



## **Shrimp Industry Poised to Lose Millions of Dollars in Relief Southern Shrimp Alliance Calls Efforts by Louisiana Shrimp Association Disastrous**

NEW ORLEANS (April 24, 2007) - The Board of Directors of the Southern Shrimp Alliance ("SSA") has called for the immediate withdrawal by the Louisiana Shrimp Association ("LSA") of its request to the U.S. Department of Commerce for administrative reviews on hundreds of foreign companies that compete with the U.S. shrimp industry, according to Louisiana board member Cathy Blanchard.

Without the withdrawal, LSA endangers potentially more than \$100 million dollars that may be distributed to the U.S. shrimp industry in 2007 pursuant to the Continued Dumping & Subsidy Offset Act ("CDSOA" or "Byrd Amendment").

Blanchard, wife of shrimper Douglas Blanchard Jr., said "Any shrimper who received Byrd funds in 2006 should be outraged at LSA's actions because LSA is likely to prevent additional distributions this year. LSA's actions are incredibly dangerous and harmful to the entire industry."

Through SSA's efforts, over \$39.6 million was distributed to over 500 Louisiana members of the shrimp industry last year and roughly \$102.3 million was disbursed to the entire domestic shrimp industry. Distributions in 2007, which could potentially match or surpass 2006 distributions, are threatened if LSA does not withdraw its requests.

"The Louisiana Shrimp Association's ill-conceived and dangerous action threatens our industry at a crucial time when we are still recovering from the devastation of hurricanes Katrina and Rita," said Cathy Blanchard. "We urge the leadership of the Louisiana Shrimp Association to re-think this decision and immediately withdraw its requests so that Louisiana industry can receive much needed assistance."

On February 28, 2007, the LSA filed administrative review requests for hundreds of companies with the U.S. Department of Commerce. If LSA maintains its requests for these administrative reviews and fails to dedicate sufficient resources to defending the trade actions, then they are affirmatively harming the U.S. shrimp industry.

Importers of shrimp products subject to the antidumping orders deposit estimated antidumping duties when bringing in shrimp. Once a year, parties are given the opportunity to request an administrative review before the U.S. Department of Commerce which may result in either an increase or decrease in the amount of duties owed. If no review is requested, the deposit rate becomes the rate at which duties are assessed and collected.

Only collected antidumping duties are distributed through CDSOA. If an administrative review is requested, antidumping duties cannot be assessed and collected until, at a minimum, the administrative review process is completed, which can take between 12 and 18 months. Administrative review results can also be appealed, further delaying assessment and collection.

Blanchard added, "the LSA's actions are disastrous because they will delay millions of dollars of Byrd Amendment funds to the U.S. shrimp industry this year and it could also eliminate or decrease the antidumping duty rates in place to offset unfair trade."

SSA is once again dedicating significant time and resources to protecting the U.S. shrimp industry from the actions of LSA. Last year, SSA used the administrative review process to expedite distribution of \$102 million of Byrd Amendment funds to the industry, to defend the antidumping duties against challenges by foreign exporters, obtain exporter cooperation in addressing circumvention and increasing U.S. Food and Drug Administration testing of shrimp imports, and to provide SSA with the financial resources necessary to aggressively defend the interests of the U.S. shrimp industry.

The SSA successfully litigated the trade case that resulted in the imposition of antidumping duties over the objections of some of the largest seafood purchasers in the country. Shortly after trade relief was won, the U.S. International Trade Commission considered whether to exclude shrimp from India and Thailand from the antidumping duties. The SSA successfully defended the antidumping orders against efforts by the Thai and Indian governments and the U.S. Department of State to get rid of the duties. The SSA was the only group representing the domestic industry in these proceedings.

During the first administrative reviews, the SSA was again the only group representing the domestic industry. By challenging exporters, the SSA was able to prevent many companies from winning reductions to their dumping rates and persuaded 26 of the 42 foreign producers that requested their own administrative reviews to withdraw their requests. As a result, the majority of shrimp imports entering the U.S. during the first administrative review period were not subject to the administrative reviews and were eligible for immediate assessment and collection of antidumping duties.

With the assistance of its Congressional allies, the SSA convinced the U.S. Department of Commerce and U.S. Customs and Border Protection to work together to ensure that a substantial amount of funds would be distributed in 2006. Because of these agencies' timely actions, over \$102 million was distributed to the domestic industry last year.

The Southern Shrimp Alliance (SSA), founded in 2002, is a non-profit alliance of members of the shrimp industry in eight states committed to preventing the continued deterioration of America's domestic shrimp industry and to ensuring the industry's future viability. SSA serves as the national voice for the shrimp fishermen and processors in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Texas. The Association is developing marketing plans for domestic shrimp, lobbying for more stringent controls and testing of banned chemicals, supporting anti-dumping duties imposed on shrimp from six countries, and working with the federal government on any and all new regulations concerning the domestic shrimp industry.

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