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WOOL PRODUCTS LABELING ACT AMENDMENTS

GOVERNMENT

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HEARING BEFORE THE SUBCOMMITTEE ON CONSUMER PROTECTION AND FINANCE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

FIRST SESSION

ON

H.R. 4197

A BILL TO AMEND THE WOOL PRODUCTS LABELING ACT OF
1939 WITH RESPECT TO RECYCLED WOOL

NOVEMBER 28, 1979

Serial No. 96-59

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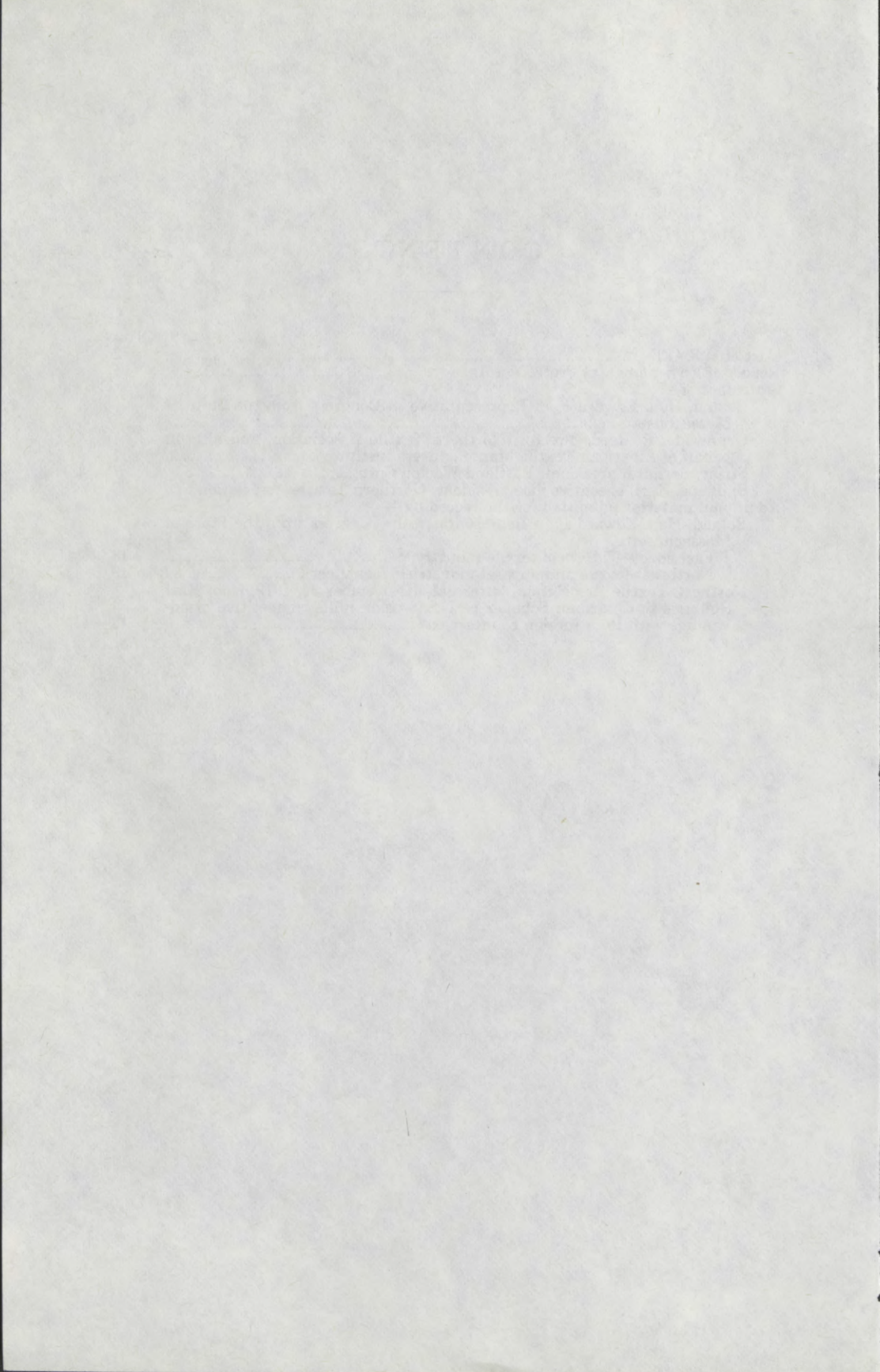
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WOOL PRODUCTS LABELING ACT AMENDMENTS

WEDNESDAY, NOVEMBER 28, 1979

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
SUBCOMMITTEE ON CONSUMER PROTECTION AND FINANCE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 11 a.m., in room 2218, Rayburn House Office Building, Hon. James H. Scheuer, chairman, presiding.

