

**SC Shrimp Fishery Assistance  
Fifth Semiannual Progress Report  
(Award NA03NMF4520254)**

Progress Report for 6/01/2005 to 12/30/2005  
Submitted February 8, 2006; revised and resubmitted March 15, 2006

**Summary:** Major activities for this interval were (1) quality programmatic activities of the Shrimp Quality Extension Associate and Shrimp Quality Extension Assistant, (2) initiation of the pilot quality inspection program, (3) continued assistance to the industry from the Sea Grant Extension Associate, (4) support to the Southern Shrimp Alliance Trade Action on behalf of the industry, (5) development of a shrimp marketing board by SC Shrimpers Association.

**Introduction:** The United States Congress under the leadership of Senator Fritz Hollings appropriated approximately \$5.6 million to assist the South Carolina shrimp industry in 2003. The first appropriation is ~\$2.0 million in economic and marketing assistance for South Carolina shrimp fishermen (\$1,500,000 less the NOAA/NMFS recission of 0.65% or \$1,482,100 for "South Carolina Shrimper Assistance" and \$500,000 less the NOAA/NMFS recission of 0.65% or \$494,100 for "South Carolina Seafood Marketing") within the National Marine Fisheries Service (NMFS) appropriation. The second is the South Carolina share (\$3,658,916.00) of \$17.5 million dollars appropriated in the Omnibus Bill [PL 108-7, Consolidated Appropriations Resolution, 2003. Section 501(d)(1) Fisheries Disasters] for shrimp fishery in the South Atlantic region (South Carolina, Alabama, Florida, Georgia, Louisiana, North Carolina and Texas).

The South Carolina Shrimp Fishery Assistance proposal was developed as a result of and in response to collaborative planning by the South Carolina shrimp industry facilitated by Clemson Extension personnel and involving the South Carolina Shrimpers Association, the South Carolina Seafood Alliance, the Southern Shrimp Alliance, individual fishermen, dock owners, shrimp-related businesses, the South Carolina Sea Grant Consortium, Clemson University, the South Carolina Department of Natural Resources - Marine Resources Division, and the Berkeley-Charleston-Dorchester Council of Governments. The proposal specifies both the short-term need to provide immediate economic assistance to South Carolina shrimpers and longer term approaches consistent with language contained in the appropriation specifying the uses of funds for purposes including (a) personal assistance, (b) small business assistance, (c) domestic product marketing and promotion and (d) state seafood testing programs. It also specifies additional elements necessary to create a sustainable shrimp industry in South Carolina, the South Atlantic and the nation including creation of a comprehensive risk management program, exploration of the feasibility of establishing a regional shrimp processing facility(ies), improving the profitability of direct marketing by small docks to local retail outlets, and establishing "traditional use" local zoning ordinances to protect industry access to increasingly valuable and scarce local docking facilities. Finally, quality assurance was identified as one of the most important elements in a sustainable shrimp industry because standards of quality at each stage of production are a core element of a domestic marketing program. Partnership activities are described at the recently updated South Carolina Shrimp Industry Partnership website: <http://www.clemson.edu/scshrimp/index.htm>

Activities addressing the industry's needs and objectives during the fifth six-month interval in the project are summarized below. The following describes activities (by objective)

associated with the SC Shrimp Fishery Assistance project (Award NA03NMF4520254; Clemson University # 208-2093707) for the interval from 6/01/2005 to 12/30/2005.

#### **2.4.d. Marketing - South Carolina Shrimpers Association**

As indicated in previous progress reports, the SC Shrimp Industry Task Force voted to provide \$200,000 for local marketing of SC wild-caught shrimp. The SC Shrimpers Association developed a proposal to apply these funds to a shrimp marketing board to serve the marketing function for the entire industry. That proposal was reviewed by appropriate Clemson University shrimp grant experts, approved by the Shrimp Industry Taskforce and the project manager, and subawarded to the SC Shrimpers Association in August 2005. Elected officers of the Shrimpers Association now serve as the SC Shrimp Marketing Board.

In the first six month of the active sub-award to the SCSA for the shrimp marketing board, the following has been accomplished: A search panel for a marketing administrator was assembled from the members of the marketing board; the marketing administrator position description was developed and the position was advertised. The Board hired a Marketing Administrator, Ms. Georgia Tisdale, on November 17, 2005. Ms. Tisdale was Shrimp Quality Extension Assistant prior to that time. Since she was hired into the position, Ms. Tisdale has purchased supplies and equipment for activities, begun contacts with industry, pursued interests and possible cooperatives for web marketing, and implemented advertisements. With the Board, she has met with WASI personnel to communicate about marketing efforts and has investigated the best way and site for block freezing and storage. SCSA members have established conversations with the SC Seafood Alliance. A website developer has been secured. SCSA is beginning the pursuit of grants for marketing and infrastructure funds. As a first step in that process, Dr. Mark Henry (Department of Applied Economics & Statistics) is assisting SCSA with development of a business plan.

