

Season 3- Episode 8

Derrick Kyle: We just talked a lot about issues that are particular to trade, more broadly or including trade, what would you say are the biggest challenges currently facing shrimpers in the Gulf and South Atlantic regions of the United States?

Blake Price: Well, all of the above for sure, but certainly at the top of the list of the mass influx of farm-raised shrimp into this country. I think we need a complete consumer and public awareness paradigm shift to know what you're eating and where it comes from. If I were to ask and I do, I ask anyone I encounter, would you rather have this shrimp that was farm raised in India probably six months ago frozen and it's now on your plate in this restaurant? Or would you rather catch something that was caught last week or yesterday off the coast of North Carolina? I think the answer would be 100% the same all the time. Of course, we would like to have U.S. product. It's not that all exporters we see these problems, but it has to be addressed through increased testing. This again, in my humble opinion, the destruction of hazardous materials import and being able to have a traceability and tracking. This will benefit United States fishermen, as well as foreign entities that are trying to do the right thing. Again, trade will have its place, but it should be secondary to our U.S. industries.

Derrick Kyle: I think that's really interesting. You bring up awareness, consumer awareness. I do feel like in the past few years we've seen this in some areas. I think about farm salmon versus wild Pacific salmon, but maybe for shrimp specifically it hasn't reached that same level. I do think a lot of it is about consumer awareness.

Blake Price: Yeah, absolutely. The younger generations appear to be much more health conscious than this '80s kid here, and especially my youngest son in his early 20s. I mean, it's blows me away the things that they're looking at on the labels in grocery stores and restaurants, and that's great. We need to really highlight, especially our seafood in this country, where it comes from. Because if you want to have that shrimp from Ecuador or Vietnam that's your prerogative, and it may be just fine. But you have a right to make that choice and a lot of time labeling has been misleading. These foreign entities will often put product into grocery stores, and it will have a literally a United States, American flag on it. It'll say wild shrimp, and you flip it over and in very fine print it says product of India. It's completely misleading, and I think if people were more aware of the things like forced labor abuse, contaminants in their shrimp, banned antibiotics that's been banned in this country since the '50s. They would be a little bit more cognizant and thereby thwarting the demand for an inferior product and increasing the demand for our high superior protein product that's got sustainably here in the United States.

Derrick Kyle: It's awareness, its education, all those wrapped in. Okay, yeah, absolutely. Changing gears a little bit still on trade, has the Southern Shrimp Alliance membership seen a positive impact from recent U.S. tariffs on foreign shrimp. By this I mean they're not specific to foreign shrimp, but back in April and then implemented in early August, the reciprocal tariff,

Liberation Day tariffs, whatever you want to call them. These are tariffs on goods from other countries, including countries that supply shrimp, India, Indonesia, every country in the world, essentially. Has the membership seen a positive impact from those recent tariffs or is it not moving the needle much?

Blake Price: Well, I say yes and no. When the word tariff was mentioned by the current administration, foreign aquaculture facilities, primarily Indian, Ecuador, Indonesia, Vietnam flooded our markets at the first of this year with product fearing tariffs would come and put them out. That immediately again for all the above reasons we discussed, created a downturn in our marketability of our product. I think ultimately the answer is yes, they will. They have great potential to provide some stability to our U.S. markets. It's a numbers game, it's a supply and demand game, and it's a healthy supply and demand game. I feel like right now our U.S. fisheries should be thriving. They should be thriving for all the above reasons. But the mass influx of imports has squashed that. To some degree, the potential for those will have in certain areas will have positive impacts to our industry. But again, the game of whack-a-mole will start because those companies will sell it to other countries, other companies. We will lose the traceability and the ability to thwart those again. However again I'll push the Manifest Modernization Act and the Destruction of Hazardous Material Act as well as labeling laws at the state and federal level requirements would greatly, greatly assist.

Derrick Kyle: In addition to a potential positive impact on tariffs, that is not a golden bullet to solve many of these issues that are going on. You've mentioned a few other pieces of proposed legislation or enacted legislation, whether or not they're being enforced. It's a number of things that would need to come together to really address the multitude of issues that are facing the domestic industry.

