

**UNITED STATES TARIFF COMMISSION**

**FOOTWEAR FOR WOMEN:  
FORMER WORKERS OF LOUIS SHOE CO., INC.,  
AMESBURY, MASS.**

**Report to the President  
on Investigation No. TEA-W-243  
Under Section 301(c)(2) of the Trade Expansion Act of 1962**



**TC Publication 695  
Washington, D. C.  
October 1974**

**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 that would result in the disclosure of the operations of an individual firm. 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,  
October 4, 1974.

To the President:

In accordance with sections 301(f)(1) and (f)(3) of the Trade Expansion Act of 1962 (TEA) (19 U.S.C. 1901), the U.S. Tariff Commission herein reports the results of investigation No. TEA-W-243 made under section 301(c)(2) of the act to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with footwear for women (of the types provided for in items 700.45 and 700.55 of the Tariff Schedules of the United States (TSUS)) produced by the Louis Shoe Co., Inc., Amesbury, Mass., 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 an appropriate subdivision thereof.

The investigation was instituted on August 14, 1974, on the basis of a petition for adjustment assistance, received on August 5, 1974, filed under section 301(a)(2) of the TEA on behalf of the former workers of Louis Shoe Co., Inc.

Notice of the investigation was published in the Federal Register (39 F.R. 30209) on August 21, 1974. No public hearing was requested, and none was held.

The information in this report was obtained principally from the petitioners, from an official and customers of the Louis Shoe Co., Inc., and from official Government statistics, the Office of Trade Adjustment Assistance of the U.S. Department of Commerce, and the Commission's files.

In early 1971 the Louis Shoe Co., Inc., petitioned the Tariff Commission to determine whether the firm met the requirements, under section 301(c)(1) of the Trade Expansion Act of 1962, to apply for adjustment assistance. The Commission was equally divided in its determination; the President accepted the affirmative finding as the finding of the Commission. Further details are given in a later section of this report.

#### Finding of the Commission

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

Views of Chairman Bedell, Vice Chairman Parker,  
and Commissioner Ablondi 1/

This investigation relates to a petition filed on behalf of the former workers of the Louis Shoe Co., Inc., Amesbury, Mass., under section 301 of the Trade Expansion Act of 1962 (TEA) for determination of their eligibility to apply for adjustment assistance. Louis Shoe Co., Inc., which in recent years produced women's dress shoes of cement construction, ceased production on June 7, 1974.

The Commission, in an earlier firm investigation, was equally divided as to whether articles like or directly competitive with the women's dress shoes produced by Louis Shoe Co., Inc., were, as a result in major part of concessions granted under trade agreements, being imported in such increased quantities as to cause, or threaten to cause, serious injury to such firm. After receiving the Commission's report 2/ on the earlier investigation, the President accepted on April 23, 1971, the affirmative finding as the finding of the Commission. On May 24, 1971, Louis Shoe Co., Inc., was certified eligible to apply for adjustment assistance.

On the basis of the information developed in the course of the instant investigation, we find that the considerations that led to the affirmative finding in the earlier firm case are also applicable to the workers of that company. We therefore conclude that, as a result in major part of concessions granted by trade agreements, articles like or directly

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1/ Commissioner Moore concurs in the result.

2/ Women's Dress Shoes: Louis Shoe Co., Inc., Amesbury, Mass., Report to the President on Firm Investigation No. TEA-F-18. . . , TC Publication 379, April 1971.

competitive with the women's shoes produced by the former workers of Louis Shoe Co., Inc., are being imported into the United States in such increased quantities as to cause the unemployment of a significant number or proportion of the workers of such firm.



## Dissenting Views of Commissioner Leonard

My determination in the instant case is negative because one of the statutory criteria has not been met, i.e., that the increase in imports of footwear for women like or directly competitive with that produced by Louis Shoe Co., Inc., Amesbury, Mass., is the result in major part of concessions granted under trade agreements. My reasoning in support of this determination is set forth in a statement of my views in an earlier Commission investigation under the Trade Expansion Act. <sup>1/</sup>

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1/ Nonrubber Footwear: Report to the President on Investigation No. TEA-I-18 . . . , TC Publication 359, 1971, pp. 31-47.