#### **2.5.a. CU Extension Facilitator**

Per the most recent progress report (SC Shrimp Fishery Assistance Fourth Semiannual Progress Report, for 12/01/2004 to 06/30/2005), 0.05 of the time of Donald B. "Chip" Boling, Jr., Clemson Extension agent (Community Leadership & Economic Development), was allocated to the project during this period. Boling continues to play a key role in grant-related activities in supervising the newly hired grant-funded shrimp quality extension associate and assistant and other industry activities.

#### **2.5.b. Sea Grant Extension Specialist**

The SC Sea Grant fisheries extension specialist, Amber Von Harten, continues to provide technical and extension support to the SC shrimp industry. Note that salary and operating for Von Harten are now covered by SC Sea Grant. Relevant activities included:

- Participating in workshop on black gill disease and disseminating information on the current status of outbreaks and research regarding penaeid shrimp infection to the SC shrimp industry.
- Collaboration with the Clemson Extension shrimp quality extension associate on various shrimp quality efforts to include organizational meetings to plan extension efforts with the industry, development of a marketing proposal for use of industry economic assistance funds, and review of scientific literature on industry infrastructure issues (processing, packaging, quality, marketing, by-products, etc.) for a forthcoming report.

- Organized and facilitated meetings for the SC Shrimper’s Association regarding training on filing paperwork for the Byrd Amendment claims for 2005. Two regional meetings were held (~80 attendees) as well as one-on-one consultation with ~ 22 members of the shrimp industry.
- Assisted the SC Shrimper’s Association with their on-going shrimp industry infrastructure project by providing printed resources and relevant industry information to Kinghorn, Hilbert, & Associates, a lobbying/marketing firm hired by the industry.
- Assisted the S.C. Shrimper’s Association in formalizing a bid package (criteria & specifications) for soliciting bids for marketing research through the Clemson University Procurement Services Division.
- In collaboration with the SC Aquarium’s Sustainable Seafood Initiative (SSI), researched and presented information to the shrimp industry regarding the Marine Stewardship Council certification program for sustainable fisheries. At the industry’s request, the pre-assessment phase is being pursued and information regarding bids and funding is being gathered by SSI and SC Sea Grant extension staff.
- Facilitated communication and meetings between the SC Seafood Alliance and the SC Shrimper’s Association in an effort to re-establish collaboration between the groups and help re-instate the shrimp industry presence on the SC Seafood Alliance board.
- Presentations made regarding work with the SC shrimp industry included:
  1. Poster presentation at the American Fisheries Society (Anchorage, Alaska, September 2005) entitled, “Making the Fisheries Extension Connection: SC Sea Grant Extension & the SC Shrimp Industry Crisis.”
  2. Oral presentations to two community groups entitled, “The SC Shrimp Fishery: A Biological and Economic Overview.”

**2.7.a. Quality Shrimp Quality Extension Associate.**

In response to the Wild American Shrimp, Inc. board’s expressed willingness to adopt WASI (USDC equivalent grade “A”) standards for certification, the SC Shrimp Industry Task Force requested Clemson University to hire a Shrimp Quality Extension Associate to assist the industry in meeting these standards. The Task Force committed to providing \$200,000 from grant funds for this purpose over a three-year period. The responsibilities include (a) educating the industry at all levels regarding the WASI quality standards and (b) working with the boats, docks, processors and end-use marketers (e.g, restaurants and retailers) to assure that quality is preserved all the way to the consumer.

During the six month period between June 1 and November 30, 2005, activities of the Shrimp Quality Extension program, directed by Jason Goins, were mainly focused towards the development and implementation of the Wild American Shrimp, Inc. (WASI) new quality certification program. Following a Mark of Quality (MQ) meeting held in Atlanta, GA during May 2005, Goins volunteered to summarize the meeting and develop a Pilot Program Proposal for the WASI Board of Director’s approval. The proposal was developed based on information discussed at the MQ meeting. The result was a Pilot Program that utilized a self-inspection procedure with third-party training and verification. The standards were consolidated and made more stringent than the original USDC ‘Grade A’ derived standards. Upon its completion, it was passed among the MQ team members for their comments, and then presented to the WASI Board of Directors. The Board of Directors asked the WASI staff to develop and test a Pilot Program that would allow the proposed self-certification operations and contain standards that were an

industry premium based on the proposals discussed during the meeting. As of November 30, 2005, Goins had assisted the WASI staff in implementing the self-certification Pilot Program to 3 WASI affiliate docks in South Carolina (C.A. Magwood and Sons, Port Royal Seafood, and Crosby's Fish and Shrimp Co.). During the implementation and Pilot operation, Goins assisted WASI in obtaining industry feedback and adjusting the program for increased efficiency, and assisted the industry in attaining the certification standards. As the Pilot progresses, Goins has made a priority to offer the services of the United States Department of Commerce to inspect frozen product for WASI certification under the old standards to any facility that is interested in signing on as an Affiliate.

