

Seafood & Ocean Products Industry

Goal Statement:

Create jobs and wealth by advocating for a well-managed, sustainable and resilient Seafood sector, and develop higher-value ocean products that reach more markets.

Seafood Priority Objective

★ Priority Objective #1: Mariculture Development.

Project Description:

Grow a \$1 billion industry in 30 years

Outline of steps required for project to be completed

1) Support an economic analysis of successful mariculture industries in other regions, how they relate to Alaska, and the impact of a fully developed mariculture industry in Alaska 2016-17

2) **Support and participate in a strategic planning process** inclusive of a broad spectrum of stakeholders and agencies (including coastal communities, industry, the State of Alaska, federal agencies, and interested conservation groups) with the directive to create a coordinated, deliberate and solutions-oriented plan to developing the industry 2016-2018

Examples of issues to be addressed:

- Legal authority to enable invertebrate enhancement and restoration
- Stabilize funding for shellfish hatcheries through existing loan funds
- Adjust Mariculture Revolving Loan Fund for increased utilization by farmers
- Long-term funding mechanisms (e.g. salmon enhancement public/private model)

3) **Help to engage federal agencies and private investors with interest and resources** (e.g. CODEL, NOAA, USDA, EDA, NPRB, Native corporations, CDQ groups, Rasmuson Foundation, seafood processors, etc.) 2016-2020

Support integration of development efforts with national initiatives and strategies, such as:

USDA Investment Strategy in support of rural communities in Southeast Alaska 2011-2013

National Shellfish Initiative (NOAA)

National Strategic Plan for Federal Aquaculture Research (2014-2019)

4) **Support increased capacity for shellfish safety testing in the SE region.**

People/Organizations responsible for completing these steps

Southeast Conference, Alaska Fisheries Development Foundation, Alaska Shellfish Growers Association, OceansAlaska, SE AK municipalities, State of Alaska through Governor's Mariculture Task Force

Cost Estimates

How much will this cost, and who will pay these costs?

\$500,000

AFDF is currently working under a \$200,000 NOAA grant; private interests have donated approximately \$20,000 additional funds; EDA is interested in an approximately \$45,000 grant for economics; private industry may contribute additional matching funds; other interested funders may include: Rasmuson Foundation, USDA, NOAA, AIDEA, Alaska Growth Capital, and Alaska Dept. of Commerce loan funds.

Evaluation Measures

- Number of stakeholders involved in planning process
- Annual aquatic farm production (value, poundage and species)
- Annual shellfish hatchery production (value, quantity and species)
- Number of businesses working either in aquatic farms or enhanced fisheries (non-salmon)
- Number of employees working either in aquatic farms or enhanced fisheries (non-salmon)
- Number of loan sources available for farmers, hatcheries, etc.
- Number of research projects funded for mariculture
- Completed economic analysis
- Completed strategic plan
- Number of action items completed which were identified in the strategic plan

Key Project Contact

Name: Julie Decker
Title: Executive Director
Organization: Alaska Fisheries Development Foundation

Objective 2: Full Resource Utilization & Ocean Product Development.

Project Description:

350 million pounds of seafood are harvested in Southeast Alaska each year, but most of that product leaves the region with only primary processing (heading, gutting, and freezing) and the secondary processing is conducted in other states or countries. Additionally, a portion (5-40% depending upon the species) of the harvested resource is not utilized and instead is disposed of as waste in local waters. The objective of this initiative is to increase total revenue from existing commercial fisheries in the region by developing new, higher value products and markets from parts of the fish that are currently either thrown away or that go to lower relative value markets. In some cases this means working with seafood processors to develop new products, but we also need to identify businesses or entrepreneurs not currently in the seafood industry who can contribute to this effort. Collaboration with private, state, federal and university researchers needs to be encouraged to identify and accelerate opportunities for commercialization of improved or new products. Support the development of new specialty products that utilize 100% of harvested seafood resources in order to create value-added products with the same resource, reduce discharge into waterways, and provide additional economic benefits to local economies. Examples include pet food, clothing and accessories, pharmaceuticals, nutraceuticals and health food products. Support growth of new businesses to develop these new products.

Outline of steps required for project to be completed

Support identification of raw materials available for product development
Work with seafood processors and entrepreneurs to develop new seafood products by connecting them with other necessary expertise (ongoing 2016-2020)
Support development of incentives to increase secondary processing in the region (ongoing 2016-2020)
Support “proof of concept” for new products by connecting businesses and entrepreneurs with resources
Work to get current processors to “think outside the can” through events like the annual Innovation Summit with a portion of the event targeted to new ocean products (ongoing 2016-2020) and in local events/festivals that celebrate the seafood industry in the region.

Encourage and promote value-added products made from Alaska seafood by hosting an annual competition for new products (ongoing 2016-2020)
Learn from other regions and countries through research and visits.

People/Organizations responsible for completing these steps

Julie Decker, Alaska Fisheries Development Foundation.
Brian Holst, Juneau Economic Development Council.
Southeast Conference

Cost Estimates

How much will this cost, and who will pay these costs?

\$17,000

Costs (direct and in kind) will be paid by AFDF, JEDC, SEC and State of Alaska activities.

Evaluation Measures

- Total pounds of seafood processed (explore tracking total pounds of seafood waste reported through DEC)
- Count of Shorebased seafood processors
- Business licenses for seafood products
- Number of new products entered into the Alaska Symphony of Seafood each year
- Number of attendees & presenters at the annual Innovation Summit
- Number of firms with expanded product offerings each year
- Number of R&D collaborations between private sector and a research entity
- Commercialization: Number of new markets reached

Key Project Contact

Name: Julie Decker & Brian Holst

Title: Executive Director

Organization: Alaska Fisheries Development Foundation and the Juneau Economic Development Council

Other Seafood Objectives:

Objective 3: Increase Energy Efficiency and Reduce Energy Costs.

Support programs that aim to increase energy efficiency of vessels and processing plants.

Encourage reduction of reliance on diesel for both boats and processing plants.

Move commercial fishing fleet away from diesel dependency using concepts such as diesel/electric hybrid vessels, hydrogen, or other energy alternatives.

Find alternatives to reduce use of diesel for fish plants and cold storage facilities that could include increased energy efficiency or hydropower.

Objective 4: Regional Seafood Processing.

Support continued and increased processing / manufacturing within region. Increase the number of firms producing high-value products. Increase value-added activities in the region and to improve product quality. Support development of necessary infrastructure for these activities. Update processing plants and update/improve transportation routes to get products to market. Make it cheaper, faster, and fresher.

Objective 5: Seafood Markets.

Support ASMI's work to market Alaska Seafood. Support the expansion of markets both domestically and worldwide. Support integration of industry's efforts to develop new products and ASMI's efforts to develop new markets. Support diversification of roe markets.

Objective 6: Sea Otter Utilization & Sustainable Shellfish.

Support development of new products and markets for otter products. Support sea otter garment making businesses and strategies for increasing value of these products.

Objective 7: Maintain Stable Regulatory Regime.

Support state regulatory stability. Protect commercial fisheries by advocating for stable regulatory regimes at state and federal levels and educating policy makers. Retain access to resources.

Objective 8: Seafood Workforce Development.

Engage in workforce development efforts to attract young Southeast Alaskans to participate in the seafood economy. The absence of young Southeast Alaskan fishermen is compounded by the rise in nonresident permit ownership in local fisheries.