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UNITED STATES TARIFF COMMISSION

**WOMEN'S DRESS SHOES:
PITTSFIELD SHOE CORP.
PITTSFIELD, N. H.**

**Report to the President on
Worker Investigation No. TEA-W-130
Under Section 301 (c)(2) of the Trade Expansion Act of 1962**



**TC Publication 478
Washington, D. C.
April 1972**

UNITED STATES TARIFF COMMISSION

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

REPORT TO THE PRESIDENT

U.S. Tariff Commission,
April 25, 1972.

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation made under section 301(c)(2) of that Act in response to a workers' petition for a determination of eligibility to apply for adjustment assistance.

The petition for this investigation was filed on February 28, 1972, by Mr. Mark G. Kaplan, attorney, on behalf of the former workers of the Haverhill, Mass., plant of the Pittsfield Shoe Corp., Pittsfield, N.H. The Commission instituted the investigation (TEA-W-130) on February 28, 1972, and gave public notice thereof in the Federal Register on March 3, 1972 (37 F.R. 4480). No public hearing was requested, and none was held.

The purpose of the Commission's investigation was to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with the women's shoes produced by the aforementioned firm, or an appropriate subdivision thereof, are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of such firm or subdivision.

The information in this report was obtained principally from officials of Pittsfield Shoe Corp. and from the Commission's files.

Finding of the Commission

On the basis of its investigation, the Commission 1/ finds (Commissioner Moore dissenting) that articles like or directly competitive with the women's leather shoes produced by Pittsfield Shoe Corp. are not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers at the company.

1/ Chairman Bedell and Vice Chairman Parker did not participate in the decision.

Views of Commissioners Sutton and Leonard

Our determination in the instant case is negative because the increase in imports of any footwear like or directly competitive with that produced by the Pittsfield Shoe Corp., Pittsfield, N.H., is not the result in major part of concessions granted under trade agreements. Our reasoning in support of this determination is set forth in the separate statements of our views in the Commission's report on non-rubber footwear submitted to the President on January 15, 1971. 1/

In the view of Commissioner Leonard, the Commission should also consider the possible impact of imports of uppers for women's shoes on the employees of Pittsfield's Haverhill plant. The workers who petitioned the Commission in this case had been employed at the Haverhill plant, where they were engaged in stitching shoe uppers. During the time that the Haverhill plant was owned by Pittsfield, the stitching was part of an integrated company operation; upper materials ready for stitching were sent to Haverhill by another Pittsfield plant, and the uppers were stitched at Haverhill and then returned to the other plant to be used in the manufacture of women's shoes. The employment afforded workers by the Haverhill operation, however, was little affected by imports of shoe uppers. Imports of stitched uppers for women's shoes have, to the best of the Commission's knowledge, been very small. In any event, the Pittsfield Shoe Corp. did not at any time use imported shoe uppers in its operations. Consequently, after considering the effect of both imports of women's shoes and imports of stitched uppers for women's shoes, Commissioner Leonard has made a negative determination.

1/ Nonrubber Footwear: Report to the President on Investigation
No. TEA-1-18 . . . , TC Publication 359, 1971, pp. 25-47.

Views of Commissioner Young

My determination in this investigation is in the negative. I believe that increased imports of women's dress shoes were not the major factor 1/ causing the unemployment or underemployment of workers at the Pittsfield Shoe Corp.

Pittsfield Shoe, which ceased production in August 1970, produced women's dress shoes which retailed for about \$9 to \$10 a pair. Sales by the company increased steadily during fiscal years 1964-68; they declined slightly in 1969, but then dropped sharply in fiscal year 1970.

The company's profits increased during fiscal years 1964-69. Profits in fiscal year 1969 were considerably larger than in any of the previous 5 years. The net operating loss which the company sustained in fiscal year 1970 was substantial and led to the decision by the owners to cease their shoe manufacturing operations which resulted in the loss of jobs by their employees. However, the company's combined financial report for fiscal 1969 and 1970 shows a net operating profit.