During this time, efforts were devoted to assisting the South Carolina Shrimpers Association in the development of a proposal to access \$200,000 in funds designated for a South Carolina marketing program. The proposal was completed and the elected officers of the Shrimpers Association now serve as the South Carolina Shrimp Marketing Board. They have hired a Marketing Administrator, Ms. Georgia Tisdale. Ms. Tisdale was the Shrimp Quality Extension Assistant until she began work for the Marketing Board after November 17, 2005.

Other activities that have occurred during this period are as follows:

- Goins and Tisdale conducted an industry-wide program focusing on quality and WASI on June 2, 2005. There were 61 industry members in attendance.
- Goins and Tisdale gave updates concerning WASI and quality initiatives at a July 18, 2005 SC Shrimpers Association Southern Chapter meeting.
- Goins, Tisdale, and Chip Boling met with Ms. Edith Saa Collantes, Director of the Chile Department of Fisheries. Ms. Saa visit was sponsored by the South Carolina World Trade Center.
- Goins and Tisdale accompanied Gardner McClellan, Captain, F/V Miss Georgia, on a day of shrimp trawling.
- The South Carolina Shrimp Industry Partnership website was completely reorganized and updated. The web site address is: <http://www.clemson.edu/scshrimp/index.htm>
- A newsletter was distributed for Fall/Summer 2005. The document stressed practices to maintain good shrimp quality during the hot summer months.
- Goins and Tisdale participated in recording a "Your Day" radio broadcast at Crosby's Fish and Shrimp Co. that focused on the SC shrimp industry. The recording was aired on September 28, 2005.
- Goins and Tisdale participated in filming of a video news release by Clemson University Media Relations personnel.
- A relationship with the Employment Security Commission was established to begin a labor recruitment program for the industry once it begins experiencing an economic turnaround.
- Current processing opportunities in South Carolina were investigated with the help of the South Carolina Department of Agriculture. The information was forwarded to the SC Shrimpers Association to help with their efforts to develop new infrastructure for the SC shrimping industry.
- The SC Shrimping industry was represented at the Coastal Carolina Fair. Most volunteer hours were put forth by Ms. Tisdale.
- The SC Shrimp Industry was represented at meetings conducted by the Hauser Group (marketing firm of WASI) for planning and feedback.
- Goins spoke at a South Carolina Specialty Food Products workshop that highlighted South Carolina food product niche marketing programs.

Immediate goals of the program involve the continuation of the WASI Pilot Program and its development, the “signing-up” of other facilities interested in the WASI program and certification of any frozen shrimp by USDC, and cooperative efforts with Ms. Amber Von Harten of Sea Grant to compose a SC shrimp industry resource document.

Future efforts include the cooperative work with the MQ team in the development and application of WASI training materials. Work is also underway to develop a training program focused on maintaining quality to deliver to the retail sector of the SC shrimp industry.

#### **Contract with Southeast Seafood Inspection Office:**

In conversations with WASI, the US Department of Commerce/NOAA/NMFS Southeast Seafood Inspection Office agreed to provide the inspection service for WASI products. Per previous progress reports, the SC Shrimp Industry Task Force voted to provide up to \$30,000 to contract with the Southeast Seafood Inspection Office to inspect SC shrimp to meet WASI certification and the Department of Commerce approved Clemson’s allocation of grant funds for this purpose. The pilot program is designed to allow the industry to 1) become familiar with USDC quality concepts, 2) evaluate the value of the quality inspection and certification program impacting shrimp prices, and 3) determine the volume of SC shrimp to meet quality targets.

Mr. Tom Claxton of the NOAA Fisheries Seafood Inspection Office began inspections during this six month period. With WASI personnel and Jason Goins, the Shrimp Quality Extension Associate, Mr. Claxton visited Carolina Seafood, Magwood’s Seafood, Crosby’s Seafood, and Port Royal Seafood, to test the initial WASI quality standards for inspecting wild-caught South Carolina shrimp.

#### **Southern Shrimp Alliance Trade Action:**

With the encouragement of the South Carolina Shrimp Industry Taskforce and after authorization by NOAA-NMFS, Clemson University redirected \$150,000 of that portion of the grant approved for contractual services under “2.4.d. Marketing Activities” to the Southern Shrimp Alliance. The funds were directed to the SSA Trade Action Trust Account to fund trade actions examining violations of U.S. trade laws by six countries: Brazil, China, Ecuador, India, Thailand, and Vietnam. Thus, the South Carolina shrimp industry continued to participate and contribute to the ongoing trade actions because it will benefit directly from imposition and defense of anti-dumping duties. The sub-award to SSA was effective June 1, 2005. On August 5, 2005, Clemson’s Office of Sponsored Programs submitted the agreement between SSA and Dewey Ballantine, LLP, and, in compliance with the special grant condition, requested approval to begin monthly payments on August 31, 2005. Approval has been received and the \$150,000 has been allocated to the SSA.

#### **Additional Relevant Information:**

The final report from Dr. Norman’s and Ms. Jodice’s Gulf and South Atlantic Fisheries Foundation funded project “Developing the shrimp-tourism relationship through a combination of culinary research, chef training and tourist education” is now available at <http://www.hehd.clemson.edu/PRTM/special/Finalreport.pdf>