Mr. SCHEUER. The Subcommittee on Consumer Protection and Finance of the Committee on Interstate and Foreign Commerce will come to order.

We are meeting today for the purpose of considering H.R. 4197, a bill to amend the Wool Products Labeling Act of 1939. That act provides a system of labeling wool products sold or manufactured for sale.

Of course, the failure to label wool products is a violation of the Federal Trade Commission Act and carries substantial penalties for wrongdoing.

The Wool Products Labeling Act requires that wool be labeled as follows:

New wool is labeled "wool." Fiber which results from wool which has been "reprocessed" from a woven or felted product, without having been utilized in any way by the ultimate consumer up to that time, is labeled "reprocessed" wool.

Fiber which results from wool which has been spun into a wool product and has been used by the ultimate consumer and has subsequently been made into a fibrous state again is labeled "reused" wool.

The legislation before us today would amend the act so that the terms "reprocessed" wool and "reused" wool would be eliminated and the term "recycled" wool would be substituted for them.

In other words, "recycled" wool would cover any wool that was either "reprocessed" wool, without ever having gotten into the hands of the consumer, or "reused," which has been in use.

The Environmental Protection Agency has taken a position in support of this legislation. One of their publications entitled "Recycling and the Consumer" cites the use of the term "reprocessed" wool as an obstacle to effective recycling of retail goods, which I presume is one of the concerns that we will be hearing about this morning.

Without objection, the text of H.R. 4197 and an agency report thereon, will be placed at this point in the record.

[The text of H.R. 4197 and an agency report thereon follow:]

96TH CONGRESS
1ST SESSION

H. R. 4197

To amend the Wool Products Labeling Act of 1939 with respect to recycled wool.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1979

Mr. BOLAND introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To amend the Wool Products Labeling Act of 1939 with respect to recycled wool.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That (a) section 2(c) of the Wool Products Labeling Act of
4 1939 (54 Stat. 1128) is amended to read as follows:
5 “(c) The term ‘recycled wool’ means (1) the resulting
6 fiber when wool has been woven or felted into a wool product
7 which, without ever having been utilized in any way by the
8 ultimate consumer, subsequently has been made into a fi-
9 brous state, or (2) the resulting fiber when wool or reproc-
10 essed wool has been spun, woven, knitted, or felted into

1 wool product which, after having been used in any way by
2 the ultimate consumer, subsequently has been made into a
3 fibrous state.”.

4 (b) Subsection (d) of section 2 of the Wool Products La-
5 beling Act of 1939 is repealed.

6 (c) Subsections (e), (f), (g), (h), and (i) of section 2 of the
7 Wool Products Labeling Act of 1939 and all references
8 thereto are redesignated as subsections (d), (e), (f), (g), and
9 (h), respectively.

10 (d) Section 2(d) of such Act, as redesignated by subsec-
11 tion (c) of this Act, is amended by striking out “, reprocessed
12 wool, or reused wool” and inserting in lieu thereof “or recy-
13 cled wool”.

14 SEC. 2. Section 4(a)(2)(A) of the Wool Products Label-
15 ing Act of 1939 is amended—

16 (1) by striking out “(2) reprocessed wool; (3)
17 reused wool;” and inserting in lieu thereof “(2) recy-
18 cled wool”;

19 (2) by striking out “(4)” and inserting in lieu
20 thereof “(3)”; and

21 (3) by striking out “(5)” and by inserting in lieu
22 thereof “(4)”.

23 SEC. 3. The amendments made by this Act shall take
24 effect with respect to wool products manufactured sixty days
25 after the date of enactment of this Act.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

NOV 30 1979

OFFICE OF THE
ADMINISTRATOR

Honorable James H. Scheuer
Chairman
Subcommittee on Consumer Protection
and Finance
Committee on Interstate and Foreign Commerce
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

We have been requested to comment on H.R. 4197, a bill which would amend the Wool Products Labeling Act of 1939 by deleting the descriptive terms "reprocessed wool" and "reused wool" and substituting the term "recycled wool."

We do not object to this bill and defer to other concerned agencies.

Sincerely yours,

A handwritten signature in cursive script that reads "Charles S. Warren".

Charles S. Warren
Director
Office of Legislation

Mr. SCHEUER. Now, we will hear ultimately from R. Reed Grimwade, of the Northern Textile Association, and himself a wool miller. Accompanying Mr. Grimwade will be Bernard Striar and Karl Spilhaus.

Before we hear from them, we are going to hear from our very distinguished colleague, Representative Edward Boland of Massachusetts, who is the sponsor of this bill, and who is one of our very most distinguished Members.

He is the ranking member on the House Appropriations Committee. He is one of the role models in the House whom the younger Members look up to. He is the classic complete legislator in every sense of the phrase.