Pittsfield Shoe clearly suffered a sharp reversal in late 1969 and early 1970, but there is little evidence in the record that imports were the major factor causing that reversal. Imports of women's dress shoes, the particular footwear produced by Pittsfield Shoe, achieved rapid penetration of the U.S. market in the late 1960's. Imports of women's dress shoes accounted for 14 percent of apparent domestic consumption of such footwear in 1969, compared with 3 percent in 1965. During that same period (1965-69), however, the sales and earnings of Pittsfield

1/ See section 301(c)(3) of the Trade Expansion Act of 1962.

Shoe give no evidence of adverse import competition. In spite of the increase in imports of women's dress shoes during 1965-69, a period of relative stability in U.S. consumption (production plus imports), Pittsfield's share of total U.S. consumption, as well as its share of U.S. production of women's dress shoes, increased steadily during that period. In fact, Pittsfield's production increased 25 percent from 1965 to 1969, even though total U.S. production dropped 12 percent and total U.S. consumption was the same in these two years. In 1970, when Pittsfield's operations suddenly deteriorated and the company closed, import competition grew little; imports in 1970 supplied only a slightly (2 percent) greater share of the market for women's dress shoes than in 1969.

Pittsfield was caught by style changes to which it could not rapidly adjust. Several large retail chains which purchased much of the footwear sold by Pittsfield, switched sources--from Pittsfield to other suppliers--to obtain up-to-date footwear of the styles then in greatest demand. Some shifted to other domestic producers, and some even shifted to higher priced imported footwear than that produced by Pittsfield in order to meet the fashion demands of the market. Thus, in my view, the inability of Pittsfield Shoe to adapt to rapidly changing styles was the major factor causing its loss of sales, both to imports and to other domestic producers.

Based on information available to the Commission, I conclude that imports were not the major factor causing the unemployment or underemployment of workers at Pittsfield Shoe, as required by the statute before an affirmative determination can be made.

Dissenting Views of Commissioner Moore

My determination with respect to the petition before the Commission in this proceeding is in the affirmative because I believe each of the four requirements provided for under Section 301(c)(2) of the Trade Expansion Act of 1962 has been met.

Imports of articles like or directly competitive with those produced by the petitioning workers are increasing

The workers formerly employed by the Pittsfield Shoe Corp., Pittsfield, N.H., produced women's footwear retailing from about \$9 to \$10 a pair. In a number of previous investigations involving women's footwear of similar type, construction, and retail price range, I concluded that, within the meaning of the statute, imports of like or directly competitive footwear had increased. U.S. imports of women's dress and casual footwear increased from about 67 million pairs in 1965 to 180 million pairs in 1971. During this period, such imports increased their share of the market from 17 percent to 43 percent. With respect to women's footwear of the type produced at the Pittsfield plants, imports supplied nearly 20 percent of domestic consumption in 1971, compared with 2 percent in 1965.

The increased imports are a result in major part of concessions granted under trade agreements

For the reasons set forth in earlier investigations, I have found that such increased imports of like or directly competitive women's footwear are in major part a result of trade-agreement concessions. 1/

1/ See, for example, Nonrubber Footwear . . . , Investigation No. TEA-I-18 . . . , TC Publication 359, January 1971, p. 17-19.

The workers are unemployed

The third statutory requirement is that a "significant number or proportion of the workers" involved must be unemployed or underemployed or threatened therewith. The Pittsfield Shoe Corp. ceased the production of footwear, shut down its plants, and laid off its workers.

The increased imports resulting in major part from trade-agreement concessions were the major factor causing the unemployment

As a result of the increased market penetration achieved by the competing imported women's footwear, the output at U.S. footwear plants has decreased; and, consequently, employment afforded workers by them has been adversely affected. Specifically, with regard to the Pittsfield Shoe Corp., the company was adversely affected by increasing imports of women's dress and casual footwear and lost a number of its major customers in recent years because they shifted to the purchase of imported footwear. The loss of such business inevitably led to the closing of the Pittsfield Shoe Corp. plants, and the consequent unemployment of its workers. In the light of these circumstances, I have concluded that the major factor causing the unemployment of the workers at the Haverhill and Pittsfield plants was increased imports of like or directly competitive footwear.

