

Manufacturers who seriously undertake the work of selling their products abroad should bear in mind the suggestions which always apply in the development of export trade—to write their letters and prepare catalogues in a language which the foreigner understands, to quote prices in a currency with which he is familiar, to furnish c. i. f. (cost, insurance, and freight) quotations as far as possible, to pack goods properly, to fill orders promptly and carefully, to extend a reasonable amount of credit where the standing of the importer justifies it, and to keep in constant touch with the market through representatives or by correspondence. An active campaign which incorporates these suggestions, backed by a thorough study of the foreign markets and their requirements, will undoubtedly result in a substantial increase in our exports of clothing.

Of the cost of manufacturing and selling muslin underwear, as shown by this investigation, materials averaged about 62 per cent; and of the cost of the materials, the lace and embroidery averaged about 55 per cent. Most of the lace and a still larger proportion of the embroidery used on muslin underwear are imported. The present duty on cotton laces and embroidery is 60 per cent ad valorem. When garments are exported, the exporter is allowed a drawback of 99 per cent of the amount of the duty that has been paid on the foreign materials used.

If, for instance, the cost of manufacturing and selling certain muslin underwear garments was \$12 a dozen, the average cost of materials, and of laces and embroidery, the duty paid on the laces and embroidery, and the drawback allowed on the duty would be as follows:

Cost of manufacturing and selling garments (one dozen).....	\$12. 00
Cost of materials used (62 per cent of cost of manufacturing and selling).....	7. 44
Cost in United States of laces and embroidery used (55 per cent of cost of materials).....	4. 09
Foreign cost of laces and embroidery used.....	2. 56
Duty paid on laces and embroidery (60 per cent of foreign cost).....	1. 53
Drawback allowed on garments exported (99 per cent of duty paid on laces and embroidery).....	1. 51

In order to secure the drawback, the manufacturer or exporter must first file with the Secretary of the Treasury a notice of intent to export and an application for rates of allowance of drawback. An inspector is then sent to examine the processes of manufacture and the accounts and records in the factory, in order to ascertain what proportion of the article to be exported is composed of foreign materials. An inspector also supervises the identification and loading of the packages at the port of shipment.

Within six months of the clearance of the exporting vessel a drawback entry must be prepared, sworn to, and filed with the collector of the port where the notice of intent to export was deposited. This entry, which shows the date and destination of the shipment and bears a description of the merchandise and the material on which drawback is claimed, must be accompanied by a certificate of manufacture giving a full description of the imported material, country from which imported, name of vessel in which imported, and date of arrival, the invoice value of the material, and the rate of duty paid.