Blake Price: You're exactly right and that is from a trade perspective. That doesn't include all of the issues that because of all of the above-mentioned problems now that our industry is facing lack of, loss of working waterfront, loss of able body of crewman to be able to work on the decks. Without a market, these guys are not going to go fishing when it's a losing proposition day after day after day. Things that we've discussed would greatly contribute to stabilizing an increase in our market. Making it the priority for U.S. consumers.

Derrick Kyle: My next question is related, it's definitely a different question, but this would be more optimistic I think. In some of these recent trade framework deals announced with other countries, including some of these countries that have anti-dumping duties on their shrimp products, I think in Vietnam for instance, these frameworks reference lowering tariffs and non-tariff barriers on U.S. goods. Do you think this can create an opportunity possibly for the export of U.S. shrimp to other markets? So far we've only talked about import but can we see a pathway for the export of this warm water U.S. shrimp to other markets?

Blake Price: Potentially, but I think I would stress that our United States shrimp fisheries and commercial seafood industries should be thriving. They should be thriving right now. There should be a huge source of United States domestically-produced product and because of the mass influx of imports that doesn't exist. With the above-mentioned reduction in our sheer fleet, our working waterfronts, I think that would be a first step before we can decide to see about how much. . . I guess we need to learn how much we can produce to export. But we provide a high-quality superior protein product as I've said. We are the largest, the United States is the largest shrimp market in the whole world. I think it's critical for consumers and industry alike to find niche markets not only in the United States, but yes in foreign nations where our far superior healthy product, heart-healthy product can be shipped. Right now, the industry's hanging on, they're hanging on and they have seen some ephemeral spikes, some increased awareness, an increase in market values on the local level here in the short term and that's great. We've seen, despite the reduction, the guys that are still hanging on are catching enough volume to help offset this much lower market. They're hanging on, but increasing our markets, our niche markets in the United States and, yes, potentially foreign with our high-quality product, we could see real change.

Derrick Kyle: Excellent. This question may be something that's been covered throughout, but I'll give you the opportunity if there's anything different or if you'd like to reiterate something you've already said. What additional trade policies would you like to see implemented on behalf of the membership of Southern Shrimp Alliance to benefit the domestic shrimp industry in the United States.

Blake Price: Yeah, I've talked about I think three of them, but that the Manifest Modernization Act.

Derrick Kyle: Can you discuss that in more detail? You have mentioned it a few times, but what specifically about that Act?

Blake Price: Absolutely. Right now, currently when product reaches our shores via cargo ship, there is a manifest associated with products on that cargo ship, specifically the country of origin and country of departure. That's a manifest. I think it was an oversight in the original legislation that when product comes into this country via truck or rail or plane, there is no manifest associated with that. It doesn't allow the traceability of knowing where the product was produced and where the product was shipped from. It doesn't allow transparency. I think the implementation of that would allow us to get a better handle on where all products are coming from specifically to seafood. When we find bad product or contaminated product we're in a better position to address it. Secondly with that would be the Destruction of Hazardous Materials Act. As I mentioned, right now when product comes into this country, if it is found with contaminants, it is simply just not allowed to be sold at that port. We often see port shopping from one port to the next. Or again that product is sent back to foreign nations. It may be sold and then it may be shipped to or sent to Mexico and Canada where they can rail it across, fly it

