



ECONOMIC CONSULTING SERVICES, LLC

**BEFORE THE
UNITED STATES INTERNATIONAL TRADE COMMISSION**

**IN THE MATTER
OF
FROZEN WARMWATER SHRIMP FROM CHINA, ECUADOR, INDIA,
INDONESIA, MALAYSIA, THAILAND, AND VIETNAM**

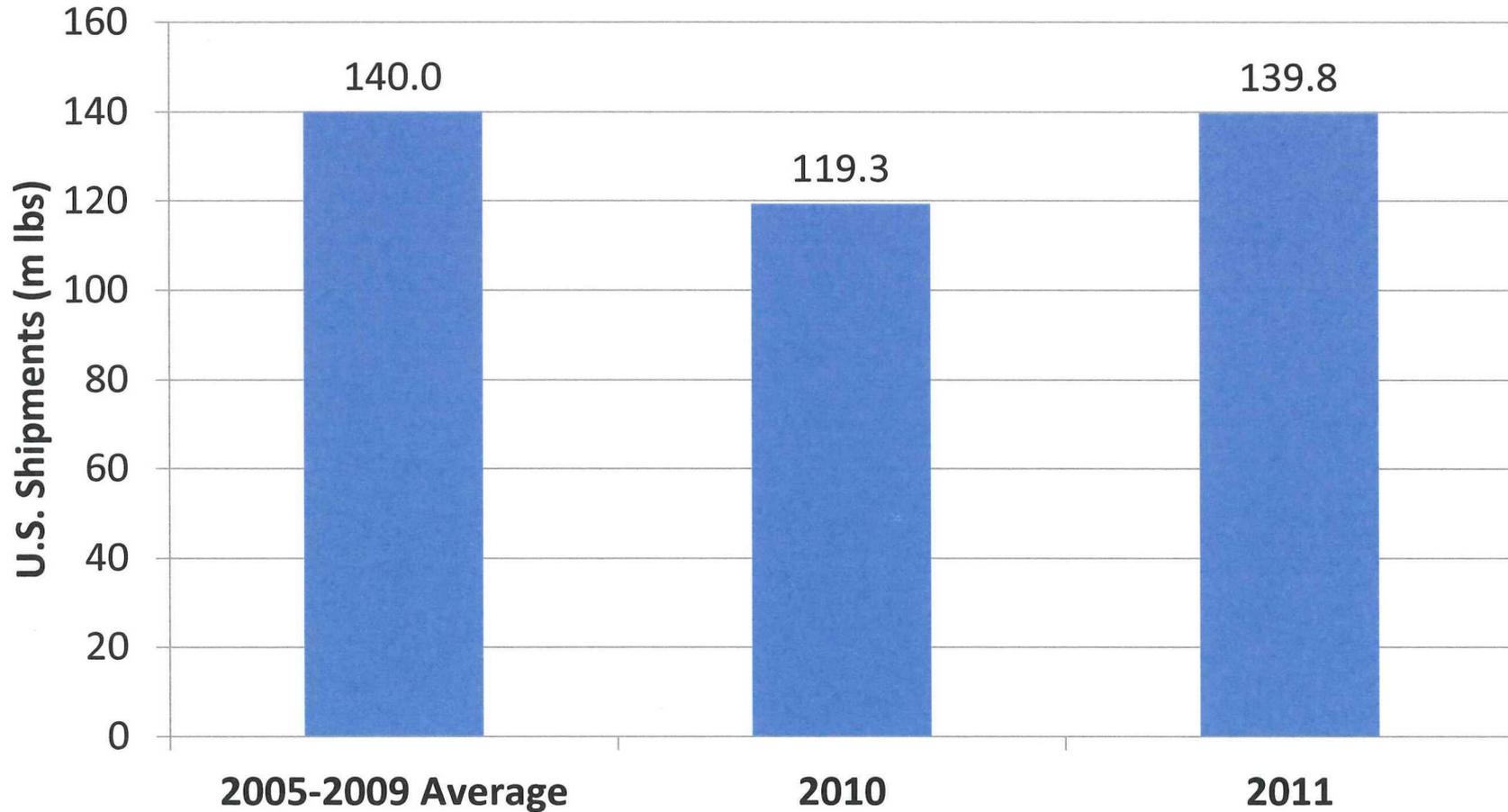
Investigation Nos. 701-TA-491-497(Final)

