

# Seafood industry update to the Senate Resources Committee

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# PSPA – Who are we?



Alaska General Seafoods – Alyeska Seafoods – Golden Alaska Seafoods –  
North Pacific Seafoods – Peter Pan Seafoods – Phoenix Processor Limited  
Partnership – Trident Seafoods – Unisea – Westward Seafoods

# Issues to cover

- Alaska's place in the global market (salmon, pollock examples)
- Marketing initiatives
- Investment in seafood processing facilities
- Sustainable management
  - governance
  - sustainability certification
  - funding support for biological data

# Alaska seafood value

Seafood is Alaska's most valuable renewable resource

Worth \$4.2 billion in first wholesale value

Typically harvest 5 - 6 billion pounds annually

\$5.9 billion in economic activity in Alaska

U.S. economic output related to Alaska's seafood industry total \$14.6 billion (including direct and multiplier impacts)

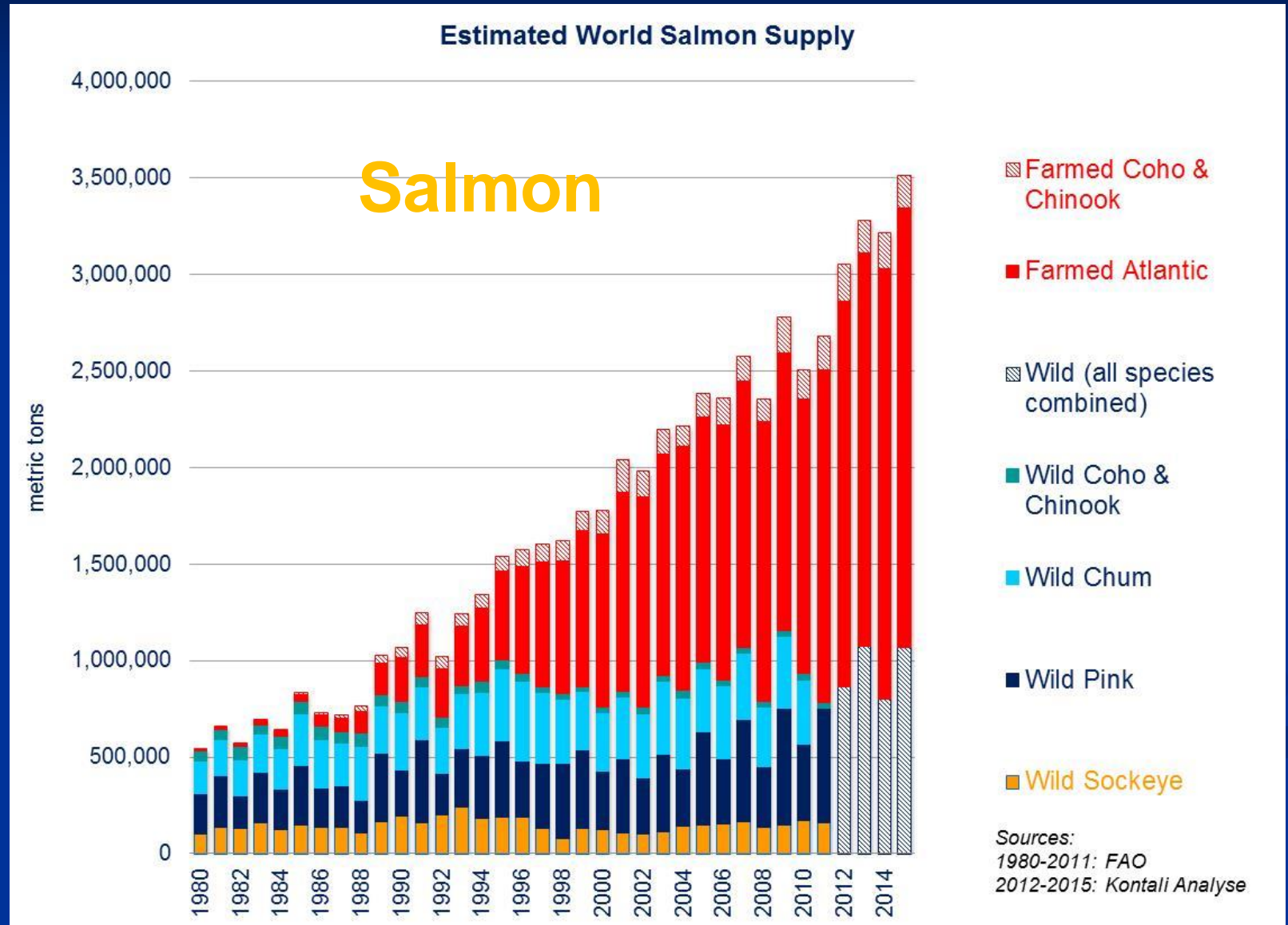
Export markets are critical for some species: China, Japan, South Korea, EU, Canada (\$3.2 billion value; 55% of all US seafood exports)