## INFORMATION OBTAINED IN THE INVESTIGATION

## Description of Articles Under Investigation

Louis Shoe Co., Inc., operated a plant in Amesbury, Mass., which, prior to the cessation of production on June 7, 1974, manufactured women's 1/ dress shoes made by the cement process. In recent years, most of these shoes had uppers of manmade materials; only about \* \* \* had uppers of leather. Such footwear sold at retail in the range of \* \* \* to \* \* \* a pair.

As a share 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. 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. Depending upon fashion designs, dress shoes may have open or closed heels and straps, laces, or tongues over the instep; they may include high-heeled sandals with open toes, open heels, and uppers of narrow strips of leather or other materials. Women's shoes intended for formal wear, which are also regarded as dress shoes, are sometimes referred to as evening shoes, slippers, or sandals. The term "dress shoes" does not include footwear especially made for athletic, occupational, or leisure activities.

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1/ In this report, as in the Tariff Schedules of the United States (TSUS), the terms "women" and "misses" are used to differentiate size categories of footwear, not age of wearer, as follows: "women" refers to American women's sizes 4 and larger, and "misses" refers to American misses' sizes 12-1/2 and larger but not as large as American women's size 4.

Women today wear shoes suitable to their life styles. With footwear an important accessory to fashion, footwear styles change rapidly. As changes have occurred in dress lengths, and as trousers and other casual attire have become increasingly acceptable as appropriate women's wear for almost every occasion, the distinction between dress and casual shoes has diminished.

In the 1970's, footwear designs took a new direction. The footwear bottom (sole and heel) treatment became the main interest in the shoe design. Footwear styles with 1-inch soles, or even higher platforms, became popular. A variety of materials--crepe (plantation), "marshmallow" (pliable synthetic), leather combinations, and various plastics--were used to make soles, concealed platforms, and wedges. Some bottom assemblies were colored, painted, or sculptured. During 1970-72, such platform styles dominated most women's footwear. In 1973, however, platforms became less extreme, and, although that trend has continued into 1974, bottoms continue to be a key interest in shoe design.

As indicated previously, most of the footwear produced by Louis Shoe Co., consisted of dress shoes with uppers of manmade materials, made by the cement process. In this method of construction, the outsole (or midsole, if any) is affixed to the upper by an adhesive without sewing.

The president of the American Footwear Industries Association (AFIA) indicated that, owing to the recent shortage of hides and the consequent increases in prices of leather, prices of women's leather footwear have risen steadily. He further indicated that, as the price

of leather footwear increased, shoes made from sophisticated manmade materials--polyurethane, polymerics, and nylon velvets--gained a larger percentage of the U.S. market. Footwear of manmade materials lends itself to the multihued platform styles as well as the more conservative styles.

The following AFIA data illustrate the changes in the shares of the nonrubber footwear market supplied by leather and by manmade materials.

Percentages of total U.S. output of all nonrubber footwear accounted for by leather and by manmade materials, specified years 1950 to 1975

Year	Leather	Manmade
	Percent	Percent
1950-----	85	15
1960-----	76	24
1972-----	60	40
1973-----	54	46
1975 <u>1/</u> -----	50	50

1/ Estimated projection.

Source: Compiled from data supplied by the American Footwear Industry Association.

Industry sources, however, report that, owing to recent and possibly worsening shortages of petrochemically derived materials, a reversal is possible in the trend of the relationship between the proportion of leather and of manmade materials used in the production of footwear.

U.S. Tariff Treatment

Applicable TSUS items

Footwear similar to the footwear produced by Louis Shoe Co., is entered under TSUS items 700.45 and 700.55.