**EXHIBITS TO TESTIMONY OF
JIM DOUGAN
SENIOR ECONOMIST
ECONOMIC CONSULTING SERVICES, LLC**

AUGUST 13, 2013

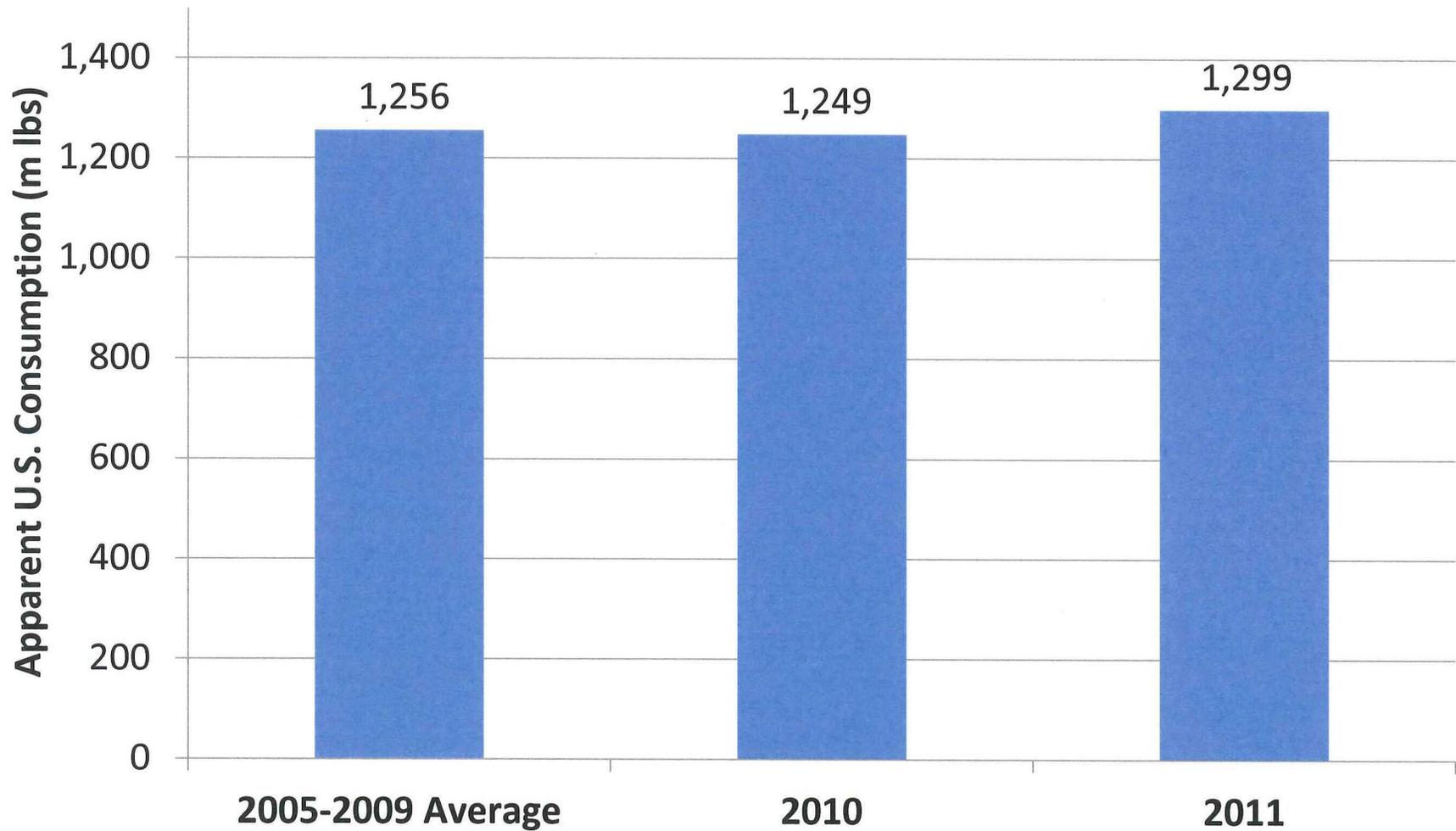
Washington, D.C.