Conclusion

In view of the foregoing, I find that the petitioning unemployed workers of the Haverhill, Mass., plant of the Pittsfield Shoe Corp., Pittsfield, N.H., have met the statutory requirements for eligibility to apply for adjustment assistance, and therefore, I believe that an affirmative determination is justified in this case.

INFORMATION OBTAINED IN THE INVESTIGATION

Description of Articles Under Investigation

The Pittsfield Shoe Corp., Pittsfield, N.H., which ceased operations in August 1970, produced women's dress shoes which retailed for about \$9 to \$10 a pair. The shoes were constructed by the cement process, and in recent years about 50 percent had leather uppers and the remainder had uppers of vinyl and fabric. At two plants of the Pittsfield Shoe Corp.--those in Laconia, N.H., and Haverhill, Mass.--the workers stitched footwear uppers which were used in the manufacture of women's dress shoes at the other two plants of the corporation.

The principal features of women's shoes that determine the activities for which a particular pair is suitable--and thus the trade designations such as "dress," "casual," and "slippers"--are the cut of the uppers, the style and height of the heels, the material used for the uppers, the kind of ornamentation, and the material and construction of the sole. In general or commercial usage, however, these descriptive terms for footwear may have various meanings. Some of them are specifically defined for tariff purposes in the headnotes (including the statistical headnotes) to part 1A of schedule 7 of the Tariff Schedules of the United States (TSUS). 1/

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

In terms of U.S. retail sales, so-called dress shoes (a term not defined in the TSUS) are more important than any other type of footwear for women and misses. The term "dress shoes," originally limited only to shoes worn on formal occasions, is now used to describe footwear of the types generally worn for street wear and for business and social activities. Women's shoes intended for formal wear, which are also regarded here as dress shoes, are now frequently referred to as evening shoes, slippers, or sandals. Generally the term "dress shoes" does not refer to footwear especially made for athletic, occupational, and leisure activities.

For many years the principal type of dress shoe worn by women in the United States was the classic pump--a closed-toe, closed-back, slip-on shoe without fasteners, with lightweight soles, and with heels of 2 inches or higher. Depending upon fashion changes, dress shoes may be open- or closed-heel shoes with straps, laces, or tongues over the instep and may include high-heeled sandals with open toes, open heels, and uppers of narrow strips of leather or other material.

Women's lower heeled footwear for casual wear, not considered dress shoes, includes low-heeled sandals, wedge-heeled shoes, loafers, desert boots, moccasins, and sneakers.

The range of styles in and quality of footwear increased greatly during the 1960's as a result of new materials, technological developments in production, and new fashions in wearing apparel. Simultaneously, consumer interest in this wide variety of footwear (as well as in clothing) also increased, reflecting the changing age structure of the

population, increasing per capita income, and a growth in time for leisure activities. Following these developments the distinction between dress and casual shoes and attire diminished.

The materials used for the uppers of dress shoes are usually finer (i.e., less sturdy), and the soles lighter in weight, than those of footwear intended for athletic and certain occupational and leisure uses. Uppers may be of calf, kid, or reptile leathers; of silk, rayon, linen, or metallic fabrics such as peau de soie, satin, brocade, or velvet; or of supported vinyls or other plastics. Soles are of leather or plastics.

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

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

The great bulk of the imported women's dress shoes are entered under TSUS items 700.43 and 700.45; virtually all of the remainder, under items 700.20 and 700.55. As explained briefly in the following paragraphs, the footwear classifiable under these four TSUS items varies with respect to materials, method of construction, price line, and/or style.

Imports entered under TSUS item 700.43, which provides for leather footwear having a foreign (export) value of not over \$2.50 a pair, as well as those entered under TSUS item 700.45, which provides for leather footwear valued over \$2.50 a pair, consist predominantly of women's footwear in a wide range of styles, types, and prices. In terms of quantity, about half of the combined imports under these two items in recent years have consisted of women's sandals having a retail selling price of about \$3 to \$9 a pair. The remainder probably consisted predominantly of women's cement-process dress shoes of moderate prices (i.e., in the retail-price range of \$8 to \$20 a pair) but also included sturdy types with vulcanized or injection-molded soles, lightweight slippers suitable principally for housewear, and expensive high-fashion types. Imported women's leather footwear made by the turn process and dutiable under TSUS item 700.20 does not differ significantly in appearance from the leather dress shoes entered under items 700.43 and 700.45.