Imports entered under TSUS item 700.45, which provides for leather footwear having a foreign (export) value of over \$2.50 a pair, consist predominantly of women's footwear in a wide range of styles, types, and prices. In terms of quantity, a substantial part of the imports has consisted of women's sandals for both casual and dress wear. The remainder probably consisted predominantly of women's moderately priced cement-process dress and casual shoes (i.e., in the retail price range of \$8 to \$20 a pair).

The great bulk of footwear produced by Louis Shoe Co., if imported into the United States, would be dutiable under TSUS item 700.55. Imports entered under this number, footwear with supported-vinyl uppers, have in recent years consisted predominantly of two groups: (1) Street shoes of sturdy construction, produced in a single width for each particular length, for sale at self-service counters in variety stores, discount stores, and department-store basements, and (2) folding slippers, sandals, and other inexpensive footwear. 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; in the period 1971 through 1973, the annual imports of such footwear retailing at more than \$10 a pair (mostly just over that price) probably accounted for less than 10 percent of the total imports.

Rates of duty

Under the Tariff Act of 1930, women's leather footwear of cement-process construction was originally dutiable under paragraph 1530(e) at 20 percent ad valorem. Such footwear, if valued over \$2.50 a pair, is provided for in the TSUS, which became effective on August 31, 1963, under item 700.45 at 20 percent ad valorem. This rate of duty was reduced in five annual stages to 10 percent ad valorem, effective January 1, 1972, pursuant to concessions granted in the sixth (Kennedy) round of trade negotiations under the General Agreement on Tariffs and Trade (GATT).

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

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

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

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. 1/ The current rate on footwear with supported-vinyl uppers is 6 percent ad valorem, reflecting the final stage, effective January 1, 1972, of the five-stage concessions granted in the sixth (Kennedy) round of trade negotiations under the GATT.

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 700.45 and 700.55. Tables 2 and 3 show U.S. imports of women's shoes admitted under the TSUS items mentioned above and the applicable rates of duty.

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



## U.S. Consumption, Production, and Imports

During the period 1965-73, apparent annual U.S. consumption of all women's nonrubber footwear rose from an estimated 386 million pairs in 1965 to a peak of 455 million pairs in 1968 and then declined to 402 million pairs in 1973. Consumption in January-June 1974 amounted to 208 million pairs as compared with 231 million pairs in January-June 1973, as shown on page A-9. Annual U.S. production of such footwear declined from 319 million pairs in 1965 to 190 million pairs in 1973. Annual imports tripled during this period and their share of the market increased without interruption from 17 to 53 percent. In January-June 1974, imports of women's nonrubber footwear amounted to 110 million pairs, 53 percent of apparent U.S. consumption. Italy and Spain have been the principal suppliers of women's dress and casual leather footwear; the Republic of China (Taiwan), the principal supplier of such footwear made with supported-vinyl uppers.

Data on U.S. consumption of women's dress shoes are not separately reported in official statistics. It is estimated, however, that during 1965-73 apparent annual U.S. consumption (production plus imports) of such footwear moved irregularly, increasing from about 204 million pairs in 1965 to about 231 million pairs in 1968, but declining to 180 million pairs in 1973, as shown on page A-10.

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 127 million pairs in 1973. Estimated imports rose from 4 million pairs in 1965 to 53 million pairs in 1973. The share of apparent annual U.S. consumption of women's dress shoes supplied by

imports increased from 2 percent in 1965 to 29 percent in 1973. The share of consumption supplied by imports in January-June 1974, was 28 percent as compared with 31 percent in the corresponding period of 1973.

Nonrubber footwear for women: U.S. production, imports for consumption, and apparent consumption, 1965-73, January-June 1973, and January-June 1974

Period	Production <u>1/</u>	Imports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to 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-----	237	180	417	43
1972-----	223	198	421	47
1973-----	190	212	402	53
January-June:				
1973-----	104	127	231	55
1974-----	<u>4/</u> 98	110	208	53

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

2/ Partly estimated from the official statistics for footwear of the kinds described in pt. 1, subpart A, 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/ Computed from U.S. production plus imports without an allowance for exports, which in 1973 amounted to about 1 million pairs.

4/ Estimated.

