

William Stein
President
F&M Hat Company
103 Walnut Street
Denver, Pennsylvania 17517-0040

Congressman Phillip Crane
Chairman, Subcommittee on Trade of the Committee on Ways and Means

I am writing in response to learning of bill, H.R.4583, presented in the House of Representatives on April 24,2002.

This bill seeking to reduce the duty on certain straw hats classified under the Harmonized Tariff Schedule, General Subheading 6504.00.60, would cause continued hardship on our company to compete with imports of the same products manufactured in our factories the United States. We are F&M Hat Company, a 90 year old manufacturer of wool felt and straw hats, men's and women's. Our company has continued to invest in our facility located at 103 Walnut Street, Denver, Pennsylvania expanding our capacity and ability to improve our quality and have recently purchased Bierner & Son, a 43 year old manufacturer of women's felt and straw hats located in Dallas, Texas which we will continue to operate in Dallas.

F&M currently employs 150 employees between the two facilities with plans on expansion. Our products are distributed throughout the United States and Europe under our brand names as well as private labels. Our made in U.S.A. quality and workmanship has been our selling point in providing good value against the low, low prices of imports.

In addition, straw bodies are imported under tariff code Heading 6502, which can only be obtained in China, which we use to manufacture finished straw hats in our factory in the United States. If the duty is not reduced on this category we will realize an added burden on domestic manufacturing.

I ask that you do not include this bill in a miscellaneous trade package and continue to support American hat manufacturers.