Women's footwear with supported vinyl uppers that has entered under TSUS item 700.55 in recent years has consisted predominantly of two groups: (1) Street shoes of sturdy construction, produced in a single width for each particular length and for sale mostly at \$3 to \$6 a pair at self-service counters in variety stores, discount stores, and department-store basements and (2) folding slippers and sandals, usually selling at retail for less than \$2 a pair. It is believed that before 1970 only a negligible portion of the annual imports of women's dress shoes and boots admitted under item 700.55 retailed at more than \$10 a pair. It is estimated that, in 1971, imports of such footwear retailing at more than \$10 a pair (mostly just over that price) totaled about 5 to 10 million pairs.

Imported shoes with uppers of peau de soie, satin, and other kinds of fabrics used to make dress shoes for women have been admitted under TSUS item 700.68. 1/ U.S. imports of such footwear, which have been negligible, consisted predominantly of high-fashion styles retailing for \$30 or more a pair

U.S. Tariff Treatment

In the Tariff Act of 1930, women's leather footwear of the type produced at Pittsfield Shoe was originally dutiable under paragraph 1530(e) at 20 percent ad valorem. Such footwear is provided for in the TSUS, which became effective on August 31, 1963, in items 700.43

1/ TSUS item 700.68 provides for women's and misses' leather-soled footwear having uppers of fibers and a foreign (export) value of over \$2.50 a pair. Imports of women's and misses' dress shoes having uppers of fibers, soles of leather, and a foreign value of not over \$2.50 a pair (provided for in item 700.66) are believed to have been negligible, if any.

and 700.45. The rate of duty was reduced for the first time effective January 1, 1968, pursuant to concessions granted during the Kennedy Round of trade negotiations. The current rate for item 700.43 is 15 percent, and that for item 700.45 is 10 percent. Prior to the Kennedy Round, the rate of duty on turn or turned shoes (now TSUS item 700.20) was first reduced, pursuant to section 336 of the Tariff Act of 1930, from 20 percent ad valorem to 10 percent, effective January 1, 1932. The 10-percent rate, which was bound against increase in a concession granted to Switzerland effective February 15, 1936, was reduced to 5 percent in a concession, effective May 30, 1950, granted under the General Agreements on Tariffs and Trade (GATT). The current rate for item 700.20 is 2.5 percent.

Supported vinyl was not used for uppers until the late 1940's or early 1950's. During the period before the TSUS became effective, footwear with supported vinyl uppers, which is now dutiable under TSUS item 700.55, was generally dutiable, by virtue of the similitude provisions of paragraph 1559 of the Tariff Act of 1930, at a rate provided for "similar" leather footwear in paragraph 1530(e), principally 20 percent. In the TSUS a rate of 12.5 percent ad valorem was established for item 700.55 as the trade-agreement rate to replace the wide range of rates previously applicable to the various types of footwear provided for in this item. The current rate on footwear with supported vinyl uppers is 6 percent ad valorem.

Women's footwear with fiber uppers was originally dutiable under paragraph 1530(e) at 35 percent ad valorem. The rate on such footwear with soles of leather (now TSUS items 700.66 and 700.68) was reduced

to 20 percent in a GATT concession effective April 21, 1948. The current rates on items 700.66 and 700.68 are 15 percent and 10 percent ad valorem, respectively.

Table 1 in the appendix shows the reductions in rates of duty resulting from trade-agreement concessions granted under the GATT for footwear of the types now dutiable under items 700.20, 700.43, 700.45, 700.55, 700.66, and 700.68. Table 2 shows estimated U.S. imports of women's shoes admitted under the TSUS items mentioned above and the applicable rates of duty for 1965-71.

As noted in the previous section of this report, the Laconia, N.H., and Haverhill, Mass., plants stitched footwear uppers. Most leather cut stock for footwear uppers is made from bovine leather, the duty on which was 15 percent ad valorem in the Tariff Act of 1930; the duty was subsequently reduced to 12.5 percent in the trade agreement with the United Kingdom, effective January 1, 1939, and to 10 percent, effective January 1, 1948, in the negotiations under the GATT. This was the rate established in the TSUS for item 791.25. The rate of duty remained at 10 percent until the Kennedy Round of negotiations under the GATT, when the United States agreed to further reduce the rate in five annual stages (effective January 1 of each year) to 5 percent ad valorem in 1972.