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

Dress shoes for women: U.S. production, imports for consumption, and apparent consumption, 1965-73, January-June 1973, and January-June 1974

Period	Production <u>1/</u>	Imports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to consumption
	Million pairs	Million pairs	Million pairs	Percent
1965-----	200	4	204	2
1966-----	206	7	213	3
1967-----	188	11	199	6
1968-----	210	21	231	9
1969-----	177	28	205	14
1970-----	165	36	201	18
1971-----	156	43	199	22
1972-----	150	50	200	25
1973-----	127	53	180	29
January-June:				
1973-----	70	31	101	31
1974-----	65	25	90	28

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

2/ Dress shoes are estimated to have accounted for about 1/4 of the total annual imports of women's and misses' footwear in recent years.

3/ Data represent estimated production plus estimated imports without an allowance for exports, which in 1973 accounted for less than 1 million pairs.

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

## Prices

As indicated earlier in this report, the women's shoes produced by Louis Shoe Co. retailed in the range of \* \* \* to \* \* \* a pair. As shown in the table below, about \* \* \* percent of domestic production of women's nonrubber footwear in 1972 was sold at estimated retail prices of \* \* \* to \* \* \* a pair.

Women's nonrubber footwear: Percentage distribution of domestic production, estimated retail selling price, 1972 and 1968

Estimated retail selling price	1972	1968
\$2.00 or less-----	-	19.2
\$2.01 to \$4.00-----	0.9	
\$4.01 to \$6.00-----	5.6	
\$6.01 to \$8.00-----	19.9	
\$8.01 to \$10.00-----	16.1	
\$10.01 to \$12.00-----	11.0	48.7
\$12.01 to \$14.00-----	4.5	
\$14.01 to \$16.00-----	7.4	
\$16.01 to \$18.00-----	6.6	
\$18.01 to \$20.00-----	13.3	
\$20.01 to \$24.00-----	11.0	29.3
\$24.01 to \$28.00-----	2.0	
\$28.01 to \$32.00-----	1.2	
\$32.01 to \$36.00-----	.3	2.8
\$36.01 to \$40.00-----	.1	
\$40.01 or more-----	.1	
Total-----	100.0	100.0

Source: U.S. Bureau of the Census, Footwear Production by Manufacturer's Selling Price, 1972.

Data with respect to the estimated retail price of imported women's nonrubber footwear are shown in the table below.

Women's nonrubber footwear: Percentage distribution of imported footwear, by estimated retail selling price, 1972

Estimated retail selling price	Percent of total
\$3.00 or less-----	33
\$3.01 to \$6.00-----	23
\$6.01 to \$10.00-----	13
\$10.01 to \$16.00-----	18
\$16.01 to \$22.00-----	8
\$22.01 to \$28.00-----	3
\$28.01 or more-----	2
Total-----	100

Source: Estimated by the U.S. Tariff Commission on the basis of imports entered under items 700.4310, 700.4340, 700.4540, and 700.5545 in 1972. Such imports accounted for about 82 percent of the total imports of footwear for women and misses in that year.

## U.S. and Foreign Wage Rates

The table on the following page shows the average hourly earnings and the estimated compensation per hour received by shoe workers in eight countries in 1970, 1971, and 1972. While of some use in comparing the labor costs of the shoe industries in the various countries listed, the table has several shortcomings that make such comparisons inexact. First in only the United States, Italy, and Hong Kong is the industry definition limited exclusively to footwear. In the other countries the industry classifications are more encompassing. Second, as footnote 1 to the table indicates, published hourly earnings in the various countries differ in composition. Third, total compensation for workers included varying factors in the eight countries.

