

Testimony of The Honorable Mary Landrieu before the International Trade  
Commission  
Shrimp Sunset Review

**I. Opening:**

Chairman Okun, Vice Chairman Williamson and members of the Commission, thank you for giving me the opportunity to testify before you today. I am here to represent the hard working shrimpers, shrimp processors, and distributors in the state of Louisiana and across the U.S. I am appreciative of this Commission's efforts to ensure that our domestic industries do not continue to suffer from the unfair trading practices of other countries. I am here today to make the case in favor of continuing the 2005 antidumping orders on shrimp from Brazil, China, India, Thailand, and Vietnam. Revocation of these orders would, I believe, permanently damage our domestic shrimp industry and devastate the hard working people of my state.

**II. Importance to Louisiana:**

The shrimp industry has been a fundamental part of the Gulf of Mexico's culture for generations, and it is especially important in Louisiana. In my state, we have at least 5,000 active shrimpers and thousands of other individuals that are employed in related activities. For most of these individuals, this is more than just a job, it is a time-honored way of life. Our shrimping businesses span generations

and it is not uncommon to see entire families working together, trawling, processing, and distributing what is arguably the best tasting shrimp in the world. For hundreds of years, these families have made their homes in towns and villages along our coastal areas and bayous.

Beyond its unique cultural significance, the Louisiana shrimp industry contributes over \$1 billion annually to our state's economy. In 2009, Louisiana shrimp harvesters brought in over 113 million pounds of shrimp at a landed value of over \$120 million dollars.

In Louisiana, this massive economic impact is made by small businesses. In fact, across the country, most of our domestic shrimp fishermen, processors, and distributors are run through small family operations. These businesses that are simply no match for the large foreign enterprises responsible for dumping significant amounts of underpriced shrimp into the U.S. Revocation of the orders will surely have an adverse effect on each sector of the domestic shrimp industry, and if these businesses fail, entire communities will be devastated.

Louisiana's fresh wild caught Gulf shrimp is the one of the highest quality seafood product in the world. I understand that much of the imported shrimp is raised in unhealthy closed artificial ponds under labor conditions that could only be described as appalling. While this information may not technically relevant to the case today, I believe the safety of America's food supply is an increasingly

important issue. In response to these health concerns, Congress enacted important new food safety legislation last fall. I am confident that U.S. consumers will increasingly choose our shrimp product so long as we continue to combat unfair competition from abroad that if unchecked could drive the American industry out of business.

### **III. The Need to Combat Unfair Imports:**

Before these antidumping orders were put in place, the domestic shrimp industry was under siege by dumped imports that pushed domestic prices down to unsustainable levels. Our domestic industry was also suffering as revenues declined, decreasing the number of available jobs and reducing wages paid to the remaining workers. Another sign of the shrimp industry's struggle was the significant decline in the number of shrimp fishing licenses in Louisiana and across the Gulf. Before the orders were imposed, the number of fishing vessels declined by about fifty percent because many vessel owners stopped fishing or even went bankrupt after trying to compete with the low prices of imports. In 2010 only a quarter of Louisiana shrimpers still fish the waters along our coast. This dramatic attrition is no doubt related to foreign imports that compete on an unlevel playing field.

While the Commission will see that the domestic production data from 2010 is down from previous years due to the tragic Gulf Oil spill, there is no doubt that

the antidumping duty orders have been successful in limiting the volume of subject shrimp imports over the past five years. In fact, since imposition of the orders, the number of dumped imports has remained significantly below the pre-petition peak. More importantly, the orders have stabilized the price of domestic shrimp by enforcing a level playing field on subject import prices. Another sign of progress is that the domestic industry's shrimp production has also increased since imposition of the orders. As the volume of imports has declined, the tenacious shrimp producers in Louisiana have been able to increase production by 13 percent since 2005, when the state only produced about 100 million pounds of shrimp. Additionally, because of their increased revenues, shrimp processors have had the confidence to make capital investments such as purchasing new equipment and freezers that have helped the industry improve its efficiency and increase production.

I would like to offer two examples of how the orders have helped the people of Louisiana. First, Louis Parria is a fourth generation commercial shrimp fisherman from Lafitte, LA. After the antidumping orders were put in place, he had the confidence to purchase a 45 foot shrimp fishing vessel and finally start his own shrimping business. Due to the market stability created by the orders, he has been fortunate enough to maintain production at a profitable level and can comfortably provide for his family. If the tariffs are removed, adversely affecting

domestic prices for shrimp, his young family's financial well-being will be threatened. Moreover, it may be the end of the Parria family shrimping legacy. Continuation of these orders will allow the next, fifth generation, of the Parria family to participate in this vibrant industry.

Second, Paul Piazza & Sons is a shrimp processing facility located in the French Quarter of New Orleans. Founded in 1892, it is now being run by the fourth generation of the founding family. Since the orders were put in place in 2005, Paul Piazza has doubled both production and sales. The continuity of the orders allows this family business to continue packing and maintaining inventory levels sufficient to maintain profitability. These are just two examples of how Louisiana shrimp producers can thrive - so long as they are provided a level playing field internationally, and illegal foreign trade practices are countered.

#### **IV. Closing:**

In recent years, Gulf shrimp industry producers have proven their resolve in the face of natural and man-made disasters. The 2005 and 2008 hurricanes, the economic recession, and most recently, the massive Gulf Oil spill, have put this industry on the brink of collapse. I am proud to have worked with shrimpers, processors, customers and indeed a range of industries across the Gulf to help lead recovery efforts from all these crises. Most recently, as Chairman of the Small Business Committee in the Senate I have fought for almost a year for my

constituents to speed relief from the spill from the BP Recovery Fund and its successor the Gulf Oil Spill Claims fund. While problems still exist with the payment plans, we have made real progress for this industry, progress that could be severely jeopardized by revocation of these antidumping orders. Having recently expended significant energy and resources to recover from all of these events, the domestic industry is still fragile and is not in a position to confront the inevitable flood of underpriced imports from the subject countries if the orders are revoked.

I respectfully urge that the Commission vote to continue the antidumping orders on shrimp from Brazil, China, India, Thailand, and Vietnam. These orders have been key to the renewed viability of the domestic shrimp industry, and we must work together to ensure that our region and indeed our nation does not lose this unique and important industry.

Thank you again for the opportunity to share my views with you today.