We are honored and delighted to have him here today. We look forward to hearing his remarks.

STATEMENT OF HON. EDWARD P. BOLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. BOLAND. Thank you very much, Mr. Chairman. I appreciate very much your enrichment of my qualities with your introduction.

You have stated the proposition precisely as it is. I want to express my appreciation to you and this subcommittee for conveniencing the people in the wool industry and also myself in setting this meeting up.

I recognize how busy the members of this subcommittee and the full committee are, as all members are. As a matter of fact, I just left a committee that I was chairing with reference to some changes in the space shuttle system. That is one of the problems that all of us have here on the Hill. So, I am very grateful to you for setting this meeting up.

As you have stated, the Wool Products Labeling Act of 1939 requires that the wool products be labeled as belonging to one of three categories—"wool," "reused" wool or "reprocessed" wool.

H.R. 4197 would amend the act to replace the terms "reused" or "reprocessed" wool with the term "recycled" wool.

I believe that the use of the term "recycled" wool would not only give consumers a more accurate description of what is contained in the products they buy, but it would also negate a competitive advantage now enjoyed by foreign wool textiles at the expense of our domestic wool industry.

"Reprocessed" or "reused" wool is, in fact, "recycled" wool. The fibers are separated, completely reclaimed and reconstituted into their original state as wool fibers. In the process, some fibers may be shortened by breaks, but they are still wool fibers.

They have been "recycled" back to their fiber state. The term "recycled" wool fully informs the consumer that the product is composed of fibers recovered from a previously manufactured product, which I think is important.

It will be clear to the consumer that those fibers were obtained by reducing a previously manufactured product to its original state and again subjecting the fibers to the complete course of manufacturing operations.

Using the term "recycled," will eliminate the confusion of those consumers who misread "reprocessed" as "repossessed," or who

believe that a "reused" wool label means that the garment itself is second hand.

Mr. Chairman, wool is the only fiber covered by U.S. laws that must be labeled as "reprocessed" or "reused". "Recycled" cotton and manmade fibers require no such designation. In addition, imported wool fabrics and apparel are not labeled "reused." They are normally labeled as "wool" or "reprocessed" wool.

While these products frequently contain "reused" wool, there is no way for the Customs Service to enforce our labeling requirements.

Neither Customs nor the Federal Trade Commission have the same access to the records of foreign mills that the FTC enjoys with regard to the records of domestic mills. Since imports constitute about one-third of U.S. consumption, U.S. domestic mills are placed at an unnecessary competitive disadvantage by the current labeling standards.

Recycled wools are used primarily in heavy winter clothing, gloves, caps and blankets. An adequate supply of moderately-priced warm winter clothing is essential in many regions of the country, especially New England.

World supply of virgin and new wool cannot keep pace with world demand. In the United States, which produces only about one-half of the new wool it consumes, raw wool prices have risen to high levels.

The use of "recycled" wool, which provides low income families and other economy minded consumers with warm clothing at prices below those charged for garments made of virgin fibers, should be encouraged.

Accordingly, I urge the members of this subcommittee to give prompt approval to H.R. 4197 so that a more meaningful and accurate label can be affixed to "recycled" woolen products.

Mr. Chairman, I am not aware of any particular opposition to this bill. There may be some that may have expressed some concern about it, but the term "recycled" now is a rather prominent term. It is one that the public understands completely.

We recycle an awful lot of products in the United States and the consumer knows that "recycled" products are not the original products, it is "recycled" from the original manufacturing back into its original state.

Mr. SCHEUER. Will the witness yield briefly?

Mr. BOLAND. Yes, of course.

Mr. SCHEUER. In answer to your question as to whether we have heard any opposition, the record should be clear that we have not heard the slightest breath of any opposition to this proposal.

Mr. BOLAND. We are delighted to hear it, Mr. Chairman. This bill has been in since 1973. There is considerable support within the Congress for it.

I would like to present Mr. Reed Grimwade, who is the chief executive officer of the Charlton Woolen Mill, which is in Charlton, Mass. in my district. He is also a director of the Northern Textile Association that supports this resolution.

Mr. SCHEUER. We will be delighted to hear from you.

STATEMENT OF R. REED GRIMWADE, DIRECTOR, NORTHERN TEXTILE ASSOCIATION, AND ALSO ON BEHALF OF AMERICAN TEXTILE MANUFACTURERS INSTITUTE, ACCOMPANIED BY BERNARD STRIAR, PRESIDENT, EASTLAND WOOLEN CORPORATION, AND KARL SPILHAUS, EXECUTIVE VICE PRESIDENT, NORTHERN TEXTILE ASSOCIATION

Mr. GRIMWADE. Thank you, Mr. Chairman.

