

TARIFF HEARINGS BEFORE THE COMMITTEE ON WAYS AND MEANS  
OF THE HOUSE OF REPRESENTATIVES  
SIXTIETH CONGRESS. 1908

HON. THOMAS W. BRADLEY, M. C., FILES LETTER RELATIVE TO EVASIONS OF SECTION 8, ACT OF 1897.  
Washington, D. C., December 19, 1908. Hon. Sereno E. Payne,  
Chairman Committee on Ways and Means,  
House of Representatives, Washington, D. C.

My Dear Mr. Chairman : In response to your suggestion that I file a written brief regarding alleged outrageous evasion of section 8, tariff law of 1897, in connection with imports of articles named in paragraph 153 of said tariff law, I have the honor to submit, as such brief, annexed herewith, a copy of my letter to the honorable Secretary of the Treasury, under even date; and if you deem it consistent to request that all this matter be made a part of the printed tariff hearings, so that in case any material statement be promptly questioned, I may invoke the power of the Ways and Means Committee to summon witnesses and compel sworn testimony. With best wishes, Very respectfully,  
T. W. BRADLEY.

Washington, D. C., December 19, 1908, Hon. George B. Cortelyou,  
Secretary of the Treasury, Washington, D. C.

Mr Dear Mr. Secretary: In connection with outrageous evasion of section 8, tariff law of 1897, I have the honor to file complaint and charges, as follows:

The law providing that all imported goods shall bear the name of the country of origin was first passed in connection with the McKinley tariff, and was based on a copy of the English law submitted by me to the Ways and Means Committee.

At the time our law was framed and until about 1900 the only method of stamping the firm name, trade-mark, and county of origin on pocket knives and razors was by a steel stamp or die driven deep into the tang of the blade.

It is a matter of record that subsequent to October 9, 1890, imports of German knives were, in some cases, held up until the importer had caused the word " Germany " to be stamped with a steel die on the blade tang of each knife, and this at the appraiser's stores, under the supervision of a customs employee; all this at the importer's expense. I mention this to show that stamping deep with a steel die was the manner in which German and English knives and razors were " usually and ordinarily marked." both as to the name of country of origin, trade-mark, and firm name, and that the department enforced the real intent of the law as covered by section 8 of the tariff law of 1897.

For some time, how long I cannot state, but for more than a year past German knives and razors have been passed through the port of New York with the name of the country of origin " wash stamped " instead of stamped with steel die, and have also been passed with the word " Germany " in "light etching" so shallow as to be easily buffed off. The "wash stamped" name of "Germany" being merely a composition easily wiped off with a cloth moistened with benzine. Even the firm name on front or " mark " side of blade tang is treated in same manner, so that both the name of country of origin and firm name may be easily removed and the knives and razors be then steel die stamped in this country with a name representing the product to be of American manufacture. The entire proceeding is a deliberate and carefully thought-out scheme for evading the true intent of section 8. and of placing on the American market an inferior grade of German manufacture under the guise of a reputable American product.

Five hundred thousand dollars is a low estimate, in my judgment, of the amount of German "wash stamped" product imported, and evading the intent of section 8, during the year 1908. It can readily be understood that a continuance of this practice will steadily depreciate and eventually ruin the high standing of reputable American production.

Based on information and belief, I submit the following list of importers in New York City that, in my opinion, have been and still are engaged in the practice above clearly explained:

Adolph Kastor & Bros., 109 Duane street; A. L. Silberstein. 476 Broadway; F. A. Clauberg. 27 Park Place; Alex Witte, 91 Warren street; Krusius Brothers, 296 Broadway; Westre Brothers, 148 Chambers street: Max Klass, 298 Broadway; Borgfeldt & Co., Washington Square.

Both in Newark. N. J., and in New York City are workrooms to which importers send German knives and razors to have the wash stamped " Germany " buffed off, and. in some cases, to have the wash stamped name of German maker or importer buffed off and a name similar to that of some reputable American trade-mark steel stamped in lieu thereof. Bleeker and West Eleventh street, New York City, formerly conducted by J. W. Murray, is one place where this work has been and may now be done; 298 Broadway another.

Several importers of German knives and razors have manufacturing plants in this country or close connection with such plants, and also have close connection with manufacturing plants in Germany. The firm of Adolph Kastor & Bros., with a small factory at Camillus. N. Y., and a brother conducting or interested in a large cutlery plant in Solingen. Germany, may be referred to. Hermann Boker & Co., Duane street, New York City, have a knife factory at Newark. N. J., and are closely connected with a large cutlery manufactory in Germany; but this house, with Wiebush and Hilger, of New York City, jealous of the reputation of the goods they import, would be more likely to condemn this "wash stamp " practice than to engage in it.