Hourly earnings of production workers and estimated total compensation per hour worked  
in specified industries related to footwear in 8 countries, 1970-72

(In U.S. dollars)

Country	Industry	Published average hourly earnings <sup>1/</sup>			Estimated compensation per hour worked <sup>2/</sup>		
		1970	1971	1972	1970	1971	1972
Brazil-----	Clothing and footwear-----	<sup>3/</sup> \$0.28	<sup>4/</sup> .35	<sup>4/</sup> .41	<sup>4/</sup> \$0.32	<sup>4/</sup> \$0.37	<sup>4/</sup> \$0.44
Hong Kong-----	Rubber footwear-----	<sup>5/</sup> .30	<sup>5/</sup> .80	.93	<sup>5/</sup> 1.09	<sup>5/</sup> 1.42	1.62
Italy-----	Footwear <sup>6/</sup> -----	.60	.80	.93	1.09	1.42	1.62
Japan-----	Rubber products, including plastic footwear, <sup>7/</sup> -----	.88	1.08	1.49	1.00	1.23	1.69
Korea-----	Rubber and plastic products <sup>7/</sup> <sup>8/</sup> -----	.18	.18	.18	.22	.22	.22
Spain-----	Clothing and footwear <sup>8/</sup> -----	.38	.43	.53	<sup>9/</sup> .55	<sup>9/</sup> .62	<sup>9/</sup> .76
Taiwan-----	Rubber and plastic products <sup>7/</sup> -----	<sup>4/</sup> .19	<sup>4/</sup> .19	<sup>10/</sup> .19	<sup>4/</sup> .19	<sup>4/</sup> .19	<sup>10/</sup> .23
United States-----	Footwear, excluding rubber-----	2.43	2.53	2.63	2.95	3.09	3.24
	Rubber footwear-----	2.70	2.78	2.88	3.48	3.61	3.77

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

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

<sup>3/</sup> Average for 1969; monthly earnings of 211.60 cruzeiros converted to an hourly basis by assuming 195 hours of work per month.

<sup>4/</sup> Not available.

<sup>5/</sup> Daily earnings converted to an hourly basis by assuming 9 hours of work per day. The compensation figures include pay for time not worked, bonuses, and the value of pay in kind, but not overtime pay or employer contributions to social insurance funds.

<sup>6/</sup> Approximately 15 percent of the workers in the Italian shoe industry are home workers, who are paid at a lower wage rate than the factory workers in the industry.

<sup>7/</sup> The shoes shipped from Hong Kong, Japan, Korea, and Taiwan to the United States are principally of plastics. Separate data are not available on the plastics footwear industry, except for Hong Kong. Approximately half of the workers in the Japanese plastics shoe industry are home workers, who are paid at a lower rate than the factory workers in that industry.

<sup>8/</sup> Including salaried employees.

<sup>9/</sup> The compensation factor included in this figure is employer social security payments, which range from 40 to 50 percent of payroll.

<sup>10/</sup> July-December 1972. The published earnings data are computed per hour worked and include overtime pay, regular premiums and bonuses, family allowances, the market value of payments in kind, and wages paid to persons absent from work. Compensation figures also include annual bonuses and employer contributions to national insurance.

Source: Based on data provided by the U.S. Bureau of Labor Statistics from the following: Brazil--Year Book of Labour Statistics, 1973, International Labour Office, Geneva; Hong Kong--Annual Departmental Report, 1970-73, Commissioner of Labour, Hong Kong; Italy--Rassegna di Statistiche del Lavoro, various issues, Confederazione General dell'Industria Italiana, Rome; Japan--Year Book of Labour Statistics, various issues, Ministry of Labour, Tokyo; Korea--Monthly Statistics of Korea, various issues, Economic Planning Board, Seoul; Spain--Year Book of Labour Statistics, 1973, International Labour Office, Geneva; and Taiwan--Monthly Bulletin of Labor Statistics, November 1973, Directorate-General of Budget, Accounting, and Statistics, Taipei. Conversion from the currencies of the foreign countries in the table to U.S. dollars was made on the basis of average daily exchange rates for the year as reported by the Federal Reserve Bulletin.



A-15 through A-25

Data Relating to the Louis Shoe Co., Inc.