My name is R. Reed Grimwade. I am testifying on behalf of the Northern Textile Association, 21 Congress Street, Boston, Mass., of which I am a director. The association represents textile manufacturers using all principal fibers and includes wool and felt manufacturers. While member plants are located primarily in the Northeast, there are others in various parts of the country.

I am the chief executive officer and treasurer of the Charlton Woolen Co. of Charlton City, Mass. I am accompanied by Mr. Bernard Striar, president of Eastland Woolen Corp., and Mr. Karl Spilhaus, executive vice president of Northern Textile Association.

We are appearing before you not only on behalf of the Northern Textile Association, but also on behalf of the American Textile Manufacturers Institute, the largest trade association in the textile industry with headquarters in Washington, D.C. Together, NTA and ATMI represent virtually all woolen worsted, felt, and other wool manufacturing operations in the United States.

We support H.R. 4197, which would amend the Wool Products Labeling Act of 1939. Simply stated, the bill would provide that henceforth fibers which have been labeled as "reprocessed" wool or "reused" wool will be designated as "recycled" wool. The definition and use of the term "wool" would in no way affect the Textile Fiber Products Identification Act.

H.R. 4197 would, in effect, reduce the present three categories of wool to two; namely, "wool" and "recycled" wool. Use of the term "recycled" will have important advantages: First, it is a more accurate description of the process actually used; second, it will provide the consumer with a more understandable and accurate description of the product that he or she is buying; and finally, it will encourage use of products which provide savings in energy.

EPA's glossary defines recycling as "* * * the process by which waste materials are transformed into new products in such a manner that the original products may lose their identity."

This is a completely accurate description in a very few words, of the woolen mill recycling process. Regardless of whether the raw material comes from products left over from garment manufacturers or from garments worn by consumers and discarded, the mechanical process used to recycle them is exactly the same. The clips or garments are reduced to fiber again in a picker and sometimes a garnett and the resulting fiber is carded, spun, woven, and finished in exactly the same way wool or virgin wool is processed. The waste products have been transformed into new products and the original product has lost its identity.

We believe that the term "recycled" wool is more accurate and understandable than either "reprocessed" or "reused" wool, both of which are confusing to the consumer. Many consumers read "reprocessed" as repossessed, and others believe that a fabric or gar-

ment labeled "reused" is second hand or has been worn. This is simply not true.

The distinction between "reprocessed" wool and "reused" wool is meaningless in terms of quality. The terms refer only to the history of the fibers. In fact, a fabric made from "reused" wool may have greater tensile strength, be better able to resist abrasion and even have a better hand than one made from "reprocessed" wool and even one woven entirely from fibers classified as "wool."

Mr. SCHEUER. Excuse me. Why would it have better qualities than a fiber classified as wool, which I take it is virgin wool.

Mr. GRIMWADE. The definition of virgin wool is anything which has not been spun into yarn. In the carding or combing process, the short, small, dusty dirty fibers drop underneath the card.

Because they have not been spun into yarn, they are called virgin wool, and because they have the label virgin wool they have a value. But they are not as good as good "reused" wool, which is reclaimed from a good worsted fiber.

In cases like that, the "reused" wool is better than the virgin wool.

Mr. SCHEUER. Thank you.

Mr. GRIMWADE. I would also like to point out that there is no practical method of determining the difference between "reprocessed" and "reused" wool. It is even questionable if this can be accomplished microscopically. Even if this is possible, it certainly is not practical. In fact, our foreign competition knows very well that it is not practical.

Spared from the recordkeeping and inspection procedures which the FTC requires from domestic mills, the foreign manufacturer sends his cloth in here labeled with only two categories—"wool" and "reprocessed" wool. Rarely, if ever, does he use the label "reused" wool, despite the fact that he uses large quantities of "reused" wool.

Everybody knows that a \$75 coat is cheaper than a \$150 coat. When it comes to quality, the consumer would know that a "recycled" wool coat would probably not be as high grade quality as a virgin wool coat and, of course, that is why it is less expensive. On the other hand, there is absolutely no way a consumer can compare the quality of a "reused" wool coat with a "reprocessed" wool coat.

Mr. SCHEUER. Presumably which of them would be better?

Mr. GRIMWADE. You cannot make a comparison, Mr. Chairman. I could not answer that question. There may be 100 different categories of "reprocessed" wool.

Mr. SCHEUER. I take it if the consumer now buys a coat or hat, it will either say "reprocessed" or "reused," right?

Mr. GRIMWADE. It will never be 100 percent of either one. It could be 50 percent "reprocessed," 50 "reused."

Mr. SCHEUER. Is that what the label would say?

Mr. GRIMWADE. I would not even say that.

Mr. SCHEUER. What would the label say? In terms of the information you are giving the consumer, would the consumer be able to evaluate a coat that is "reused" and another one that is "reprocessed"?

