



Bumble Bee Foods, LLC
P.O. Box 85362
San Diego, CA 92186-5362
9655 Granite Ridge Drive, Suite 100
San Diego, CA 92123
(858) 715-4000 Ph.
(858) 560-6045 Fx.
<http://www.bumblebee.com>

Mr. William D. Jackson
Deputy Assistant U.S. Trade Representative
Chairman, GSP Subcommittee
Trade Policy Staff Committee
Office of the U.S. Trade Representative
600 17th Street NW
Washington, D.C. 20508

Dear Mr. Jackson:

On behalf of Bumble Bee Foods, I would first like to thank you for the opportunity to provide comments on the Generalized System of Preferences (GSP) case (003-CP-11) concerning whether the Republic of Fiji provides its workers internationally recognized worker rights. Bumble Bee Foods, LLC (BBF) is an American owned and operated company that has provided shelf stable seafood products to U.S. consumers for more than 110 years. We are currently the largest branded seafood company in the United States and North America with annual revenues approaching \$1 billion and employ more than 1,000 people. BBF has a long-term supply agreement with the Pacific American Fish Company Limited (PAFCO), to supply our company with tuna loins. PAFCO produces frozen tuna loins at its facility in Fiji and then ships them to Bumble Bee's U.S. facilities where they are further processed into canned tuna products.

BBF is deeply concerned about the potential negative impacts of removing Fiji from the list of eligible countries of the Generalized System of Preferences (GSP). The conflicts and violence between Fiji's current governing regime and the Fijian workforce are important and must be addressed. However, the recent decrees promulgated by Fiji's governing force do not affect PAFCO workers. More broadly, in the Fijian manufacturing industry, the fisheries sector has operated and continues to operate without hindrance or problems.

PAFCO is located in the small town of Levuka on the island of Ovalau. The town population of Levuka is about 1200 inhabitants compared to the total island population of about 8300. As the largest private employer on the island, PAFCO currently employs between 903 workers. The PAFCO factory is located outside the main metropolitan area of Fiji. Workers are drawn from the villages and settlements around Ovalau; 99% of PAFCO employees are indigenous and more than 70% of the workforce is female.



Bumble Bee Foods, LLC
P.O. Box 85362
San Diego, CA 92186-5362
9655 Granite Ridge Drive, Suite 100
San Diego, CA 92123
(858) 715-4000 Ph.
(858) 560-6045 Fx.
<http://www.bumblebee.com>

There are two major unions currently organized in the PAFCO facility; approximately 90% of PAFCO's employees are unionized. Today there is a collective bargaining agreement in place with management, and the surrounding settlements have a workers' representative who provides a direct link between management and the employees. PAFCO management works diligently with the union representatives in order to keep the plant open and productive and the workforce satisfactorily protected and compensated. Terms and conditions for employment are contained in the collective agreement, which is reviewed annually and generally reflects requirements under the Employment Relations Promulgation of 2007. The hourly wage rate for the workers at PAFCO is higher than the minimum rate set by the Wages Council. Apart from the benefits required by law—annual leave, maternity leave, sick leave, holiday pay, overtime pay, and provision of personal protective equipment—PAFCO pays out unused sick leave as a bonus at the end of each year. Additionally, a retirement benefit is created when an employee reaches the retirement age of 60 years, and special bereavement benefits are paid to next of kin on the death of an active employee. Lastly, after a three-year lapse, there was a special Union Annual General Meeting (AGM) on September 14, 2012. PAFCO stopped production for the entire day to allow maximum attendance. As a result of these efforts, there has not been a major industrial dispute in nearly a decade.

As previously stated, the problems and conflicts between Fiji's current governing regime and Fiji's Unions and workforce are not present in the fisheries sector, and certainly are not found within PAFCO. PAFCO and its workforce have a satisfactory and mutually beneficial working relationship. However, that situation could change if Fiji is removed from the list of GSP's eligible beneficiary developing countries, to the detriment of PAFCO and its employees.

BBF's longstanding agreement with PAFCO is critical to PAFCO's continued security and success. BBF is PAFCO's largest customer: without BBF, the future of PAFCO would be uncertain at best. For the long-standing agreement between BBF and PAFCO to continue, it must remain economically viable for BBF to keep PAFCO and Fiji as part of their supply chain. The duty-free entry of Fiji's exports into the U.S. market is a vital component of that viability. If Fiji were no longer eligible for the Generalized System of Preferences (GSP), Bumble Bee's costs would increase by approximately \$200,000, significantly decreasing the economic incentive to use PAFCO as a supplier. Without GSP, BBF would be faced with the difficult decision of whether to decrease our business with PAFCO or pull out entirely. If our partnership with PAFCO becomes less secure, so too will the hundreds of jobs that depend on our business.

In conclusion, when reviewing the AFL-CIO petition to remove Fiji from the list of eligible GSP countries, I strongly urge you to consider all possible effects of such an



Bumble Bee Foods, LLC
P.O. Box 85362
San Diego, CA 92186-5362
9655 Granite Ridge Drive, Suite 100
San Diego, CA 92123
(858) 715-4000 Ph.
(858) 560-6045 Fx.
<http://www.bumblebee.com>

action. The conflicts in Fiji need to be addressed effectively, but the answer should not create more problems than it solves. The fisheries sector of Fiji is largely unaffected and PAFCO continues to run smoothly and peacefully. If Fiji's GSP status was revoked, many jobs could needlessly be jeopardized. Whatever your decision I urge you not to revoke GSP status for the tuna and tuna products that are important components of our supply chain.

Thank you again for the opportunity to provide BBF comments on the Generalized System of Preferences (GSP) case (003-CP-11). I would be happy to provide you with any additional information you may require.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Lischewski".

Christopher D. Lischewski

