
High-shade and blue-gray furskins:					
Undressed	16.92	21.40	20.67	21.36	10.70
Dressed	15.69	17.48	18.49	21.45	14.86
Average	15.89	17.91	18.90	21.44	14.37
Average, all colors	16.06	16.83	16.30	16.92	12.67

1/ Prices have been computed to exclude the cost of dressing on those furskins sold in the dressed condition, but include costs of shipping and commission fees where applicable.

Source: Compiled from data submitted to the U.S. Tariff Commission by U.S. ranchers.

Note.--The annual prices shown are an average of gross prices received by ranchers for furskins in a wide variety of colors and grades.

Table 16.--Average prices 1/ and indexes of average prices of mink furskins sold through New York City auction houses, by type, specified color phases, quality, and sex, year beginning Dec. 1, 1964-66

Type, color phase, quality, and sex	Average prices per furskin: Year beginning Dec. 1-- 1964 2/	1965	1966	3-year average	Indexes of average prices (1964=100), year beginning Dec. 1-- 1964 2/	1965	1966
Dark furskins, by quality:							
Select:							
Male	$32.47	$35.51	$24.82	$30.64	100	109	76
Female	18.71	21.15	13.13	16.79	100	113	70
Ranch:							
Male	20.25	22.29	14.86	19.13	100	110	73
Female	11.71	11.73	7.39	10.27	100	100	63
Average, Dark furskins:							
Male	25.60	28.13	19.58	24.34	100	110	76
Female	15.13	15.44	10.47	13.59	100	102	69
Mutation furskins:							
Pastel, by quality:							
Autumn Haze:							
Male	30.44	22.79	18.25	23.29	100	75	60
Female	13.26	13.15	11.13	12.48	100	99	84
Pastel:							
Male	19.29	20.12	15.02	18.62	100	104	78
Female	11.79	11.99	8.38	10.83	100	102	71
Brown:							
Male	15.95	17.07	11.60	14.94	100	107	73
Female	9.82	9.84	6.34	8.63	100	100	65
Average, Pastel furskins:							
Male	19.46	19.58	14.08	17.77	100	101	72
Female	11.22	11.33	7.99	10.21	100	101	71

See footnotes at end of table.

Table 16.--Average prices 1/ and indexes of average prices of mink furskins sold through New York City auction houses, by type, specified color phases, quality, and sex, year beginning Dec. 1, 1964-66--Continued

Type, color phase, quality, and sex	Average prices per furskin: Year beginning Dec. 1-- 1964 2/	1965	1966	3-year average	Indexes of average prices (1964=100), year beginning Dec. 1-- 1964 2/	1965	1966
Mutation furskins:--Continued							
Pearl, by quality:							
Tourmaline:							
Male----------	$26.26	$32.02	$24.16	$27.10	100	122	92
Female--------	16.67	20.35	15.22	17.11	100	122	91
Pearl:							
Male----------	22.53	27.97	18.57	22.87	100	124	82
Female--------	14.24	17.98	11.52	14.39	100	126	81
Pale Beige:							
Male----------	17.06	22.98	14.92	18.18	100	135	87
Female--------	8.80	14.28	8.18	10.24	100	162	93
Average, Pearl furskins:							
Male-----	20.85	27.16	19.20	22.20	100	130	92
Female---	12.49	17.44	11.92	13.77	100	140	95
Average, mutations above:							
Male-----	19.80	21.39	15.61	18.93	100	108	79
Female---	11.54	12.60	9.06	11.07	100	109	78
Average, Dark and mutations above:							
Male-----	21.29	23.22	16.73	20.39	100	109	79
Female---	12.48	13.35	9.43	11.74	100	107	76

1/ Prices are net prices paid by the buyer. Data have been adjusted to exclude the cost of dressing for furskins sold dressed.

2/ Data for 1964 do not include December sales at one of the New York City auctions.

Source: Computed from data submitted to the U.S. Tariff Commission by the New York auction houses.

Table 17.--Indexes of prices received by U.S. fur dealers for mink furskins, dressed and undressed, in standard and other colors, imported and domestic, 1963-66 and January-September 1967

(1963=100)

Item	1963	1964	1965	1966	Jan.-Sept. 1967
Undressed furskins:					
Standard colors:					
Imported	100	100	87	88	70
Domestic	100	81	73	76	58
Other colors:					
Imported	100	122	125	134	109
Domestic	100	80	92	95	62
Dressed furskins:					
Standard colors:					
Imported	100	105	97	96	75
Domestic	100	105	98	101	84
Other colors:					
Imported	100	88	91	70	89
Domestic	100	102	104	107	85
Average: 1/					
Imported	100	102	91	92	74
Domestic	100	94	88	91	72

1/ Average prices received for sales of dressed and undressed mink furskins have been computed to exclude the cost of dressing on the furskins sold in the dressed condition.

Source: Computed from data submitted to the U.S. Tariff Commission by domestic fur dealers.

Appendix B

Color Phases of Mink Furskins, by Groups

U.S. auction names	EMBA names 1/	Scandinavian auction names	Approximate color description
STANDARDS (brown or black colors)			
Dark, Standard, Ranch, or any combination of these terms	Tyrian-Glo	Dark	Bluish black-brown to dark brown or black
Demi-Buff, Half-Bloods	Lunaraine	Demi-Buff	Lighter than above
Pastel	Autumn Haze	Pastel	Brown to pale brown
Pale Brown, Fawn, Palomino	Diadem, Taupe, Aeolian	Dawn, Topaz, Topal, Palomino, Finn Palo	Medium brown to pale brown or beige
BLUES AND GRAYS			
Sapphire	Cerulean	Sapphire, Blue-Shadow Sapphire	Blue to pale blue
Gunmetal	Lutetia	Aleutian	Dark blue-gray
Platinum, Silverblu	Argenta	Silverblue, Blue-Shadow Silverblu	Gray to pale gray
HIGH SHADES (very light colors)			
Violet	Azurene	Violet	Pale blue
Lavender	Arcturus	Lavender	Light gray-beige
Hope	Morning Light	Hope	Pale blue-beige
Pearl	Tourmaline	Pearl	Pale beige
Pale Rose	Rovalia	-	Pale rose
-	-	Black Cross	White with black stripe
White	Jasmine	White	White

1/ Trademark name for mink furskins of "Rare Quality" of the Mutation Mink Breeders Association.