Mr. GRIMWADE. No, sir. The only thing that the consumer could derive from a label of "reused" versus "reprocessed" is the past history of the fiber; one came from fibers which had not been worn and one from fibers that had been worn.

Mr. SCHEUER. Does the consumer have that information from the label? He knows whether it is "reprocessed" or "reused." Does he go through the racks of coats on sale and say this coat is "reprocessed" and this coat is "reused," and I think one of them is better than the other?

Mr. GRIMWADE. He would have no basis to make that decision.

Mr. SCHEUER. So you are really not giving him any information—

Mr. GRIMWADE. Not as far as quality goes.

Mr. SCHEUER. From the present label you are not giving the consumer, as I understand it, any information that he can use to make more intelligent purchases.

Mr. GRIMWADE. No.

Mr. SCHEUER. Does the consumer get better value for his dollar?

Mr. GRIMWADE. No, you are not. I might add only 5 percent of fibers consumed are wool. The other 95 percent of the fibers, many of which are so-called reused, are not labeled "reused." It is not required by the law. Only wool.

Mr. SCHEUER. You say that the present labeling places us under a competitive disadvantage with the textile manufacturers abroad?

Mr. GRIMWADE. Yes, definitely. They do not label anything "reused." They do use reused wool, because I have seen it, so I can testify that they do.

Mr. SCHEUER. So in effect, with this present system of labeling, we are not giving the consumer anything that is terribly useful to him, and we are encouraging the export of jobs.

Mr. GRIMWADE. I would say that is a correct statement, yes.

Mr. SCHEUER. I would say that there is hardly a Member of Congress who is not worried about the exporting of jobs. If the industry was under a competitive disadvantage of some kind that really gave the consumer some vital information, that made him a much more sophisticated and intelligent buyer, I would say, we have to figure the costs and the benefits.

The costs would be that the country is under a competitive disadvantage, or the industry is, and that we are in effect exporting some jobs.

If there was a concomitant major benefit, so that millions and millions of people are able to purchase more intelligently, well, then you would have to agonize a little bit over it.

But when we have a situation where our domestic industry is under a competitive disadvantage and we are exporting jobs, and there is no benefit derived on anybody's part, it seems to me a fairly open and shut case that that is a competitive disadvantage that Congress ought to wipe out.

Mr. GRIMWADE. Well, this is what we are trying to convey to you today, Mr. Chairman.

Mr. SCHEUER. Is there any difference in the durability of "reused" wool as compared to "reprocessed?"

Mr. GRIMWADE. It is awfully difficult to answer questions like that, Mr. Chairman, because there are perhaps 100 different cate-

gories of "reused" wool and 100 different "reprocessed." I cannot compare an average with an average.

Mr. SCHEUER. You mentioned before that some people misread the term "reprocessed" to mean repossessed. Repossessed would mean that somebody was wearing it on the street, they didn't pay their bills, and somebody grabbed it off their back?

Mr. GRIMWADE. Just like a car, yes.

Mr. SCHEUER. So that would be a negative thing, I take it?

Mr. GRIMWADE. Yes.

Mr. SCHEUER. Has there been any empirical data or marketing experience that undergirds your statement?

Mr. GRIMWADE. We don't have any formal market research that says that that is true, but I do have data from people who have impressions like that.

Mr. SCHEUER. You do have what?

Mr. GRIMWADE. Data on that.

Mr. SCHEUER. Could you give us copies of that?

Mr. GRIMWADE. I have a copy of a letter right here today.

Mr. SCHEUER. There being no objection, we will make that letter part of the record.

[See p. 17. Mr. Grimwade read letter into record.]

Mr. SCHEUER. Do you have any evidence in writing, empirical evidence, of the degree to which foreign manufacturers falsely label "reused" wool as "reprocessed" wool?

Mr. GRIMWADE. Well, all I know is that they do it. I don't know to what extent.

Mr. SCHEUER. Has any industry association ever documented the degree to which that is being done and, therefore, the degree to which you are being unfairly competed with?

Mr. GRIMWADE. Since you cannot tell the two fibers apart it is impossible to tell to what extent it is being done. We just know the fact that they don't label "reused" wool means that—

Mr. SCHEUER. In other words, in the final product you cannot tell "reused" from "reprocessed" wool?

Mr. GRIMWADE. No, you cannot.

Mr. SCHEUER. I can't think of any better reason for eliminating the difference.

Is there any way that you can quantify the amount of hurt or harm that the domestic industry has suffered as a result of the foreign manufacturers' noncompliance with our present labeling requirements?

Mr. GRIMWADE. With your permission, I would like one of my colleagues to answer that.

Mr. SCHEUER. Sure.

Mr. STRIAR. Yes, sir.

Mr. SCHEUER. Would you identify yourself.

