

**Testimony of Regina Garcia Pena, Co-Founder and CEO,
Philly Seafood Company, Inc.
Before the United States International Trade Commission
February 1, 2011**

Good morning. My name is Regina Garcia Pena, Co-Founder and CEO of Philly Seafood Company, a shrimp purchasing and distribution company based in Palacios, Texas. I grew up around the shrimp industry and am honored to testify today. My father bought his first boat in the 1950s, and today four of my brothers work in the shrimp industry. Together they run the largest family-owned shrimp fleet in the country. We buy our shrimp from them and others, and sell throughout the United States.

In the brief time I have, I'd like to make a couple of points.

First, domestic wild-caught shrimp and foreign farm-raised shrimp compete directly in the U.S. market. The determining factor is price. I sell directly to restaurants, grocery chains, and other regional distributors. I see on a regular basis that purchases are made on price.

One of my customers, a large grocery chain, does a fantastic job of marketing domestic products. This chain's primary goal is to offer its customers the best value and that comes down to price. As a result, our pricing is measured against imports and we have to stay close to remain competitive.

Another example: In 2009, a regional seafood distributor significantly increased its purchases of our shrimp because of an attractive price. In 2010, as our prices increased, the customer switched back to imports. He purchased only about twenty-five percent of what he had bought the year before. The customer was candid about the fact that price drove that decision. Price is the bottom line.

I would also like to talk about quality. The domestic industry has increased its focus on quality. I personally inspect shrimp as it comes off the boats. If it doesn't meet my strict standards, I will not buy it. I then have my own stringent specifications that my processors must meet. We start with premium shrimp when it comes off the boat and ensure that it is handled impeccably until it is sold.

Due to the demands of purchasers like me, quality has become a top priority for the boats. My family's boats have their own specifications on drag times and handling of shrimp and there are severe economic consequences for the boats if they bring in inferior shrimp.

Ironically, I started my business around the time that the surge in shrimp imports hit its peak. I have been able to grow my business in no small part due to the trade relief that we are defending today. I am living proof that these orders have helped the industry.

I am optimistic about the future of the industry and my business. Demand for our shrimp has increased as more customers get to know about our shrimp. We will be able to reach even more people if the tariffs are kept in place. Thank you.