

Opposition Still Ahead To Lid On Chinese Socks

Now that the United States has agreed in principle to limit the number of socks imported from China, what lies ahead?

The first step is to for the Committee on the Implementation of Textile Agreements (CITA) to ask for consultations with the Chinese officials. At that time, a quota will be placed on imports of socks from China. The limit will be the total of Chinese origin cotton and man-made fiber socks during the past 12 months plus 6 percent.

In other words, the negotiations will not turn back the clock on imports from China. But it does slow down the increase. Over the past four years, socks imports from China have jumped from 1 million dozens pairs to 42 million dozens pairs.

After the request for consultations is made, CITA "will made every effort to reach a mutually satisfactory agreement with the Government of China to ease or avoid the disruption in the U.S. market for socks within 90 days of the request."

If the mutual agreement is not reached, the quota will remain in place for one year.

Charles Cole, president of Alabama Footwear Inc. in Fort Payne, Alabama, and chairman of the Domestic Manufacturers Committee of The Hosiery Association, led the effort to limit imports from China.

"If we can slow down China's increase, it will hopefully slow down the movement of mills out of the United States," Cole said. Mills in the Fort Payne area employ almost 7,000 people.

Jim Schollaert, director of outreach for the American Manufacturing Trade Action Coalition and lobbyist for THA's Domestic Manufacturers Committee, reacted to opposition from importers and retailers.

"There will not be fewer Chinese socks at Wal-Mart...there will be more," he said. "But I can't tell you what excuse some retailer might make to raise prices."

Smaller and medium-sized hosiery companies in North Carolina generally applauded the action of CITA. Larger companies including Renfro Hosiery Inc. in Mount Airy, Gold Toes Brands in Burlington, and Moretz Inc. in Newton joined importers in opposition to the call for quotas.

Laura Jones, executive director of the U.S. Association of Importers of

Textiles and Apparel, called the action "a totally political decision that has nothing to do with reality."

"Never in the extremely lengthy history of the U.S. Textile Program have socks of varying fibers been considered together. They are completely different products, serving different parts of the U.S. market. Lumping them all together is clearly designed just to hide the fact that the trade data does not justify their decision," she continued.

Jones charged that imports of cotton socks from China are down 63 percent in the past 12 months. "How can shrinking imports hurt American sock makers?"



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