After the BP Oil Spill in 2010, the Domestic Industry's U.S. Shipments Returned to Historical Norms



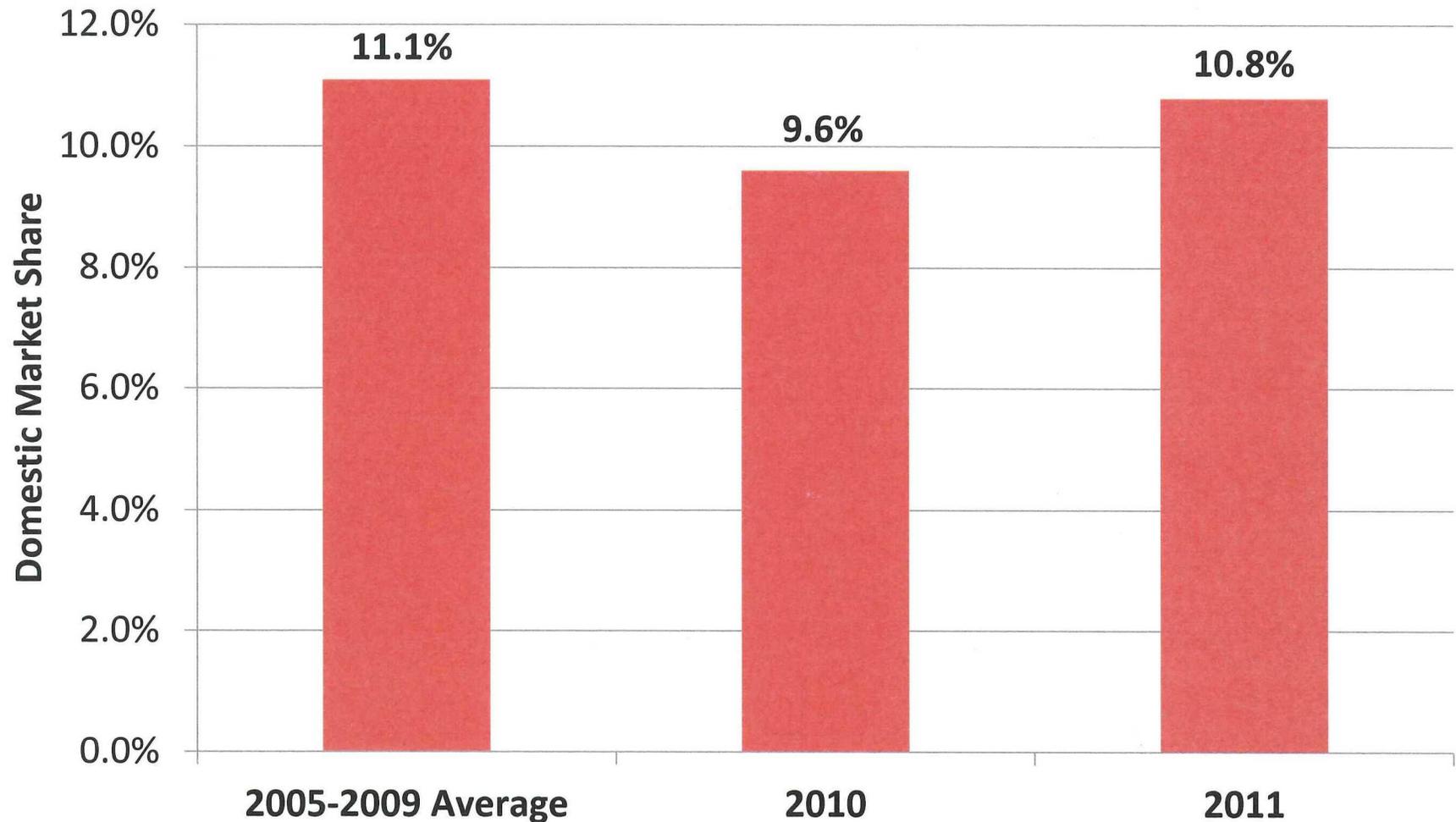
Sources: USITC Pub. 4221 at Table I-1, Prehearing Staff Report (Public) at Table IV-5