Appendix C

Principal Monthly Operations on a Typical Mink Ranch

Month	Operation
January-February	Care of breeders.--The principal tasks during these winter months are the feeding and vaccinating of mink selected for breeding. Bedding material such as straw must be continuously supplied as the mink are housed in small cages about 3 feet off the ground placed in long sheds open to the weather. Each mink has its own cage with individual watering cups.
March	Breeding month.--March is the breeding month. Most ranches use 1 male to 4 or more females. Each female is bred twice, each time to a different male. Additional labor is needed at this time.
April	Casualty pelting.--Some adult males and nonproducing females are pelted to save feed and labor costs. "Casualty pelts" have low value. Final preparations are made for arrival of the young.
May	Birth (whelping) month.--Most litters are whelped before May 15. The average number of mink in a litter is about 5. Temporary bottoms are put under the cage to prevent the young animals from falling through the wire mesh floor of the cage.
June	Weaning month.--The young mink nurse and grow rapidly. Feed and water are kept in front of the young mink at all times in order to wean them. Extra labor is often hired for feeding and watering.
July-August	Separation of the young in the litter.--Mink are half grown at 2 months of age. The litters are broken up and each animal is placed in its own pen. Water is provided at all times and each animal is fed once or twice a day.
September-October	Beginning of furring stage.--Heavy feeding continues and the animals reach full size at 7 months of age. Preliminary sorting is made of mink for pelting and mink to be kept for breeding.

Principal Monthly Operations on a Typical Mink Ranch--Continued

Month	Operation
November-December	<u>Pelting months</u>.--These are the months of peak employment. Final sorting of mink to be pelted is completed. In the United States, pelting begins in the middle of November with certain mutation breeds, which are the first to attain prime fur and leather; pelting ends with Darks, which are the last to attain prime fur and leather. In Scandinavia, and in most of Canada, mink reach prime condition a week or so earlier than in the United States. Raw furskins are fleshed (cleaned of adhering fat and other tissue) on the ranch. In the United States and Canada most raw furskins are dried, leather-out, on the ranch. In Scandinavia almost all raw furskins are dried fur-out by cooperatives. In both the United States and foreign countries the bulk of the crop is shipped to market during November-January, principally to fur auction houses.
December-May	<u>Principal auction months</u>.--The principal color phases of mink furskins are first offered for sale in large quantities at Scandinavian auctions by mid-December and at U.S. auctions by early January.
June-September	<u>Auction cleanup months</u>.--Furskins left unsold at previous sales, as well as "casualty pelts," are auctioned during this period.

Appendix D

Glossary

<u>BLUE OR GRAY COLORS</u>.--Term generally applied to the following groups of furskin color phases: Gunmetal, Platinum, and Sapphire.

<u>BROKER</u>.--One who does not take title to mink furskins, but renders a service in bringing seller and buyer together.

<u>DEALER</u>.--One who buys mink furskins, often in large lots, and sorts them by grade and color into smaller lots before offering them for sale. A dealer frequently extends credit to the buyer.

<u>DRESSED FURSKIN</u>.--A furskin that has been converted from the raw state in order to preserve the leather and enhance the natural gloss and beauty of the fur and give the furskin softness and pliability. The proper dressing of a furskin requires a high degree of skill.

<u>FUR-OUT</u>.--See Pelting below.

<u>GARMENT MANUFACTURER</u>.--One who fabricates coats, capes, stoles, jackets, or other wearing apparel made chiefly of fur.

<u>HIGH SHADES</u>.--Term generally applied to the following group of furskin color phases: Lavender-Hope, Pearl, Violet, and White.

<u>LEATHER-OUT</u>.--See Pelting below.

<u>MUTATION MINK FURSKIN</u>.--The furskin of a ranch-raised animal developed from cross breeding, and having a color other than the characteristic dark brown. The Mutation Mink Breeders Association (EMBA) recognizes about 50 mutation color phases.

PELTING.--The operation of preparing a furskin in the raw condition for market. Mink are killed and skinned by rolling the skin inside out and down over the carcass and head. After the entire skin has been removed from the carcass in this manner, the skin is on the outside and the fur is on the inside. The term leather-out applies to the furskin in this stage. The skin side is carefully scraped ("fleshed") to remove all fat and tissue. The furskin is then dried on a stretching board. The furskin is marketed when dry. Leather-out furskins afford the least risk of spoilage during drying; such furskins are marketed if the entire pelting operation is carried out on the ranch. Drying furskins fur-out (i.e., after the skin has been rerolled to the inside position) requires more equipment; this operation is generally handled by firms or producer cooperatives specializing in this service, in which case the furskin is shipped by the rancher in a frozen condition to the processing plant.

RAW OR UNDRESSED FURSKIN.--A furskin that has been stripped from the carcass, fleshed to remove the excess flesh and fat, and dried, generally on a stretching board. These operations are generally performed by the rancher or trapper.

STANDARD COLORS.--Term generally applied to the following group of furskin color phases: Dark, Dawn, Pale Brown, Pastel, and Topaz.

TRIM MANUFACTURER.--One who fabricates fur collars, cuffs, or other trim for wearing apparel not made chiefly of fur.