Cut stock of patent leather, which was also dutiable at 15 percent ad valorem in the Tariff Act of 1930, was reduced to 10 percent, effective January 1, 1936, and to 7.5 percent, effective January 1, 1939, in trade agreements with Canada. The 7.5 percent rate was established under the GATT, effective January 1, 1948. This was the rate

established in the TSUS for item 791.20. The duty was further reduced, pursuant to the Kennedy Round of negotiations, in five stages (effective January 1 of each year) to 3.5 percent ad valorem in 1972. Vinyl uppers would have been dutiable in the Tariff Act of 1930 at probably 25 percent ad valorem. ^{1/} In 1951, pursuant to a concession granted in the GATT, the rate was reduced to 12.5 percent, which is also the rate at the present time (item 772.30).

Cotton uppers were originally dutiable at the rate of 37.5 percent ad valorem under paragraph 919. Pursuant to concessions granted by the United States in the GATT, the rate of duty was reduced to 20 percent ad valorem, effective January 1, 1948. In the TSUSA, cotton uppers were provided for in items 380.3980 and 382.3380 at the rate of 20 percent ad valorem. Pursuant to concessions granted by the United States in the GATT, the rates of duty on both items were reduced in five stages (effective January 1 of each year) to 16.5 percent ad valorem in 1972.

Uppers in chief value of manmade fibers were originally dutiable at the compound rate of 45 cents per pound plus 65 percent ad valorem under paragraph 1311. Pursuant to concessions granted by the United States in the GATT, the rate of duty was reduced to 27.5 cents per pound plus 35 percent ad valorem, effective January 1, 1948; 25 cents per pound plus 32.5 percent ad valorem, effective June 6, 1951; 25 cents per pound plus 30.5 percent ad valorem, effective January 1,

^{1/} Vinyl did not become an article of commerce for shoe uppers until the early 1950's.

1956; and 25 cents per pound and 27.5 percent ad valorem, effective January 1, 1958. Uppers of manmade fibers are provided for in TSUSA items 380.8490 and 382.8150 at the rate of 25 cents per pound plus 27.5 percent ad valorem.

U.S. Consumption, Production, and Imports

During the period 1965-71, apparent annual U.S. consumption of all women's shoes (including dress and casual) rose from about 386 million pairs to 418 million pairs. As imports almost tripled during this period, their share of the market increased from 17 percent to 43 percent, as shown in the following table.

Nonrubber footwear for women: U.S. production, imports for consumption, and apparent consumption, 1965-71

Year	Production <u>1/</u>	Im- ports <u>2/</u>	Apparent consump- tion <u>3/</u>	Ratio of imports to apparent consumption
	<u>Million pairs</u>	<u>Million pairs</u>	<u>Million pairs</u>	<u>Percent</u>
1965-----	319	67	386	17
1966-----	323	70	393	18
1967-----	290	96	386	25
1968-----	322	133	455	29
1969-----	271	139	410	34
1970-----	260	165	425	39
1971-----	238	180	418	43

1/ Production represents the output for women and misses, industry No. 3141, as reported by the U.S. Bureau of the Census, plus shipments to the U.S. mainland from Puerto Rico.

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

3/ Apparent consumption represents U.S. production plus imports without an allowance for exports, which in 1971 amounted to about 1 million pairs.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

U.S. imports of women's footwear entered under TSUS items 700.20, 700.43, 700.45, and 700.55, shown in table 2 in the appendix, in the aggregate accounted for 92 percent of the 1971 imports in the table above. Italy and Spain have been the principal suppliers of women's leather shoes (items 700.20, 700.43, and 700.45). Japan and the Republic of China (Taiwan) have been the principal suppliers of women's vinyl shoes (item 700.55).