Several small manufacturers of American knives and razors seek to make profit at the expense of reputation out of this "wash-stamp" practice, and either import direct or through such houses as F. A. Clauberg, 27 Park place. New York City, and Borgfeldt & Co., Washington square, New York City, or others; and removing at their factories the name of the country of origin from foreign product, offer the same, with their own American name or trade-mark stamped thereon, in common with the product of their American factories.

In my judgment, based on information and belief, the following American manufacturers do this or have recently done it:

Schatt & Morgan, Titusville, Pa., and Gowanda, N. Y.

Tidioute Razor Company, Tidioute, Pa.

Case Brothers, Little Valley, N. Y.

Cattaraugus Cutlery Company, or Champlin & Co., Little Valley, N. Y.

Some manufacturers of table cutlery, shears, and other cutlery run side lines of pocketknives and razors, as the Wiss Company, manufacturers of high-grade shears, Newark, X. J., and A. F. Bannister & Co., Newark, N. J., both of whom are familiar with the "wash-stamp" practice. In fact, it is safe to state that the country of origin, wash stamped, or steel-die stamped, is steadily buffed out, or even ground out, as a matter of course, in the Newark factory of A. F. Bannister & Co.

I have not a dollar of interest in any manufacturing industry; but in my home town of Walden, N. Y., are three manufacturing plants, producing about 50 per cent of the American output of pen and pocket knives. The people of my town depend on this industry, and I am deeply concerned for the welfare of these pocketknife operatives, whose highly skilled trade will be discredited and probably ruined if this nefarious evasion of the true intent of section 8 is permitted to continue. I therefore most earnestly request, as follows:

1. That the attention of the appraiser at every United States port of entry be called to this evasion of section 8, tariff law of 1897, and instructed to refuse entry to all imported articles named in paragraph 153 of said law that do not strictly conform to the true intent of said section 8.
2. That appraisers be instructed to rule that the true intent of section 8, " Usually and ordinarily marked, stamped," etc., means stamped by steel die deep into the blade tang, and refers not only to the stamp of the name of the country of origin, but to the name of individual, firm, or corporation or trade-mark thereon.
3. If a department ruling in relation to section 8. as affecting all articles named in paragraph 153, has not been issued, that such ruling issue as promptly as practicable.
4. That, if the department can consistently do so, I be given a legal opinion as to the erasing of foreign

stamps, the restamping with intention to misrepresent and deceive, all as above referred to. and whether there be any federal statute under which persons can be proceeded against, whether amendment to the interstate-commerce law might be made to cover such cases, or whether action under the common law is the only recourse for the consumer or manufacturer injured by the kind of deception herein complained of.

Through the consideration of Hon. Sereno E. Payne, chairman. I am permitted to submit all points here mentioned to Mr. Thomas J. Doherty, assistant counsel. United States Treasury Department, assigned to the Committee on Ways and Means, with a view of amending section 8, and protecting, so far as practicable, reputable American makers of pen and pocket knives and razors, and have submitted to Mr. Doherty certain exhibits of "wash-stamped" pocket knives. Such exhibits I can submit to the department, if desired. Very respectfully,  
Thos. W. Bradley.

Washington, D. C., December 7.9, 1908. Hon. Sereno E. Payne,  
Chairman Committee on Ways and Means,  
House of Representatives, Washington, D. C.

My Dear Mr. Chairman : Since the year 1900, or thereabouts, pen and pocket knives have been imported in assembled but unfinished condition. At first the knives were sent here in a very rough, unfinished state; but after the invoice value had passed the United States appraiser and become accepted, as a matter of course more finish was gradually added to subsequent importations, until there remained no finishing to be done outside of color buffing, edge setting, cleaning, wrapping, and boxing.

As labor of the character required to complete the finishing of these knives in Solingen is not more than two-fifths the rate of wages paid to finishers in the United States, the chief incentive is now, and has been, to escape payment of full duties to the United States.

There certainly is no more fertile field for undervaluation than this practice has thus far afforded. This system has enlarged until importers like F. A. Glaubers, 27 Park place, and Borgfeldt mfc'Co., Washington square, New York City, may offer to deliver certain unfinished "wash stamped" patterns to American manufacturers at about 40 per cent less than factory cost in the United States; and business has been solicited on this basis by an importer with a view of encouraging the American manufacturer to buff off the " wash stamped " name of country of origin, etc., and, stamping in lieu thereof some American name, market the goods as an American product; thus unfairly depriving American workmen. In my judgment this unfinished business is and has been a scheme for gross undervaluation. The possibility of it was miforeseen when the tariffs of 1890, 1894, and 1897 were framed.

While I have not one penny of investment in any kind of manufacture, and have not had since first elected to Congress, my previous half century of expert acquaintance with cutlery manufacture at home and abroad has led reputable American manufacturers of pocketknives and their employees to suggest that I frame and submit to your committee an amendment to paragraph 153 that may check the undervaluation above referred to.

I therefore submit the proposed amendment on sheet annexed hereto.  
Very respectfully, Thos. W. Bradley,