U.S. Shrimp Consumption Is Stable



Sources: USITC Pub. 4221 at Table I-1, Prehearing Staff Report (Public) at Table IV-6

After the BP Oil Spill in 2010, the Domestic Industry's Market Share Returned to Historical Norms



Sources: USITC Pub. 4221 at Table I-1, Prehearing Staff Report (Public) at Table IV-6

Subject Imports Oversold Domestic Producers in a Majority of Comparisons, and by Double the Average Margin

Product	Underselling		Overselling		% Instances Overselling
	Instances	Avg margin (percent)	Instances	Avg margin (percent)	
1	6	11.5	46	-58.4	88.5%
2	20	16.8	23	-47.9	53.5%
3	39	23.2	19	-11.4	32.8%
4	26	14.4	11	-15.5	29.7%
5	38	12.8	17	-13.8	30.9%
6	7	8.6	35	-38.2	83.3%
7	23	18.7	35	-19.6	60.3%
Total	159	16.7	186	-34.6	53.9%

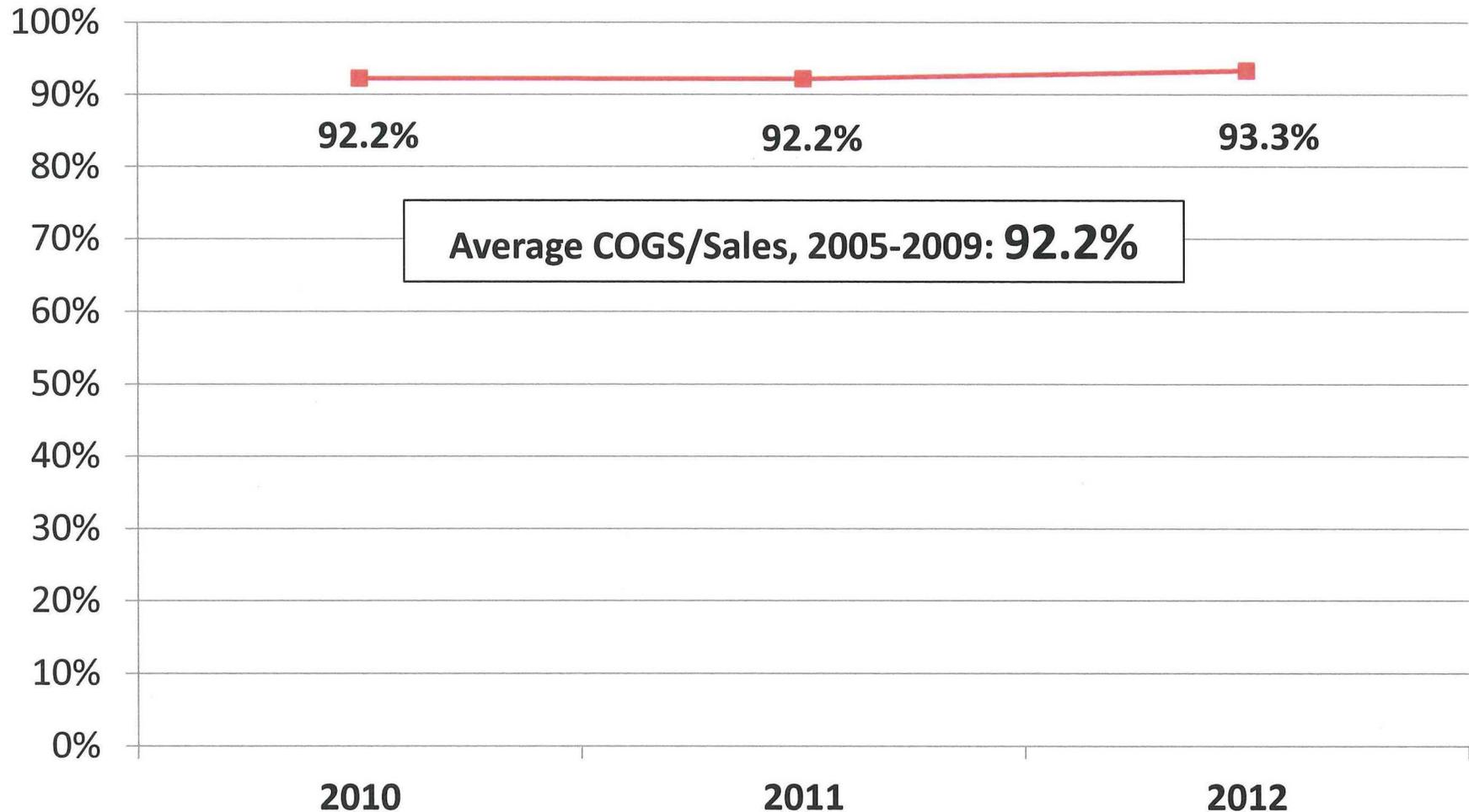
Underselling Results at the Prelim Were Comparable, Confirming That Final Pricing Analysis is Robust

Product	Underselling		Overselling		% Instances Overselling
	Instances	Avg margin (percent)	Instances	Avg margin (percent)	
1	29	12.2	69	-23.4	70.4%
2	50	13.6	33	-22.7	39.8%
3	12	10.1	63	-20.1	84.0%
4	47	12.4	47	-21.6	50.0%
Total	138	12.6	212	-21.9	60.6%

The Domestic Industry Experienced Double-Digit Price Increases for Most Pricing Products

Item	Change %	% of Instances Overselling
Product 1	-7.2	88.5%
Product 2	32.4	
Product 3	11.8	
Product 4	23.7	
Product 5	33.1	
Product 6	36.3	
Product 7	***	60.3%

