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**COURT INVALIDATES THE EXCLUSION OF "DUSTED SHRIMP" FROM
THE SCOPE OF THE ANTIDUMPING DUTY ORDERS ON FROZEN SHRIMP**

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On July 1, 2009, the Court of International Trade (CIT) ruled that the Department of Commerce unlawfully excluded "dusted shrimp" from the scope of the antidumping duty investigations on frozen warmwater shrimp from Thailand, Brazil, Ecuador, India, China and Vietnam. Ad Hoc Shrimp Trade Action Committee v. United States, Slip Op. 09-69. The CIT found that Commerce's decision to exclude dusted shrimp over the objection of the domestic industry was unsupported and therefore contrary to law. The CIT remanded the final determinations to Commerce to reconsider the exclusion for dusted shrimp, and to file its remand determination with the court within 90 days.

The antidumping duty orders on frozen shrimp currently exclude dusted shrimp have the following characteristics:

Dusted shrimp is a shrimp-based product: (1) that is produced from fresh (or thawed-from-frozen) and peeled shrimp; (2) to which a "dusting" layer of rice or wheat flour of at least 95 percent purity has been applied; (3) with the entire surface of the shrimp flesh thoroughly and evenly coated with the flour; (4) with the non-shrimp content of the end product constituting between four and 10 percent of the product's total weight after being dusted, but prior to being frozen; and (5) that is subjected to IQF freezing immediately after application of the dusting layer.

Slip Op. 09-69 does not immediately impact this scope exclusion, and dusted shrimp satisfying the above criteria should continue to be exempt from the antidumping duty orders. However, following completion of the remand proceedings, and related proceedings that presumably would be required by the International Trade Commission to amend the final injury determinations, the scope exclusion for dusted shrimp may be eliminated.

If you have any questions concerning this court decision or the antidumping duty orders on shrimp, please feel free to contact our offices.