



## Shrimp Task Force

**FOR IMMEDIATE RELEASE**  
July 29, 2004

Contact: George Felcyn  
The PBN Company  
Tel. 202-466-6210  
[George.Felcyn@pbnc.com](mailto:George.Felcyn@pbnc.com)

Jeanne McKnight/Lisa Brandli  
McKnight & Company Inc.  
Tel. 425-441-4591  
[jeanne@mcknightpr.com](mailto:jeanne@mcknightpr.com)

### **SHRIMP TASK FORCE BLASTS NEW FOOD TAX ON SHRIMP IMPORTS FROM BRAZIL, ECUADOR, INDIA AND THAILAND; VOWS TO CONTINUE FIGHT TO DEFEAT “UNNECESSARY, UNDESERVED, AND UNWISE PROTECTIONISM”**

*Washington, DC* – The CITAC/ASDA Shrimp Task Force criticized the Department of Commerce’s preliminary decision to impose a food tax on imported shrimp, vowing to continue its fight against dumping duties on shrimp imports from Brazil, Ecuador, India and Thailand.

“These four countries are not dumping shrimp in the U.S. They are efficiently producing a high-quality product, and the U.S. industry has failed to compete effectively with these imports,” said Wally Stevens, Chairman of the Shrimp Task Force. “This is a case of the current administration imposing a new food tax on millions of Americans that will do nothing to help the shrimp industry except line the pockets of a few shrimpers. It’s a classic case of unnecessary, undeserved, and unwise protectionism.”

The Department of Commerce (DOC) today announced preliminary margins on imported shrimp from Brazil ranging from zero percent to 67.8 percent, from Ecuador ranging from 6.08 percent to 9.35 percent, from India ranging from 3.56 percent to 27.49 percent and from Thailand ranging from 5.56 percent to 10.25 percent. These duties will take effect in approximately one week. The DOC denied the domestic shrimpers’ demand that these duties be applied retroactively to Thailand, but accepted the demand for one Indian exporter.

Earlier this month, the Commerce Department announced preliminary margins on shrimp imports from China ranging from 0.04 percent to 112.81 percent, and Vietnam ranging from 12.11 percent to 93.13 percent.

“The Commerce Department’s preliminary dumping calculations for all six countries in this case will do far more harm than good,” said Stevens. “Today’s decision is, plain and simple, anti-U.S. jobs. Imposing a food tax on America’s #1 seafood will hurt U.S. consumers,

restaurants, grocery stores and other industries, which together employ 20 times the number of U.S. workers than are employed in the domestic shrimp industry.”

“The fact that the preliminary duties were overall considerably lower than what the U.S. industry claimed is convincing evidence that imports are not the cause of domestic shrimpers’ problems,” continued Stevens. “This special-interest tax will do nothing to address the issues facing the domestic industry today. Because of the Byrd Amendment, U.S. shrimpers will collect special interest taxes that come out of the pockets of American companies that import shrimp and, ultimately, the pockets of American consumers in the form of higher prices. Attempting to shut out competition by imposing a food tax won’t make the U.S. industry’s problems go away.”

Analyses already released by the Shrimp Task Force found that antidumping food taxes imposed on shrimp imports could cause prices to soar, and shrimp consumption to fall dramatically, making this enormously popular seafood far less available to many Americans. In a survey of the country’s top 200 chain restaurants, Food Beat Inc. found that offerings of shrimp menu items increased 47 percent during the last five years. Another study shows a sharp increase in grocery store and retail purchases of shrimp, particularly by lower-income American consumers, during the past several years.

Shrimp imports account for nearly 90 percent of all shrimp consumed in the U.S, and imports from the six countries (including Vietnam and China) targeted by the domestic shrimpers account for approximately two-thirds of total shrimp consumption in the United States. The DOC will make its final determinations later this year, and rates may increase or decrease from the preliminary determinations. By mid-January 2005, the International Trade Commission is expected to make a final determination on the question of whether imports have injured the U.S. industry.

“The Shrimp Task Force plans to be very active in the coming months to make sure this ill-conceived tax on consumers is eliminated,” concluded Stevens. “Shrimp consumption in the U.S. has skyrocketed and is no longer a luxury item enjoyed only by the wealthiest Americans. Imports of shrimp make it possible for millions of American families to enjoy shrimp at affordable prices in hundreds and thousands of supermarkets and family restaurants.”

Copies of the DOC’s fact sheet on the preliminary decision will be available at <http://ita.doc.gov/media/>, or by calling the Office of Public Affairs at 202-482-3809.

Due to the threat that duties pose to both consumers and to the consuming industries that serve them, the Consuming Industries Trade Action Coalition (CITAC) has formed an alliance with the American Seafood Distributors Association (ASDA), bringing together concerned grocers, restaurants, processors, distributors, business councils, and U.S. exporters to form the CITAC/ASDA Shrimp Task Force. The goal of the Shrimp Task Force is to assure that the U.S. government considers all the facts, applies the law, and exercises its discretion in the case fairly and objectively, with a full understanding of the national ramifications of any decision.



## **Shrimp Task Force**

For more information on the Shrimp Task Force visit [www.citac.info/shrimp](http://www.citac.info/shrimp) or contact George Felcyn at (202) 466-6210 or [George.Felcyn@pbnco.com](mailto:George.Felcyn@pbnco.com).