



# The Shrimp e-Advocate

News Edition

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The Southern Shrimp Alliance (SSA) is a non-profit alliance of members of the U.S. shrimp industry in eight states committed to preventing the continued deterioration of America's 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.

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## BREAKING NEWS

### Attention on FDA Reform

On October 1<sup>st</sup>, SSA's trade counsel testified on behalf of SSA to the Interagency Working Group on Import Safety that lax FDA enforcement makes the United States the most attractive market for contaminated imported shrimp. SSA argued that FDA must undergo significant reforms that include the following four fundamental principles:

- First, there must be demonstrated equivalence for seafood exporting countries and individual exporters before the FDA allows entry of imports. Such equivalence must be verified by regular foreign on-site inspections;
- Second, the FDA must impose mandatory minimum inspection and testing rates at U.S. borders well above its current 1 percent rate. For seafood products, this rate should be at least 20 percent, with testing increased as problems are detected.
- Third, the FDA must impose significant penalties for noncompliance with U.S. food safety standards; and
- Finally, the FDA must engage in increased multilateral cooperation with other major seafood importing countries.

Read the full testimony on [SSA's website](#).

SSA also welcomes renewed Congressional interest in FDA reform. On October 4<sup>th</sup>, John Williams, SSA's executive director, will testify before the House Ways and Means Subcommittee on Oversight and Subcommittee on Trade as to the importance of increased food safety enforcement.

Williams spent a significant amount of time in DC this past

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Williams spent a significant amount of time in DC this past month sharing with elected officials the elements SSA recommends as part of FDA food safety legislation. SSA recommendations, if implemented, would make FDA's food safety standards equivalent to those found in other major markets for shrimp like the EU and Japan.

## **EDITORIAL**

### **John Williams, Executive Director**

One of the food safety issues that SSA is working to address is "port shopping," or the importation of previously rejected seafood through the use of a different U.S. port. The problem is not new. In July 1999, President Clinton proposed that food refused admission to the United States be conspicuously marked, a suggestion SSA is supporting in the current discussions of how to improve food safety enforcement. However, the National Fisheries Institute (NFI) in its representation of U.S. seafood importers has long opposed prominent marking of rejected food.

In a 2000 letter to FDA, NFI defended the rights of food importers to re-export or recondition products and wrote that: "placing a conspicuous rejection mark on shipping containers, in some cases, may serve to unduly stigmatize a shipment. To avoid this problem markings could be applied with invisible ink." Talk about wanting to "clearly" mark rejected food products!

This is just one example of the great lengths NFI has gone through to frustrate improvement of the FDA's regulatory system. The intransigence of U.S. importers cannot continue to limit the reach of food safety reform. SSA will be working with our elected officials to demonstrate the fallacies in NFI's positions and push for real reforms to improve the safety of imported seafood.

## **LEGAL UPDATE**

### **First Administrative Reviews Offer Mixed Results**

The antidumping duties on shrimp imports dumped into the U.S. market between August 4, 2004 and January 31, 2006 are changing for a number of companies. The Department of Commerce announced in September the final results of the first "administrative reviews" of antidumping actions against six countries: Brazil. China. Ecuador. India.

Thailand and Vietnam. The reviews confirm substantial dumping by a number of companies, but suspended duty deposits for a few other companies for the next year.

The rulings did not affect the antidumping duties paid on the vast majority of shrimp imports from the targeted countries due to the agreements reached by SSA and 104 different foreign exporters. The agreements resulted in most shrimp imports having antidumping duties assessed at the same level as deposits were made.

To learn more about the final administrative review rates and the process, please see the [SSA press release](#) issued September 10, 2007 on our website.

### **CBP Collects on Underpayment of Duties**

U.S. Customs and Border Protection (CBP) at the Savannah Port of Entry recovered over \$2.2 million in underpaid antidumping duties on shrimp imported from China. CBP import specialists, auditors, and Immigration and Customs Enforcement agents found that while the Indonesian supplier was invoicing shrimp as Indonesian, both Indonesian and Chinese shrimp was included in the shipments. The shrimp entered the United States in 2004 and 2005 through Savannah and Los Angeles in 39 shipments.

SSA congratulates CBP for a job well done. In September, SSA had several meetings with CBP on a number of issues, including circumvention of the antidumping orders, redistribution of Byrd Amendment funds collected as a result of last year's verifications, and verification of claims for future Byrd Amendment distributions. We thank the agency for being receptive to our concerns and look forward to working with CBP in the future.

## **REGULATORY UPDATE**

### **Rock Shrimp Permits**

The December 31, 2007 deadline for rock shrimp fishermen to meet the limited access permit requirements under the 2003 Shrimp Amendment 5 "use it or lose it" policy is nearing. Under the policy, a limited access rock shrimp permit that is "not active" during a 48-month period (4 calendar year period; 2004-2007) will not be renewed. A rock shrimp limited access permit is considered inactive if the vessel does not have documented landings of at least 15,000 pounds of rock shrimp in one out of four of those

years.

If you have not met your permit criteria, please call the National Marine Fisheries Service's Southeast Regional Office to discuss ways to maintain your license, such as license transfer options--it may be possible to "restart the clock" on your permit. For rock shrimp fishermen that have met the four-year criteria, please be aware that you must again capture the minimum 15,000 pounds before the December 2008 deadline.

