Good morning. My name is Chalin Delaune, and I am the Vice President of Tommy’s Seafood Inc., located in New Orleans. My father started Tommy’s about 35 years ago. I am the second generation in the business, together with my three brothers who are all active in the company. Ever since I was a young boy, I knew I wanted to be in the shrimp business like my Mom and Dad. Though the industry is a very challenging one, I am deeply passionate about it, and want to spend my career supporting my family in the seafood industry. As Vice President, I focus on all aspects of the business, from purchasing through production and sales.

All of the shrimp we produce is individually quick frozen, and we produce shrimp in a range of styles, including head-on, headless, peeled, and EZ peel. I understand that the foreign producers who want the existing orders revoked have argued that there is a lack of competition between domestic and imported shrimp because domestic producers either do not or cannot produce certain value-added forms of shrimp such as EZ peel shrimp and cooked shrimp. This is simply not the case. Not only do we already produce EZ peel shrimp; we have also invested in plans to produce cooked shrimp and other additional forms of value-added shrimp. For these plans to have a fair shot at success, we need the antidumping orders to remain in place.
Last year we acquired a value-added food plant and had a boiler system, steam tunnel, and other equipment installed to produce cooked shrimp. It will just get up and running this year, and after some product development efforts we hope to be fully operational this fall. We are excited to have this opportunity to expand our business and our product offerings. I am very hopeful about the future of our company. I am not content to simply tread water – I want to constantly grow and develop, to continue to build upon the legacy my parents created.

There is one major obstacle to our growth plans: imports. Easily the biggest hurdle we face is that all of the new customers we want to gain business with are already purchasing imports. And even with the orders in place, the prices for some of this imported product are extremely low, making it difficult for us to gain customers if we cannot meet the import price. We are hopeful that the quality and service we can provide will help us make inroads into this part of the market. But we need import prices to be disciplined to give us a chance. If the orders are revoked, and importers once again use price undercutting to flood the market, all of the work we have done and investment we have made will be at risk.

And I know our company is not the only one at risk. Our fishermen are constantly juggling to make sure they can cover their fuel and other costs over which they have no control in the face of dockside prices that can fluctuate sharply based on changes in import prices. I was elected Chairman of the Louisiana Seafood Promotion and Marketing Board last year, and I hear similar stories from other shrimp processors and fishermen. Though we work hard to promote Louisiana seafood throughout the country and the world, many customers are sadly misinformed about the origin of the food they eat. Restaurants take advantage of this fact, as well as inadequate labeling requirements. They seek out lower prices for shrimp, which is a center-of-the plate item where the profit on a meal is made. Despite our efforts, we continue to face many
challenges distinguishing and marketing our product in the mind of the average consumer. For far too many of them, a shrimp is just a shrimp.

This makes us particularly susceptible to unfair import competition. Even though our shrimp is wild-caught and most imports are farmed, they look the same and to many consumers they taste the same. Most customers buy both imported and domestic and both wild-caught and farmed for the same end uses. Price is thus a very important factor in purchasing decisions. Many purchases are on the spot market, where prices can and do change quickly in response to trends in import prices. These dynamics allowed shrimp from the five subject countries to gain market share at the direct expense of the domestic industry and to quickly drive down prices to unsustainable levels. If the orders are revoked, these trends will resume. With already high excess capacity and already low returns, our industry could quickly see its operating margins evaporate as we lose more sales volume and see prices crater. If fishermen cannot cover their costs, the incentive to fish will dry up and our supply will disappear. The only way to prevent this injury from recurring is to keep the orders in place on all five countries.

I have great hope for our industry if the orders are kept in place. I am committed to following in my parents’ footsteps and making my living in the shrimp industry, and I am excited about the potential for us to grow and advance. But we need a fair shot in order to make these hopes a reality. This Commission can make all the difference by voting to keep the existing orders in place on imports from Brazil, China, India, Thailand, and Vietnam.

Thank you.