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**The Southern Shrimp Alliance Thanks Louisiana Governor
for Support of U.S. Shrimp Industry**

New Orleans, LA- Governor Kathleen Babineaux Blanco of Louisiana demonstrated the state's support for its shrimp industry and the state's commitment to federal free trade laws by allocating \$350,000 to the Southern Shrimp Alliance's trade action escrow account. On December 31, 2003, the U.S. shrimp industry filed antidumping petitions against six countries: Brazil, China, Ecuador, India, Thailand, and Vietnam. The trade actions aim to offset the market distorting effects of low-priced, dumped shrimp imports on U.S. jobs and the coastal communities in eight southern states, including Louisiana.

"The money will help defray the enormous costs of trade litigation faced by the Louisiana fishermen at a time when the industry is struggling under financial pressures from unfair trade," explained Scott St. Pierre, a shrimp fisherman from Galliano, LA.

As the shrimp season opens in Louisiana and across the United States, dockside prices for U.S. shrimp remain low due to the market distortions of dumped imported shrimp. According to the latest government import data, the volume of shrimp imported from almost all of the targeted countries increased dramatically over last year. Compared to March 2003, Thailand shipments were up 75% for the month of March 2004, China by 279%, Vietnam by 40%, India 22% and Ecuador by 62%. Inventories of shrimp at the start of the domestic shrimp season are higher than usual due to the spike in dumped imports prior to the possible imposition of duties, adding to the difficult market conditions facing domestic shrimp fishermen and processors.

"Without strong antidumping duties to offset these violations of the free trade laws, this shrimp season could be the last for many of Louisiana's fishermen," stated Kirk Williams, a Golden Meadow, LA shrimper. "We need our government to enforce U.S. trade laws as soon as possible."

The U.S. shrimp industry is the most valuable fishery in the United States according to the National Marine Fisheries Service and is vital to the economies of eight coastal states from North Carolina to Texas. A 2002 Nicholls University study found the shrimp industry in Terrebonne Parish supports over 3,100 jobs, \$52.07 million in salaries and wages, and \$68.83 million in sales. The study estimates the shrimp and shellfish industry to be worth \$1.9 billion to the State of Louisiana. The loss of the shrimp industry would harm severely state economies from North Carolina to Texas, which depend on shrimping revenues to provide essential services from roads to education.

In February, the International Trade Commission preliminarily found the shrimp imports have injured the domestic shrimp industry. From 2000 to 2002, the shrimpers' average daily wage fell from \$117 to \$68, tens of thousands of shrimpers and deckhands left the fishery and on-shore processors cut their work force by 41 percent (AP 3-11-04). Hundreds of shrimp boats that have been repossessed are now tied up in docks rather than employing U.S. workers.

What is most baffling is why the glut of low-priced, dumped shrimp on the market has resulted in consumers paying more for shrimp (AP (3/11/04), Wall Street Journal (10/13/03)). Food Beat Inc., which tracks menu prices, reports that shrimp prices in grocery stores and restaurants rarely decreased for any type of shrimp item between 2000 and 2003. Shrimp entrees at Landry's Seafood House increased up to 28 percent (over \$3); a Red Lobster shrimp salad jumped from \$8.99 to \$10.13 last year. In an attempt to protect their profits, importers, distributors and retailers of foreign dumped shrimp are working with the targeted countries to oppose the trade action through legal, lobbying, and media campaigns.

“The Southern Shrimp Alliance appreciates the support of the Louisiana government,” said Eddie Gordon, President of the Southern Shrimp Alliance. “Enforcing established U.S. trade laws is necessary to prevent dumped shrimp from further injuring the U.S. shrimp industry, to save our coastal communities, and to ensure consumers have the option of buying wild American shrimp in the future.”

The Southern Shrimp Alliance is a dynamic alliance of eight southern coastal states from North Carolina to Texas, representing the harvesters, processors, and distributors of American wild caught shrimp.

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