Data on U.S. consumption of women's dress shoes are not reported in official statistics. It is estimated, however, that during 1965-71 apparent annual U.S. consumption (production plus imports) of such shoes followed an irregular trend, rising from about 204 million pairs in 1965 to about 231 million in 1968 but declining to 191 million in 1971. Estimated domestic production of women's dress shoes during this period reached a peak of about 210 million pairs in 1968 and then declined to 156 million pairs in 1971. Imports rose from an estimated 4 million pairs in 1965 to 35 million pairs in 1971. Of the estimated imports in 1971, about 2 million pairs (entered under TSUS item 700.20) had an average dutiable value of about \$6 a pair, about 5 million pairs (entered under item 700.43) had an average dutiable value of about \$2 a pair, and an estimated 28 million pairs (entered under item 700.45) had an average value of about \$5 a pair. The share of apparent annual U.S. consumption of women's dress shoes supplied by imports increased from 2 percent in 1965 to 18 percent in 1971, as shown in the following table.

Dress shoes for women: U.S. production, imports for consumption, and apparent consumption, 1965-71

Year	Production <u>1/</u>	Im- ports <u>2/</u>	Apparent consump- tion <u>3/</u>	Ratio of imports to apparent consumption
	<u>Million pairs</u>	<u>Million pairs</u>	<u>Million pairs</u>	<u>Percent</u>
1965-----	200	4	204	2
1966-----	206	7	213	3
1967-----	188	11	199	6
1968-----	210	21	231	9
1969-----	177	28	205	14
1970-----	165	32	197	16
1971-----	156	35	191	18

1/ Dress shoes are believed to account for about 2/3 of the total annual output of nonrubber footwear for women and misses.

2/ Data represent estimated imports of leather dress shoes entered under TSUS items 700.20, 700.43, and 700.45.

3/ Data represent estimated production plus estimated imports without an allowance for exports, which in 1971 amounted to less than 1 million pairs.

Source: Estimates of the U.S. Tariff Commission based on official statistics of the U.S. Department of Commerce.

The variation in annual consumption of women's dress shoes in recent years is explained by several factors, but it is attributable largely to changes in the mode of dressing. In recent years the use of loafers, sandals, clogs, desert boots, and other boots has increased, both in absolute amounts and relative to dress shoes.

As noted earlier in this report, workers at the Haverhill, Mass., and Laconia, N.H., plants stitched shoe uppers. Data are not available on U.S. imports of fabric and vinyl uppers for women's dress shoes; however, such imports are believed to be negligible. The value of U.S. imports of leather cut into forms or shapes suitable

for conversion into footwear amounted to \$2.2 million in 1968, \$2.8 million in 1969, \$2.7 million in 1970, and \$2.8 million in 1971. In 1970-71, probably less than a third of these imports were for women's dress shoes.

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Data Relating to Pittsfield Shoe Corp.

