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**U.S. Shrimpers Note Legal Error in Shrimp Dumping Case**  
***So-Called "Dusted" Shrimp Incorrectly Excluded from Antidumping Duties***

*Washington, DC* – In a recent filing at the Department of Commerce, the U.S. shrimp industry noted a legal error regarding the types of shrimp imports from China and Vietnam subject to antidumping duties. On November 30, the Department of Commerce confirmed that China and Vietnam have violated U.S. laws by dumping shrimp into the U.S. market at below fair value. Part of the recent ruling, however, mistakenly determined to exclude so-called "dusted" shrimp, an error that must be corrected to fully offset the market distortions caused by dumped shrimp imports.

"While the determinations of trade violations are welcome, the U.S. shrimp industry strongly objects to findings that shrimp imports that are 'dusted' with as little as four percent rice or wheat flour constitutes a different product," stated Eddie Gordon, President of the Southern Shrimp Alliance. "We will do what ever is necessary to correct this error."

So-called "dusted" shrimp refers to an insubstantial addition (as little as four percent of the total weight) of rice or wheat flour to shrimp. Even a glaze commonly used to prevent freezer burn would constitute 15-20 percent of the total weight. While the process of dusting frequently is a precursor to breading a shrimp, it does not fundamentally change the product and can easily be reversed.

By its filing, the U.S. shrimp industry is asking the Department of Commerce to recognize that not all evidence was properly considered when making the scope determination. The finding was in error because the determination fails to acknowledge evidence contradicting the "dusted" shrimp exclusion and is inconsistent with other decisions regarding the scope of the investigation issued at the same time.

The law requires that the Department of Commerce provide relief against the products described by the Petition, unless a product differs significantly in physical characteristics and uses. So-called "dusted" shrimp are not substantially different from other frozen shrimp, which is why they are covered by the Petition filed on behalf of the U.S. shrimp industry. A frozen shrimp with a very small amount of flour added, which can be easily removed upon import, competes directly with domestically produced frozen shrimp. Court precedent and previous Commerce practice supports the inclusion of so-called "dusted" shrimp in the scope of the investigation.

“The evidence shows that ‘dusted’ shrimp is not a commercially viable product. If excluded, the target countries may use dusted shrimp as a means of avoiding antidumping duties,” said Gordon.

Press reports make clear that Vietnamese exporters have already stated that they intend to export "dusted" shrimp in light of the Department of Commerce ruling.

“The Southern Shrimp Alliance believes that this faulty ruling is reversible and warns exporters to avoid relying upon this loophole. The U.S. shrimp industry will work endlessly to ensure that so-called ‘dusted’ shrimp does not undermine the relief from dumped imports,” concluded Gordon.

If the Department fails to correct this and any other erroneous decisions, the Petitioners have the option of appealing the final determinations to U.S. courts.

SSA is an alliance of the U.S. warmwater wild shrimp fishery from eight states: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana and Texas. For more information on the SSA, please visit [www.shrimpalliance.com](http://www.shrimpalliance.com).

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