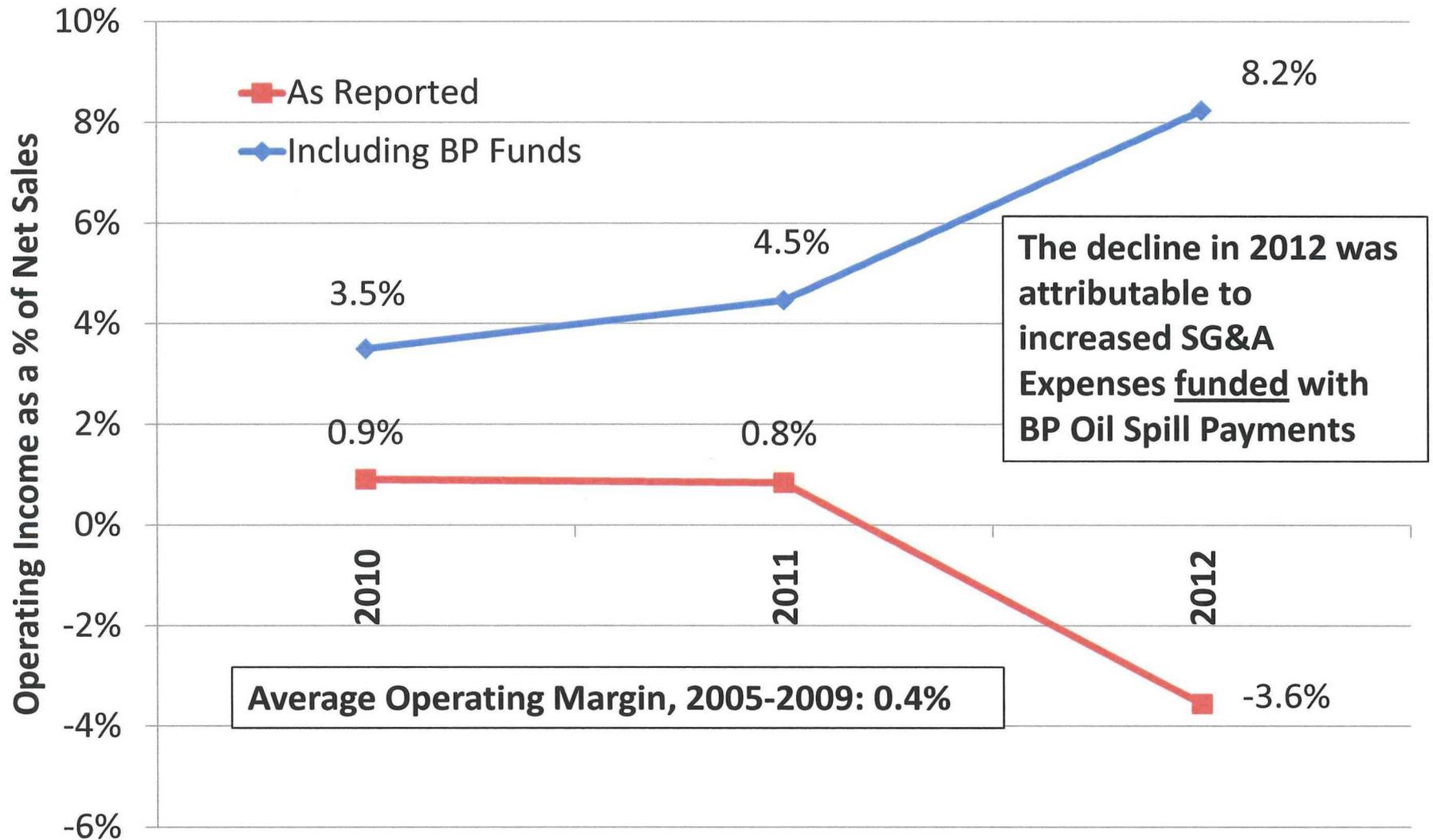
Industry COGS/Sales Ratios Were Flat and Consistent With Historical Norms



Sources: Prehearing Staff Report (Public) at Table VI-1, USITC Pub. 4221 at Table I-1

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Operating Income Should Include BP Oil Spill Payments



Sources: Prehearing Staff Report (Public) at Table VI-1 and p.VI-17, USITC Pub. 4221 at Table I-1

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Key Employment Indicators Increased Over the POI

	2010	2011	2012	% Change
Production and related workers ("PRWs")	1,980	2,055	2,050	3.5%
Total hours worked (1,000 hours)	3,787	3,903	4,166	10.0%
Hourly wages	\$11.23	\$12.02	\$11.91	6.1%

Capital Expenditures Grew by 40 % Over POI, And Exceeded Depreciation in Every Period – Even 2010

	2010	2011	2012
Cap Ex	9,997	10,282	13,980
Depreciation	5,623	6,590	6,989
CapEx/Dep. Ratio	177.8%	156.0%	200.0%