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STATISTICAL APPENDIX

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

TSUS item No.	Abbreviated description	Rate of duty		
		July 1, 1934 <u>1/</u>	GATT concessions <u>2/</u>	
			Rate	Effective dates
		<u>Percent ad val.</u>	<u>Percent ad val. or cents per pair</u>	
700.15	Leather footwear: Moccasins-----	20	10%	Jan. 1, 1948.
700.20	Turn or turned-----	10 <u>3/</u>	5%	May 30, 1950-Dec. 31, 1967.
			4%	Jan. 1, 1968-Dec. 31, 1969.
			3%	Jan. 1, 1970-Dec. 31, 1971.
			2.5%	Jan. 1, 1972.
700.25	Welt, valued per pair-- Not over \$2-----	20	19%	June 30, 1956-June 29, 1957
			18%	June 30, 1957-June 29, 1958
			17%	June 30, 1958.
<u>4/</u> 700.26	Over \$2 but not over \$5-----	20	40¢	Jan. 1, 1948-June 29, 1956.
			38¢	June 30, 1956-June 29, 1957
			36¢	June 30, 1957-June 29, 1958
			34¢	June 30, 1958-Dec. 31, 1967
			30¢	Jan. 1-Dec. 31, 1968.
			27¢	Jan. 1-Dec. 31, 1969.
			23¢	Jan. 1-Dec. 31, 1970.
			20¢	Jan. 1-Dec. 31, 1971.
			17¢	Jan. 1, 1972.
<u>4/</u> 700.27	Over \$5 but not over \$6.80-----	20	40¢	Jan. 1, 1948-June 29, 1956.
			38¢	June 30, 1956-June 29, 1957
			36¢	June 30, 1957-June 29, 1958
			34¢	June 30, 1958-Dec. 31, 1967
			6% but not more than	Jan. 1, 1968-Dec. 31, 1969.
			34¢.	
			5.5% but not more than	Jan. 1-Dec. 31, 1970.
			34¢.	
			5%	Jan. 1, 1971.
<u>4/</u> 700.29	Over \$6.80 (except ski boots)-----	20	40¢ but not less than 5%.	Jan. 1, 1948-June 29, 1956.
			38¢ but not less than 5%.	June 30, 1956-June 29, 1957
			36¢ but not less than 5%.	June 30, 1957-June 29, 1958
			5%	June 30, 1958.
700.32	Slippers-----	20	10%	Jan. 1, 1948-Dec. 31, 1967.
			9%	Jan. 1-Dec. 31, 1968.
			8%	Jan. 1-Dec. 31, 1969.
			7%	Jan. 1-Dec. 31, 1970.
			6%	Jan. 1-Dec. 31, 1971.
			5%	Jan. 1, 1972.
700.35	"Other" footwear (including cement process): For men, youths, and boys-----	20	10%	June 6, 1951-Dec. 31, 1967.
			9.5%	Jan. 1-Dec. 31, 1968.
			9%	Jan. 1, 1969-Dec. 31, 1970.
			8.5%	Jan. 1, 1971.
700.43	For women and misses: Valued not over \$2.50 per pair----	20	19%	Jan. 1-Dec. 31, 1968.
			18%	Jan. 1-Dec. 31, 1969
			17%	Jan. 1-Dec. 31, 1970.
			16%	Jan. 1-Dec. 31, 1971.
			15%	Jan. 1, 1972.

See footnotes at end of table.

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

TSUS item No.	Abbreviated description	Rate of duty		
		July 1, 1934 <u>1/</u>	GATT concessions <u>2/</u>	
			Rate	Effective dates
		Percent ad val.	Percent ad val. or cents per pair	
	Leather footwear--Continued			
	"Other" footwear (including cement process)--Continued			
	For women and misses--Continued			
700.45	Valued over \$2.50 per pair-----	20	18%	Jan. 1-Dec. 31, 1968.
			16%	Jan. 1-Dec. 31, 1969.
			14%	Jan. 1-Dec. 31, 1970.
			12%	Jan. 1-Dec. 31, 1971.
			10%	Jan. 1, 1972.
700.55	Footwear having uppers of supported vinyl.	Principally 20 <u>5/</u>	12.5% <u>6/</u> 11% 10% 8.5% 7% 6%	Aug. 31, 1963-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.
700.60	Other footwear with uppers of fabrics and soles of rubber or plastics.	35 <u>7/</u>	20% <u>7/</u>	Sept. 10, 1955.
	Footwear with uppers of fibers:			
	With soles of leather, valued per pair--			
8/ 700.66	Not over \$2.50-----	35	20% 19% 18% 17% 16% 15%	Apr. 21, 1948-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.
8/ 700.68	Over \$2.50-----	35	20% 18% 16% 14% 12% 10%	Apr. 21, 1948-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.
	With soles of other material:			
700.70	With uppers of vegetable fibers----	35	17.5% 16.5% 15.5% 15% 13% 12% 10% 9% 7.5%	Jan. 1, 1950-June 29, 1956. June 30, 1956-June 29, 1957. June 30, 1957-June 29, 1958. June 30, 1958-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.
700.75	With soles and uppers of wool felt.	35	17.5% 15.5% 14% 12.5% 11% 9.5% 8% 7%	June 6, 1951-June 30, 1962. July 1, 1962-June 30, 1963. July 1, 1963-Dec. 31, 1967. Jan. 1-Dec. 31, 1968. Jan. 1-Dec. 31, 1969. Jan. 1-Dec. 31, 1970. Jan. 1-Dec. 31, 1971. Jan. 1, 1972.

See footnotes at end of table.