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**APPENDIX A**  
**Statistical Tables**

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

TSUS item No.	Abbreviated description	Rate of duty		
		July 1, 1934 <sup>1/</sup>	Rate	GATT concession Effective date
700.45	Leather footwear: "Other" (including cement process) 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.	Princi- pally 20 <sup>2/</sup>	<sup>3/</sup> 12.5	Aug. 31, 1963-Dec. 31, 1967.
			11	Jan. 1-Dec. 31, 1968.
			10	Jan. 1-Dec. 31, 1969.
			8.5	Jan. 1-Dec. 31, 1970.
			7	Jan. 1-Dec. 31, 1971.
			6	Jan. 1, 1972.

<sup>1/</sup> 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.

<sup>2/</sup> 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 ad valorem.

<sup>3/</sup> The trade-agreement rate established in the TSUS, effective Aug. 31, 1963, under authority of the Tariff Classification Act of 1962 (Public Law 87-456) to replace the wide range of rates previously applicable to the various types of footwear provided for in this TSUS item.

Table 2.--Women's and misses' footwear with leather uppers (TSUS item 700.45): U.S. rates of duty and imports for consumption, 1969-73, January-June 1973, and January-June 1974

Period	Rate of duty	Imports		
		Quantity	Value	Unit value
	Percent ad valorem	<u>1,000</u> pairs	<u>1,000</u> dollars	<u>Per</u> <u>pair</u>
1969-----	16	26,745	131,329	\$4.91
1970-----	14	34,164	172,266	5.04
1971-----	12	43,725	220,504	5.04
1972-----	10	60,912	303,406	4.98
1973-----	10	68,248	355,406	5.21
January-June--				
1973-----	10	40,707	198,464	4.88
1974-----	10	33,192	173,380	5.22

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

Table 3.--Women's and misses' footwear with supported-vinyl uppers (item 700.5545): U.S. rates of duty and imports for consumption, 1934, 1/ 1964-73, January-June 1973, and January-June 1974

Period	Rate of duty	Imports		
		Quantity	Value	Unit value
		<u>1,000</u> <u>pairs</u>	<u>1,000</u> <u>dollars</u>	<u>Per</u> <u>pair</u>
	<u>Percent</u> <u>ad valorem</u>			
1964 <u>2/</u> -----	<u>3/</u> 12.5	27,574	12,429	\$0.45
1965 <u>2/</u> -----	12.5	29,579	13,564	.46
1966-----	12.5	33,239	17,024	.51
1967-----	12.5	49,767	27,704	.56
1968-----	11	68,579	46,603	.68
1969-----	10	70,777	55,820	.79
1970-----	8.5	77,288	73,757	.95
1971-----	7	86,942	104,196	1.20
1972-----	6	89,776	104,907	1.22
1973-----	6	96,942	136,036	1.40
January-June--				
1973-----	6	54,317	63,856	1.18
1974 <u>4/</u> -----	6	48,057	80,237	1.67

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

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

2/ Data are partly estimated.

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

4/ Effective January 1, 1974, new items 700.5547 and 700.5549 replaced former item 700.5545.

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

APPENDIX B

Article from Footwear News relating to  
Louis Shoe Co., Inc.

FOOTWEAR NEWS, MONDAY, AUGUST 19, 1974

### *Louis Shoe trying 11th hour deal*

WASHINGTON (FNS) — An eleventh-hour attempt to sell financially troubled Louis Shoe Co. is under way, but Government officials plan to continue foreclosure proceedings on the Amesbury, Mass., property.

Commerce Department officials say company owner Samuel Wise was contacted by an out-of-state broker on behalf of a client interested in purchasing the property. Officials refused to name the client, or to confirm whether the broker definitely had a specific buyer.

"We'll continue the foreclosure procedure and if someone comes on with a deal, then it would be up to the Government to decide whether to accept it," said Richard Cleaves, chief of the Federal Trade Adjustment Assistance Office.

Co-owner of the company Robert Wise has reportedly taken another job, while his father has retired from the business.

"The company still has the right to try to get someone to buy them out," said Commerce spokesman Cleaves. "But the Government must protect its interest on the land, building and equipment on which we have the lien."