across, or truck it across and there again is no manifest for that. Those two pieces I think are pretty huge. Senator Cassidy recently wrote up the Label Act and this would basically require and help thwart things that I mentioned before. A product that's coming in this country package with a USA flag on the front that says wild caught. But when you flip the package over and look into the fine print, it's actually from somewhere very far away from the United States. That would greatly, greatly assist the industry, too. Finally, I would say rigorous implementation and enforcement by the federal government of the Marine Mammal Protection Act. That act basically, implemented in 1972, says, "We are not going to" – and you can read the excerpt for exact verbiage – but in essence one of the key pieces is, "We're not going to import seafood from countries that are not following the standards of their fisheries operations as the US is." Again back to our incredible federal and state fishery management regimes throughout this nation, we set our fishermen at a hugely, often burdensome standard to meet these Endangered Species Act, Marine Mammal Protection Act requirements, or just simple finfish reduction in commercial operations. But these other countries don't have that. This act, the Marine Mammal Protection Act, the enforcement of that so [that] product that is caught unethically, it may be caught illegally, it's definitely caught underreported, and it's unregulated, should not be – and it has great potential to offer harm to animals that are protected in the MMPA or in the ESA – should not be allowed to be exported to this country, period. We need strict enforcement of that. For all seafood industries, not just commercial shrimp.

Derrick Kyle: It sounds like the spirit of the law makes sense. It's just not being enforced against foreign countries or imports from foreign countries in the way it is for the domestic industry. It reminds me a bit of what I mentioned before, we've had an import ban on forced labor, goods from forced labor since 1930 or something like that. But then there was a loophole until this century, 2016. At that point, there's still issues, but the light was really shown on that particular issue only in the past decade or so. This is similar. It's an act from I believe you said 1972 or 1970 and it's not being enforced on the import regulations.

Blake Price: Yes, yeah, you're exactly right. That to me that will help identify major cruxes of the problem are increased inspection and follow-up enforcement on that. Then banning products from these countries that are not nearly following the rules and regulations and offering them bycatch mitigation measures and the protection that we are to our oceans and sounds.

Derrick Kyle: It's almost like in some ways the domestic industry is fighting this battle with one arm tied behind its back is maybe an analogy that works.

Blake Price: I think that's a great analogy. I've never worked in and around another group of folks I have so much respect. They simply want to go to work. They want to go to work. They want to provide for their family. They want to provide for their community. They want to put food on the table. It is a good, honest, hard living, and it puts food on our plates here in the United States. It should be supported, revered, and applauded for its efforts in all of the above.

All of the bycatch mitigation efforts, all the adherence to rules and regulations in in this country, all of the sustainable fishing practices where our U.S. domestic product is produced. That's great that other countries have similar operations, but they don't have them near to the level, if any of the above mentioned. What an uneven playing field and an unfair market that creates for our U.S. industry and our U.S. consumers.

Derrick Kyle: Yeah, Blake, well, I think this has been incredibly informative. I thank you for your time. I want to ask you the final question, what would be your main takeaway you have for our listeners regarding the shrimp industry or the larger industry if you want to expand it?

Blake Price: Sure, I've highlighted some of it, but I can't stress enough increased awareness. I feel like 90% of this country has forgotten that seafood does not, and food does not come from a grocery store, period and end. You have a right as a public citizen, a consumer of seafood, to know where your product came from, to know how it was produced, and make that conscious decision yourself on what you are eating and where it came from. You have a right to know that as a citizen. That can be obtained through increased awareness. Really pushing for labeling laws and the above-mentioned acts that can put a stop and at least put it major breaks on the dumping that occurs of seafood product in the United States. Our fisheries from Alaska to Maine, and I've had the fortune or misfortune to work in and around or have direct knowledge of them, can be very lucrative high-quality protein-producing seafood industries. If we can get a handle and thwart the mass influx of trade among the other things mentioned, these industries can flourish again and put healthy seafood on your plates as a citizen. I'd encourage you to get involved. I would encourage you to check out the Southern Shrimp Alliance, other seafood industry alliances. Follow us on social media. We're trying to really up the game of getting information out on the streets because I think the lack of awareness has reached just a huge tipping point that we have to thwart.

Derrick Kyle: Absolutely. Going out there and all of our listeners be informed, be conscientious consumers of seafood, and of everything. Check the labels. Yeah, sounds great. Well, once again, thank you. This has been Blake Price, the deputy director of the Southern Shrimp Alliance. And that's another episode of Torres Talks Trade. Thanks.

Blake Price: Thank you very much Derrick.