Mr. STRIAR. My name is Bernard Striar, president of Eastland Woolen Mill of Corinna, Maine. We are the largest woolen mills in the United States. We employ approximately 1,400 people.

We have been hurt by the imports, especially from the Prato, Italy, area.

Mr. SCHEUER. Can you quantify the degree to which you have been hurt, the volume of goods that they have sent in, the percent-

age of the market that they have invaded in part due to this unfair competitive advantage?

Mr. STRIAR. I could estimate it. Whether or not there are records from the Department of Commerce—we can supply that information for the record.

Mr. SCHEUER. That will be very useful. We will hold the record open for 10 days.

[The following letter was received for the record:]



REC'D CP&F SUB.

DEC 3 1979

NORTHERN TEXTILE ASSOCIATION

211 Congress Street, Boston, Mass. 02110

(617) 542-8220

KARL SPILHAUS
Executive Vice President

November 30, 1979

The Honorable James Scheuer
Chairman, Subcommittee on Consumer Protection and Finance
Interstate and Foreign Commerce Committee
U. S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

Certain questions were raised during the recent hearing of the Subcommittee on Consumer Protection and Finance on H. R. 4197 regarding the importation of wool textiles and apparel.

It is true that the U. S. woolen mills are at a competitive disadvantage with their foreign counterparts because foreign manufacturers rarely adhere to the labeling requirements of the Wool Products Labeling Act. As indicated in our testimony before the Subcommittee, many foreign manufacturers export cloth containing wool to the U. S. labeled only "wool" or "reprocessed wool" despite the fact that large quantities of "reused wool" are often contained in the imported product. This practice is commonplace by manufacturers in many countries such as Italy where exports of fabric and apparel containing wool to the U. S. have increased by over 2,000% in the past ten years (from 3.6 million sye*in 1968 to 76.7 million sye in 1978).

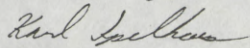
Unfortunately, import statistics collected by the U. S. Department of Commerce do not break down foreign wool imports by category; i. e. "reprocessed" and "reused" wool. This makes it impossible to ascertain the precise impact of foreign manufacturers' non-compliance with the Act. It is certain, however, that their failure to comply with this unenforceable U. S. law plays a part in the increasing penetration of the U. S. market by foreign wool textile imports.

* square yard equivalent

The situation of the wool textile industry in general is illustrated by the accompanying table which shows more than a 50% decline in employment by U. S. wool textile mills over the ten year period between 1968 and 1978. These figures do not reflect an additional decline in employment in the domestic wool apparel industry. As shown by the table, this decline has occurred during a time when the ratio of foreign imports to domestic production has risen from 22% to 40%.

We believe that passage of H. R. 4197 will remove the unfair competitive advantage enjoyed by foreign wool manufacturers and, for reasons detailed in our testimony, will provide consumers with a more accurate and understandable description of wool products. We urge the Subcommittee to act favorably on this legislation and recommend its early passage by the House of Representatives

Sincerely,

A handwritten signature in cursive script, appearing to read "Karl Spilhaus".

Karl Spilhaus

Enclosure

KS:tch

Employment and Production
U. S. Wool Broadwoven Textile Mills

	<u>Total Employment*</u>	<u>Production Wool Apparel Fabric**</u>	<u>Imports as % U. S. Production</u>
1968	44,200	384,000,000	22.0%
1969	44,000	378,000,000	21.6%
1970	38,200	280,000,000	27.6%
1971	29,800	182,000,000	25.1%
1972	27,800	160,000,000	32.4%
1973	28,300	166,000,000	28.8%
1974	24,500	121,000,000	32.7%
1975	20,600	116,000,000	32.3%
1976	22,600	133,000,000	35.5%
1977	22,800	139,600,000	27.5%
1978	20,800	158,400,000	39.8%

Sources: * Bureau of Labor Statistics, U. S. Department of Labor
 ** Current Industrial Report, U. S. Department of Commerce

Mr. SCHEUER. You have made an awfully strong case by the apparent fact that the present bifurcation of "reused" and "reprocessed" wool doesn't seem to help anybody. It doesn't seem to help the consumers make more intelligent decisions, marketing or purchasing decisions. It does place the industry under an unfair competitive disadvantage.

Now, there are lots of elements in the American economy where the domestic industry is being pressed very hard by foreign importers. The steel industry, the automobile industry, the electronic products industry.

But in all of these cases, Congress really is on the horns of a dilemma because you can make a pretty darned good case that there is an obvious cost because the domestic industry is suffering and we are exporting jobs.

But there are benefits like the fact that consumers are getting as good a product more cheaply, or a better product at the same price, as a result of the foreign imports. But here this doesn't seem to be the case.

