

**CERTAIN FROZEN WARMWATER SHRIMP FROM CHINA, ECUADOR, INDIA,  
INDONESIA, MALAYSIA, THAILAND, AND VIETNAM  
INVESTIGATION NOS. 701-TA-491-497 (FINAL)**

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

**AUGUST 13, 2013**

**STATEMENT OF E. RICHARD GOLLOTT, SR.  
VICE PRESIDENT  
GOLDEN GULF COAST PACKAGING CO., INC.**

Good morning. I am Richard Gollott, Vice President of Golden Gulf Coast Packaging Co., Inc., which is located in Biloxi, Mississippi. I have appeared before the Commission a few times in the past to discuss the harm unfair imports cause to our industry. I am here today to ask that the Commission now find that subsidized imports are severely injuring the U.S. shrimp industry.

My family has been in the seafood processing business for three generations. I personally got started in the seafood business when I was 13 years old. In 1983, I acquired a dock in Biloxi and started unloading shrimp. We then built a facility to process that shrimp in 1984. Today, my son, two brothers and two sisters are all in the business.

My company processes and sells both IQF and block-frozen shrimp.

Most of my company's sales are through brokers. All our brokers deal in both domestic and imported shrimp. When one of our brokers gets a customer's order for shrimp, the broker will contact suppliers of both domestic and imported shrimp to get the best price for the customer.

We send our brokers our price list, and other suppliers, including importers, do the same. The brokers compile the range of prices available for any particular product from different domestic and foreign sources. They consult this list when they need to fill an order.

When our brokers call us with an order to fill, they sometimes tell us what prices are available for imported product and tell us we need to lower our prices to compete for the sales. Other times, the brokers will tell us the customer is not willing to pay above a certain amount. Usually that amount is the price of the imported product.

Sometimes, the importers' prices are so low that we cannot meet them and still cover our costs of production. When this happens, we lose sales.

For example, an importer's price list that was sent to me on June 10th quotes the price for headless, shell-on 16-20s from India at \$6.25/lb., which was about 80 cents to \$1.00 below prices for the same domestic product at that time.

My company constantly monitors import price lists like these. We have to know what prices importers are selling at in order to make our own prices competitive. Far too often over the past few years, we simply haven't been able to match these subsidized prices. If we do, we risk running at a loss, because we also need to be able to pay a price for raw shrimp that's high enough to ensure our fishermen can cover their own rising costs of production.

We, of course, recognize that this market needs imports since the domestic industry cannot supply 100 percent of demand. All we ask is a chance to compete on fair terms. When the playing field is level, the domestic industry is competitive.

I'll give you an example. We had one customer that my company had lost to Malaysia because Malaysian shrimp prices were much lower, and we couldn't meet those prices while also covering our production costs. At the end of May, the Commerce Department announced its preliminary determination that Malaysia is heavily subsidizing its shrimp industry, and bonding requirements began in June. Just as quickly as that customer dropped us for cheaper imports, he was back on the phone calling to see if he could start buying from us again. If duties are imposed, I am hopeful I will hear from many more customers with the same request. We can

compete if the prices are fair. The only way to make them fair is to impose duties that offset the big government subsidies these foreign producers receive.

If subsidized imports are permitted to flood the market and hold down prices, then the fishermen won't be able to afford to go out and harvest shrimp, and processors will not have any shrimp to process. The boats will be tied up at the docks, workers will be laid off, processors will simply close their doors, and a unique American way of life and culture will cease to exist. As someone whose family has been in the business for three generations, and with a fourth generation taking over, I ask you not to let this happen.

Thank you.