

**FROZEN WARMWATER SHRIMP FROM BRAZIL, CHINA, INDIA, THAILAND, AND VIETNAM  
INVESTIGATION NOS. 731-TA-1063, 1064, 1066-1068 (REVIEW)**

**PUBLIC HEARING BEFORE THE  
UNITED STATES INTERNATIONAL TRADE COMMISSION**

**FEBRUARY 1, 2011**

**STATEMENT OF JONATHAN McLENDON  
CONTROLLER  
BILOXI FREEZING & PROCESSING, INC. and  
M & M PROCESSING, LLC**

Good morning. My name is Jonathan McLendon, and I am here today on behalf of Biloxi Freezing & Processing and M & M Shrimp, as well as the American Shrimp Processors Association. My grandfather started processing shrimp in Biloxi, Mississippi in 1969. My parents carried on the tradition, and I have been in the family business for nine years. I see a bright future for the newest generation of shrimp processors, but only if we can maintain these orders and protect our market from the ravages of unfair trade.

In 2005, the plant my grandfather built was destroyed by Hurricane Katrina. This is our former processing facility a few days after the storm hit, viewed from the street.



This is a rear view of our former facility.



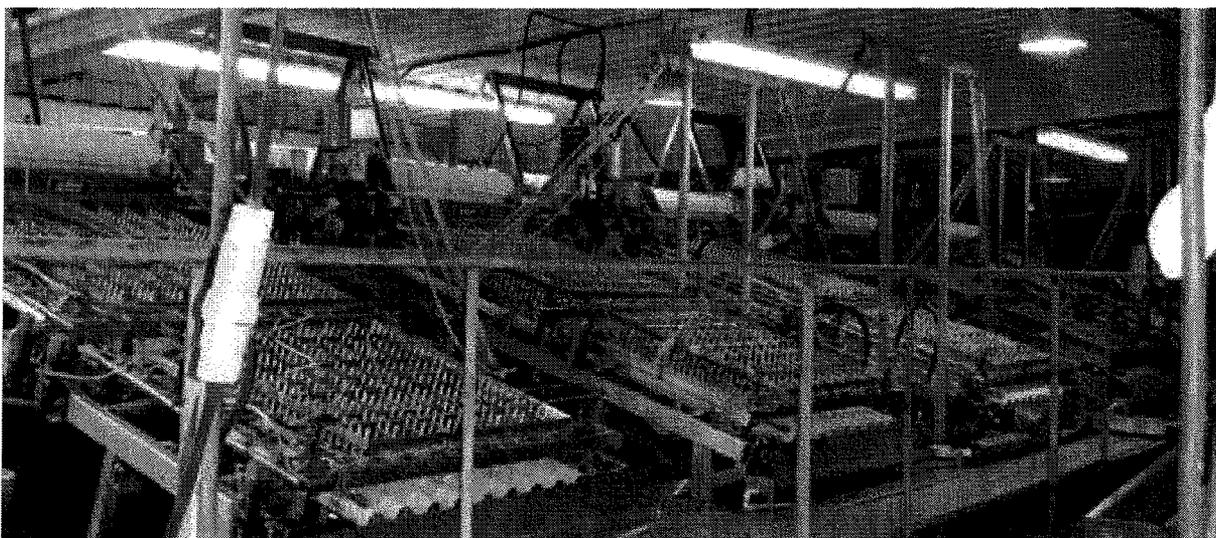
As you can see, the facility was destroyed nearly down to its foundations. It was a very challenging time for our company and for our family.

But we decided not only to rebuild the plant, but to start over with a whole new organization, to upgrade our equipment, and to invest in a 50 percent increase in our peeling capacity. Now we have an automated feed system, headless graders, two

deveining machines, and a sophisticated packaging machine. This is the inside of our new facility prior to our grand re-opening in May of 2006. You can see here a form-filled concrete mezzanine that elevates some of the equipment and thus will make it easier to rebuild should we be hit again by storms in the future.



This picture also shows our new stainless steel processing equipment, which enhances product safety and quality.



These are our new peeling machines – we now have six instead of the original four we had before the storm.

Today, I am happy to say, our plant is not only up and running, it is operating more efficiently and producing more product than it was when Hurricane Katrina hit. And we are constantly looking for ways to further improve our operations. We are in the planning phase to construct a new freezing facility that will allow us to produce individually quick frozen shrimp. We are also acquiring new state-of-the-art technology that will greatly increase our efficiency, lower our production cost, and enable us to continue to upgrade the quality of our product.

There is no way we would have made such a big bet on the future of the domestic shrimp industry if the antidumping orders had not been in place. By stabilizing prices in the U.S. market, the orders gave us the certainty that we needed to reopen our family business and transform it into a large, cutting-edge facility. But these improvements were costly, and continued market stability is essential if we are going to be able to make the returns needed to justify these investments.

If these orders go away and imports begin to flood the market once again at dumped prices, the damage will be much worse than what Hurricane Katrina wrought. Revocation would force us to postpone, and possibly cancel, our expansion plans.

As imports rise and prices drop, the impact on our business will be immediate. While we do have some short-term contracts, most of our sales are on the spot market. Our customers regularly quote us import prices, and if we cannot be competitive with those prices we cannot sell our product. We are particularly vulnerable to falling import

prices in the off-season, when we make sales from inventory that has already been paid for.

I am proud to carry on the tradition my grandfather started, and I have faith that our business will continue to grow and thrive in the years to come. But this will only be possible if we can compete in a market where everybody plays by the rules. These orders have tamed unfair dumping and given our industry hope in its future – I urge the Commission to keep them in place.

Thank you.