The distinction between these two types of wool doesn't seem to be conferring a benefit on anybody. It is making things more difficult for the industry, and it is adding to the export of jobs, which is hurting our economy very badly, and for nobody's apparent benefit.

Mr. BOLAND. Mr. Chairman, it seems to me that the term recycling certainly is a lot more fair to the industry and does no damage at all to the consumer. I think the consumer clearly understands that the word "recycled" indicates there has been something done to the fiber, that it is remanufactured and put back into the original process and brought forward as "recycled."

I would think that alone would put them on notice that this is not virgin wool, that it is not new wool. It is a term, as all of us know, that is used rather extensively in this day and age.

Mr. SCHEUER. That is right. We recycle paper, glass, God knows what.

Mr. BOLAND. It is a term that Richard Ottinger would understand completely.

As you know, he is one of the fine Members of the Congress with respect to the environment and the protection of the environment. He has been interested in recycling for some years. He understands the term I think quite well.

Mr. SCHEUER. He is a member of this subcommittee. He is quite attuned to the interests of the consumer.

Would our minority counsel care to ask any questions?

Miss DURBIN. Mr. Chairman, I have one question.

How exactly does used wool, that is wool used by a consumer, reach or return to a manufacturer for the purposes of recycling?

Mr. GRIMWADE. Reused wool. The most common method today is in almost every supermarket there is a Salvation Army box where you throw your old garments. People give them to the Salvation Army, Goodwill Industries, or some organization like that. The ones they don't sell in their stores, they bale up and ship to manufacturers.

I should qualify that. Only about 5 percent of what is given away in clothing is a wool product.

Miss DURBIN. Will that escalate with passage of this bill?

Mr. GRIMWADE. Well, the amount that they give away I don't think will escalate. Perhaps the amount used will escalate. We hope it will.

I would like to point out, Mr. Chairman, that there is another tremendous advantage to recycling; that is, the energy savings involved, which I will get to, if you want me to continue with the brief.

Mr. SCHEUER. Sure.

Can you just explain the energy saving?

Mr. GRIMWADE. I will do that as I read.

Another distinct advantage would be the energy savings realized from the increased utilization of recycled wool products. The use of these products provide a savings of energy in the production process from the elimination of prescouring, dyeing, and disposal of waste materials. We estimate that the use of recycled wool materials represents a savings of 8,700 Btu's per pound, or the equivalent of 1 gallon of gasoline for every 13 pounds of recycled wool used.

Mr. Chairman, there is absolutely no valid reason why there should be three legal categories for wool when wool comprises less than 5 percent of all fiber consumption in this country, as compared to 16 percent when the wool Products Labeling Act was enacted in 1939.

Wool is the only fiber covered by United States laws that must be labeled as "reprocessed" or "reused." No such designations are required for cottons or synthetic fibers. Further, no country other than the United States requires "reprocessed" or "reused" labels to be placed upon its wool products.

We are hopeful that if reprocessed and reused wools are labeled "recycled" wool, the usage of this type of wool will dramatically increase. What a wonderful thing this would be. It would mean that more warm coats, jackets, shirts, blankets and other items would become available to meet the needs of lower income families and economy-minded consumers.

Increasing the use of recycled wool would be limited to a certain extent by the amount of quality stocks available. This is because modern mills today using high speed machinery cannot run efficiently without good quality raw materials. This assures, however, that recycled wool products produced domestically will contain the best available grade of raw materials.

In conclusion, we believe that the use of the term "recycled" wool is not only more up-to-date and accurate, but is understandable to the consumer. For it is a term which has achieved wide public recognition and acceptance through its application in a variety of industries including paper, glass, and aluminum. At the same time, increased use of these products will save energy, prevent discarding of much solid waste and provide consumers with warm and functional clothing at prices below those of goods made of virgin fiber. We urge the subcommittee to act favorably on this important bill.

Thank you for the opportunity to present our views. We will be pleased to answer any questions you may have.

Would you like me to read the letter?

Mr. SCHEUER. Sure.

Mr. GRIMWADE. As a little bit of background, we are close to Old Sturbridge Village, which is a large outdoor museum. They have an educational process where they bring college professors and high school teachers from all over the country to the village.

As part of the course they give there, we give them a tour of our company to show them today's methods compared with those of years ago. This is written by a high school teacher to me after she got home.

DEAR MR. GRIMWADE. Thank you for taking all of us around the mill. It was the first time I ever had been in a textile factory, and I found it really interesting.

I was really glad to be able to see a wool mill because all week while at Sturbridge we were discussing the effects of a wool mill coming to the town in the 1800's. Some of the families we were role-playing viewed the mill as a great thing because it would provide jobs.

From talking to your employees, they seemed to be really satisfied with working in your mill. It was really nice of you to take time out of your day to spend with us.