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

TSUS item No.	Abbreviated description	Rate of duty	
		July 1, 1934 ^{1/}	GATT concessions ^{2/}
			Rate : Effective dates
		<u>Percent</u>	<u>Percent ad</u>
		<u>ad val.</u>	<u>val. or cents</u>
			<u>per pair</u>
	Footwear with uppers of fibers--Con.		
	With soles of other material--Con.		
700.80	Other-----	35	25% : Sept. 10, 1955-Dec. 31, 1967.
			22% : Jan. 1-Dec. 31, 1968.
			20% : Jan. 1-Dec. 31, 1969.
			17% : Jan. 1-Dec. 31, 1970.
			15% : Jan. 1-Dec. 31, 1971.
			12.5% : Jan. 1, 1972.

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

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

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

^{4/} New item effective Jan. 1, 1968.

^{5/} Supported vinyl was not used for shoe uppers until the late 1940's or early 1950's. When footwear with supported vinyl uppers was imported during the 1950's and early 1960's, it was generally dutiable, by virtue of the similitude provisions of par. 1559, at the rate provided for "similar" leather footwear in par. 1530(e). The column 2 rate for item 700.55 is 35 percent.

^{6/} The trade-agreement rate established in the TSUS, effective Aug. 31, 1963, under authority of the Tariff Classification Act of 1962 (Public Law 87-456) to replace the wide range of rates previously applicable to the various types of footwear provided for in this item.

^{7/} Effective Mar. 3, 1933, the basis for assessing the ad valorem rate of duty was changed from foreign (export) value to the "American selling price" of the "like or similar" domestic product (T.D. 46158).

^{8/} Effective Jan. 1, 1968, new items 700.66 and 700.68 replaced item 700.65.

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

Table 2.--Footwear for women and misses: U.S. rates of duty and imports for consumption, by specified TSUS items, 1965-71

Year	Footwear of leather									
	Moccasins (700.15) 2/		Turn or turned (700.20)		"Other" leather footwear					
	Total 1/				Tariff rate		Quantity			
		Tariff rate	Quantity	Tariff rate	Quantity	700.43	700.45	700.43	700.45	
	Million pairs	Percent ad val.	Million pairs	Percent ad val.	Million pairs	Percent ad val.	Percent ad val.	Million pairs	Million pairs	
1965-----	23	10	0.5	5	1	3/ 20		3/ 21		
1966-----	30	10	1.0	5	1	3/ 20		3/ 28		
1967-----	40	10	1.4	5	1	3/ 20		3/ 38		
1968-----	57	10	.6	4	2	19	18	34	20	
1969-----	59	10	.6	4	2	18	16	29	27	
1970-----	75	10	.5	3	2	17	14	37	35	
1971-----	79	10	.4	3	2	16	12	33	44	
	Footwear with uppers of supported: vinyl (700.55)				Canvas footwear (sneakers) (700.60) 4/		Total, all nonrubber footwear 6/			
	Tariff rate		Quantity		Tariff rate 5/		Quantity			
	Percent ad val.		Million pairs		Percent ad val.		Million pairs		Million pairs	
1965-----	12.5		30		20		8		67	
1966-----	12.5		33		20		8		70	
1967-----	12.5		50		20		11		96	
1968-----	11		69		20		10		133	
1969-----	10		71		20		7		139	
1970-----	8.5		77		20		6		165	
1971-----	7		87		20		9		180	

1/ Represents about 95 percent of the total footwear of leather imported for women and misses.

2/ Estimated by the U.S. Tariff Commission.

3/ In TSUS item 700.40 before Jan. 1, 1968.

4/ Data shown is for footwear entered under TSUSA item 700.6015.

5/ Effective Mar. 3, 1933; the basis for assessing the ad valorem rate of duty was changed from foreign (export value to the "American selling price" of the "like or similar" domestic product (T.D. 46158).

6/ As described in pt. 1A of schedule 7 of the TSUS, excluding footwear in items 700.51, 700.52, 700.53, zoris in item 700.55, and 700.60.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Note.--In recent years, annual U.S. imports of women's and misses' dress shoes with fabric uppers, entered under TSUS items 700.66 and 700.68, have been negligible.

