



Southern Shrimp Alliance

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April 7, 2020

The Honorable Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Ave., N.W.
Washington, DC 20250

Re: Purchasing Shrimp Through the Commodity Procurement Program

Dear Secretary Perdue,

On behalf of the Southern Shrimp Alliance and the entire U.S. shrimp industry, I am writing to commend you and thank you for the commitment you have made to Rep. Garret Graves (LA) to include shrimp in the seafood commodities purchased by the U.S. Department of Agriculture through its Commodity Procurement Program.

The women and men of our industry recognize that everyone in this nation is currently facing challenges unlike anything seen in our lifetimes. Nevertheless, commercial shrimpers are confronting a looming crisis. As reported by the American Shrimp Processors Association, who worked with Rep. Graves' office to bring these circumstances to your attention, millions of pounds of frozen U.S. wild-caught shrimp products remain in the cold storage inventory of shrimp processors and distributors around the country. In normal times, this shrimp would be delivered to restaurants and food service establishments in every state of the nation. But as this segment of our national economy has severely curtailed its operations, shrimp that would otherwise service consumer demand sits unused. Commercial fishermen in the western and northern Gulf have been told that unless standing inventory is significantly drawn down, there will be *no* purchases of shrimp landed this year by processors. Should that eventuality come to pass, thousands of families operating small- and medium-sized businesses across the Gulf of Mexico and South Atlantic will lose their livelihoods.

The commercial shrimp industry lands roughly half-a-billion dollars worth of shrimp in the Gulf of Mexico and South Atlantic each year. Those shrimp are landed by over a thousand vessels trawling in federal waters, as well as thousands more boats working state waters. Our industry represents the fifth largest commercial fishery in terms of value and the seventh largest commercial fishery in terms of volume in the country. While our fishermen are working to

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enhance and augment direct-to-consumer sales as well as expand the retail presence of U.S. wild-caught shrimp, the sheer volume of shrimp produced by the industry makes large-scale changes to supply chains in a short timeframe exceedingly difficult.

At present, the U.S. Department of Agriculture purchases four species of seafood commodities: Alaskan pollock (frozen), catfish (frozen), salmon, and tuna (canned). To facilitate such purchases, the Agricultural Marketing Service has developed technical requirements (specifications) for these goods that now include “Freshwater Catfish Fillets, Unbreaded, Raw, Frozen”¹; “Alaska Pollock Fillet Portions, Boneless, Skinless, Unbreaded, Raw, Frozen”²; and “Salmon Fillet Portions, Skin-On, Practically Boneless, Frozen.”³ The U.S. shrimp industry is well-equipped and fully capable of supplying analogous products in significant quantities that would further diversify the U.S. Department of Agriculture’s seafood commodity offerings that are, in turn, made available through federal food and nutrition assistance programs managed by the Food and Nutrition Service, such as The Emergency Food Assistance Program (TEFAP), the Commodity Supplemental Food Program (CSFP), the Food Distribution Program on Indian Reservations (FDRIP), and USDA-Food In Schools (USDA-FIS). All of us in the domestic shrimp industry are incredibly grateful for your commitment to assisting the industry and we look forward to the Agricultural Marketing Service Commodity Procurement Program’s rapid development of Federal Purchase Program Specifications (FPPS) for products of U.S. wild-caught shrimp.

The U.S. Department of Agriculture’s commodity procurement practices have had a substantial beneficial impact on the U.S. commercial seafood industries that have been able to participate. In fiscal year 2019, the agency reported \$68.4 million in Section 32 (7 U.S.C. § 612c) expenditures on Alaskan pollock and another \$25.9 million on salmon to encourage domestic consumption,⁴ and in fiscal year 2018, the agency purchased \$29.7 million in catfish to encourage domestic consumption.⁵ Beyond its Section 32 purchases, the U.S. Department of Agriculture issued ten other bid invitations for seafood commodities during calendar year 2019, ultimately purchasing an additional total of \$66.7 million in Alaskan pollock (\$46.8 million), catfish (\$3.1

¹ See USDA Agricultural Marketing Service, Federal Purchase Program Specification (FPPS) for Catfish Fillets, Unbreaded, Raw, Frozen (March 22, 2018), <https://www.ams.usda.gov/sites/default/files/media/FPPSCatfishFilletsUnbreadedRawFrozenMarch2018.pdf>.

² See USDA Agricultural Marketing Service, Supplement 509 to the AMS Master Solicitation for Purchase of Frozen Alaska Pollock Products for Distribution to Federal Food and Nutrition Assistance Programs (May 26, 2017), <https://www.ams.usda.gov/sites/default/files/media/Supplement509AlaskaPollockProductsMay2017.pdf>

³ See USDA Agricultural Marketing Service, Federal Purchase Program Specification (FPPS) for Salmon Fillet Portions, Frozen (February 12, 2019), <https://www.ams.usda.gov/sites/default/files/media/FPPSSalmonFilletPortionsFrozenFebruary2019.pdf>

⁴ See USDA Agricultural Marketing Service, *2021 Explanatory Notes*, <https://www.usda.gov/sites/default/files/documents/mrp-ams-fy2021-congressional-justifications.pdf>

⁵ See USDA Agricultural Marketing Service, *2020 Explanatory Notes*, <https://www.obpa.usda.gov/21ams2020notes.pdf>

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million), and salmon (\$16.7 million). The purchase of up to twenty million pounds of wild-caught warm-water shrimp would similarly provide substantial benefits for our industry at a vital time.

The U.S. shrimp industry now faces an unprecedented challenge as the result of the public health safety measures necessary to combat the pandemic of COVID-19. By taking immediate action, the U.S. Department of Agriculture can make a massive difference to safeguard the well-being of coastal communities that depend on working shrimpers. Moreover, I believe that the Americans served by the agency's remarkable food and nutrition assistance programs will benefit from access to another wholesome, healthy protein option: U.S. wild-caught shrimp.

On behalf of the members of the Southern Shrimp Alliance, I wish to express our sincerest appreciation for your leadership, as well as the efforts undertaken by Rep. Graves and the American Shrimp Processors Association, to address a source of great anxiety for our industry. We look forward to the Agricultural Marketing Service's rapid engagement with the industry to quickly make progress on the steps necessary to facilitate the purchase of domestic wild-caught shrimp.

Thank you for any consideration you are able to give to this correspondence. I am available to address any questions you might have regarding this correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read "John Williams". The signature is fluid and cursive, with a small mark above the "i" in "Williams".

John Williams
Executive Director

cc: Representative Garret Graves (La-6th Dist.)
Greg Ibach, Under Secretary for Marketing and Regulatory Programs, USDA
Brandon Lipps, Deputy Under Secretary, Food, Nutrition and Consumer Services, USDA
Bruce Summers, Administrator, Agricultural Marketing Service, USDA
Pam Miller, Administrator, Food and Nutrition Service, USDA
Jean Daniel, Director, USDA's Office of the Executive Secretariat
Evan Lee, Chief of Staff, USDA's Office of Congressional Relations