If I hadn't gone to your mill, I would still be thinking that in the 1800's the machines wove 20 miles of cloth an hour. I think what the person who told me that meant was that within an hour a shuttle would use up 20 miles worth of yarn. Does that sound more reasonable?

Another thing that I found really interesting about your mill was that you used all old sweaters, pants and other things. I had never heard of that being done before. It makes a lot of sense, and the wool turns out just as nice. The scarf that you let me have is really soft and warm.

Thanks again for everything.

Sincerely.

Mr. SCHEUER. Very interesting.

Mr. BOLAND. Mr. Chairman, we have a factsheet with respect to the U.S. textile industry indicating the number of plants in the United States and the total number of employment, some 21,000—most in the Northeast—12,930 in the Northeast.

All of these are concerned with this proposal, and we would like to supply those statistics for the record.

Mr. SCHEUER. There being no objection, so ordered.

[The tables referred to follow:]

FACT SHEET
U. S. Wool Textile Industry

	Weaving Mills		Yarn Mills	
	<u>Plants^{1/}</u>	<u>Employment^{2/}</u>	<u>Plants^{1/}</u>	<u>Employment^{1/}</u>
U.S., Total	157	21,200	74	4,100
Northeast	80	12,930	41	N/A
New England	57	11,680	27	N/A
ME	10	4,240	6	N/A
MA	25	3,600	8	N/A
NH	6	2,460	N/A	N/A
RI	16	1,440	6	N/A

Fiber Consumption^{3/}
(000's Pounds)

<u>Non Carpet Consumption</u>	<u>1977</u>	<u>1978</u>	<u>% Increase</u>
Total, All Fibers	315,524	322,101	2.1%
Wool, Total	144,381	152,756	5.8%
Man-Made Fibers	168,193	169,345	.7%
Woolen System, All Fibers ^{4/}	211,374	220,987	4.5%
Worsted System, All Fibers ^{4/}	47,377	49,837	5.2%

^{1/} U. S. Department of Commerce,
Census of Manufacturers, 1977

^{2/} U. S. Department of Labor
Bureau of Labor Statistics, April 1979 data

^{3/} U. S. Department of Commerce
Current Industrial Reports, Calendar 1978 data

^{4/} Excludes man-made fiber Tow converted to Top without combing

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TABLE A

Northeast
Textile and Apparel Industries' Fact Sheet

Employment*
(000's)

	SIC 22 Textiles	SIC 23 Apparel	Total Textiles & Apparel	% All Manufacturing Textiles	Tex. & App
New England	66.8	68.0	134.8	4.5	9.1
Connecticut	9.8	11.7	21.5	2.3	5.1
Maine	8.8	4.0	12.8	8.0	11.2
Massachusetts	29.5	43.5	73.0	4.5	11.1
New Hampshire	5.4	3.2	8.6	4.9	7.8
Rhode Island	13.0	4.2	17.2	9.4	12.4
Vermont	.3	1.4	1.7	1.0	3.5
New York	43.2	191.6	254.8	2.9	15.6
New Jersey	21.7	61.8	83.5	2.7	10.5
Pennsylvania	52.8	131.4	184.2	3.9	13.4
Northeast Total	184.5	452.8	637.3	3.6	12.4

*November 1978

Northern Textile Association
1979

Mr. BOLAND. I don't know whether Mr. Striar has a statement or not. I don't want to prolong these hearings. Perhaps if you left the record open they could supply whatever statements they care to make.

Some of the statistics that the committee has requested—I also had a sheet indicating that this bill was filed back in 1973, and some of the sponsors at that time were the Senator from Rhode Island, Senator Pastore, Senator Cotton, Senator Hollings, Senator Hathaway, and Representative Minish.

I think at that time we were running into some opposition, but apparently all the consumer groups that this committee has contacted—and I am grateful for that—there was an indication from them there is no opposition to it.

So, Mr. Chairman, I want to again, without closing the committee hearing itself, express my appreciation for your conveniencing us in setting this hearing up.

Thank you.

Mr. SCHEUER. Well, I am delighted to do it.

Do any of the witnesses or the folks accompanying them have anything they would like to add to the record at this time? I think we have gotten the information that we need, especially with the additional data that you plan to submit in the next week or 10 days.

It will be our intention, as I said before, to bring this bill to the subcommittee—perhaps in December, but certainly in January. We look forward to working with the appropriate leaders on the Senate side, along with Congressman Boland. We look forward to dispatching this matter with reasonable expedition.

We thank you all for coming. We especially thank our distinguished colleague, Eddie Boland, from Massachusetts, for taking time out to come and chat with us here. We look forward to expediting this bill and moving it along the legislative path.

Thank you all. The subcommittee stands adjourned.

[Whereupon, at 11:35 a.m. the subcommittee adjourned.]