SSA is presently working with the South Atlantic Fishery Management Council to make improvements to these rock shrimp regulations, but this process will not be completed until late in the 2008 fishing year at the earliest.

### **Fisheries Ecosystem Plan**

The South Atlantic Fisheries Management Council (SAFMC) is developing an omnibus Fisheries Ecosystem Plan (FEP) for all fisheries under its jurisdiction. In an effort to protect various species of deep sea coral found along the east coast of Florida up to North Carolina, the SAFMC is considering various options to establish a series of 'Habitat Areas of Particular Concern' that would prohibit the use of shrimp trawl and other bottom tending gear. The draft FEP also includes proposals to establish specific "allowable trawl areas" for royal red shrimp and rock shrimp fisheries.

At the most recent SAFMC meeting it was clarified that the intent of this proposal is to restrict the operation of the rock and royal red shrimp fisheries exclusively to the allowable trawl areas and prohibit them from operating outside of these areas. In other words, the entire U.S. EEZ would be closed to royal red and rock shrimp fisheries outside of these yet-to-be-defined allowable trawl areas.

Representatives of the SSA, including Council Member and SSA Member John Wallace, strongly opposed these efforts at the SAFMC meeting. This effort will be followed by formal written comments and informational meetings with members of the SAFMC. In addition, members of the rock and royal red shrimp fisheries should plan on attending future SAFMC and related Advisory Panel meetings to get involved and voice their concerns about these proposals. The SAFMC is under a lot of pressure from the environmental community to move forward quickly with the FEP and hopes to finalize a draft for the purposes of public hearings by the end of this year. SSA will inform members of upcoming meetings as they are scheduled.

## **MEMBERSHIP UPDATE**

### **Shelby Staffer Moves On**

Ryan Welch has worked in Senator Shelby's office for six years, during which time he worked with SSA to address numerous issues that affect the U.S. shrimp industry. However, as of October 1<sup>st</sup>, Welch starts a new job as the vice president at Cauthen Forbes & Williams, a DC-based public policy consulting firm specializing in government relations, public affairs, and corporate business development. Please help us thank Ryan for his dedicated service to the Alabama and U.S. shrimp industry as we wish him well in his new career.

### **Membership Renewal Time**

It is time to renew your SSA membership for October 1, 2007 through September 31, 2008. Applications are being mailed to current members. You can also find a renewal form on the [SSA website](http://shrimpalliance.com/Registration.htm) at <http://shrimpalliance.com/Registration.htm>

The dues rates are \$100 for vessel owners, \$200 for vessel shoreside serving facilities, and \$300 for Associate Members (processors, shrimp buyers, trade associations, etc.)

Please remember to fill out the new line for your current email address, as this is how we contact members with our monthly newsletter, breaking news updates, and other important information.

## **WASI UPDATE**

### **Culinary Institute of America Press Coverage**

Chef/professors and seafood experts, Eric Schawaroch and Corky Clark from the Culinary Institute of America, recently visited Charleston in search of authentic lowcountry cooking and to learn about the American shrimping industry. Chef Schawaroch wrote about their experience for the CIA's alumni magazine, *mise en place* effectively bringing awareness of the WASI program to tens of thousands of the best trained working chefs and culinary professionals in the country. "From now on, I will be looking for Wild American shrimp - the taste and quality cannot be matched," said Chef Schawaroch.

### **WASI Hires Retail Expert**

Grocery sales and marketing expert, Joe Chiarella, has joined the WASI team to create and implement a program to work directly with retailers, restaurants, and other foodservice providers to create promotional opportunities that will increase the sales of certified Wild American shrimp.

Chiarella's career began at SmithKline Beecham [now GlaxoSmithKline], then one of the leading pharmaceutical research company's in the world. He was hired away after nearly a decade by Nestle Foods and then start-up beverage company Fountainhead Water Company where he helped to build the brand and increase sales. Testing his marketing and sales acumen, Chiarella then joined Acosta Sales, where he worked to develop sales volume for key brands such as Kodak, Gatorade, Campbell Foods, NesQuick, Blistex, Hershey, Mrs. Field's Cookies, and Tropicana.

"Joe joins us at a very important time in our growth" said Eddie Gordon, executive director of WASI. "With the successful launch of the new Certification Program and the increase in demand for certified Wild American shrimp, it was the right time to bring in an experienced professional to help us further expand our positive growth."

### **'On the Menu' Interview**

Back in August, WASI shipped out a sample of certified Wild American shrimp to Ann Haigh, co-host of "On the Menu" so she could experience the flavor difference for herself. Within two weeks, Ann contacted our public relations team with a request for an interview to learn more about WASI and the domestic, wild-caught shrimp industry. The interview ran twice on Sunday, September 16<sup>th</sup> in the Pittsburgh area and is now available online on their top-rated foodie website [www.onthemenuradio.com](http://www.onthemenuradio.com).

### **Seafood Business Article**

WASI shared the stage with the Alaska Seafood Marketing Institute in a recent Seafood Business article about effective usage of celebrity chefs and media. Citing the "Wild about Wild American Shrimp" episode of Emeril Live! on the FoodNetwork, the article elaborates on the growing trend in reaching food oriented consumers through expert and celebrity chefs.