# Alaska's place in a global market

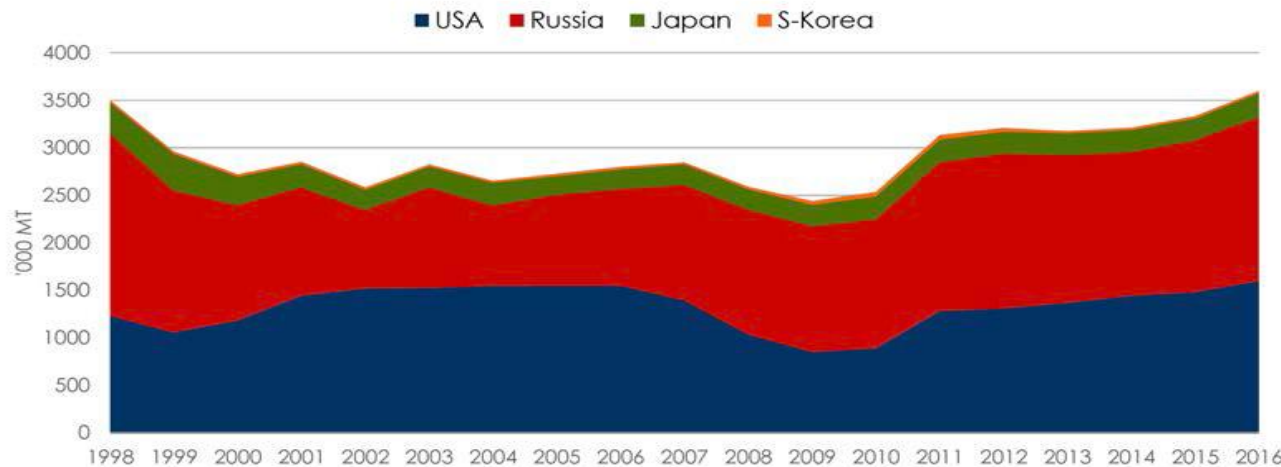
source: Gunnar Knapp



# Alaska's place in a global market

source: John Sackton, Seafoodnews

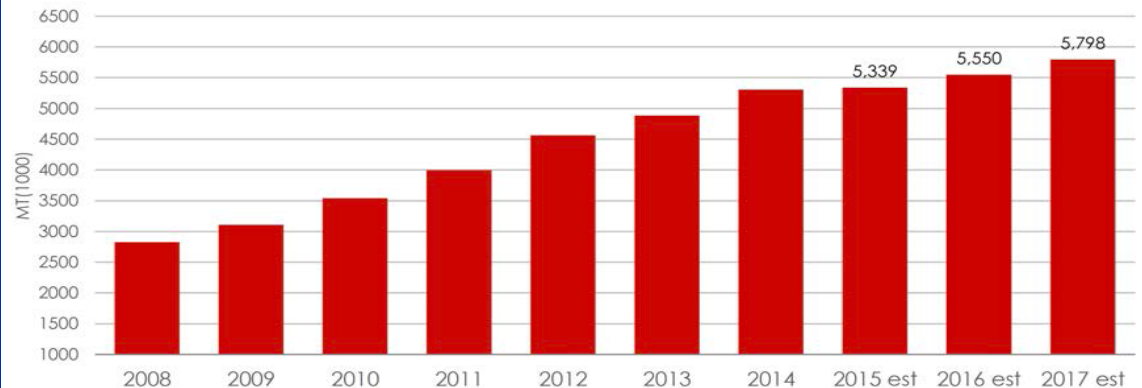
## World Alaska Pollock Catches 1998-2016 Est



# Pollock

## Global Tilapia Harvest

WHOLE FISH WEIGHT



# How value is added to Alaska's seafood

- Investment in marketing, production, and management
- At every level of seafood supply chain, partners invest money to promote seafood value:
  - Harvesters** – vessel/permit costs, operations
  - Processors** – labor and capital equipment, raw materials, marketing costs
  - Retailers and Foodservice** – investment in advertising, marketing, labor, preparation

# Marketing investments

- Investing in new product development
- Leveraging buyers' marketing budgets to tell the Alaska story

- RSDA initiatives

- ASMI





# Examples of marketing initiatives featuring Alaska pollock

<https://youtu.be/J00FJLjJvaE>

<https://www.youtube.com/watch?v=4QemOXsxj4E>



# Annual investments in operations & facilities

Upgrading equipment to improve efficiency in the face of increasing costs (salmon examples)

Investing in technology to create new products (e.g., consumer ready fish portions for US markets)

Taking steps to get closer to full utilization of each fish harvested

Infrastructure necessary to comply with environmental regulations

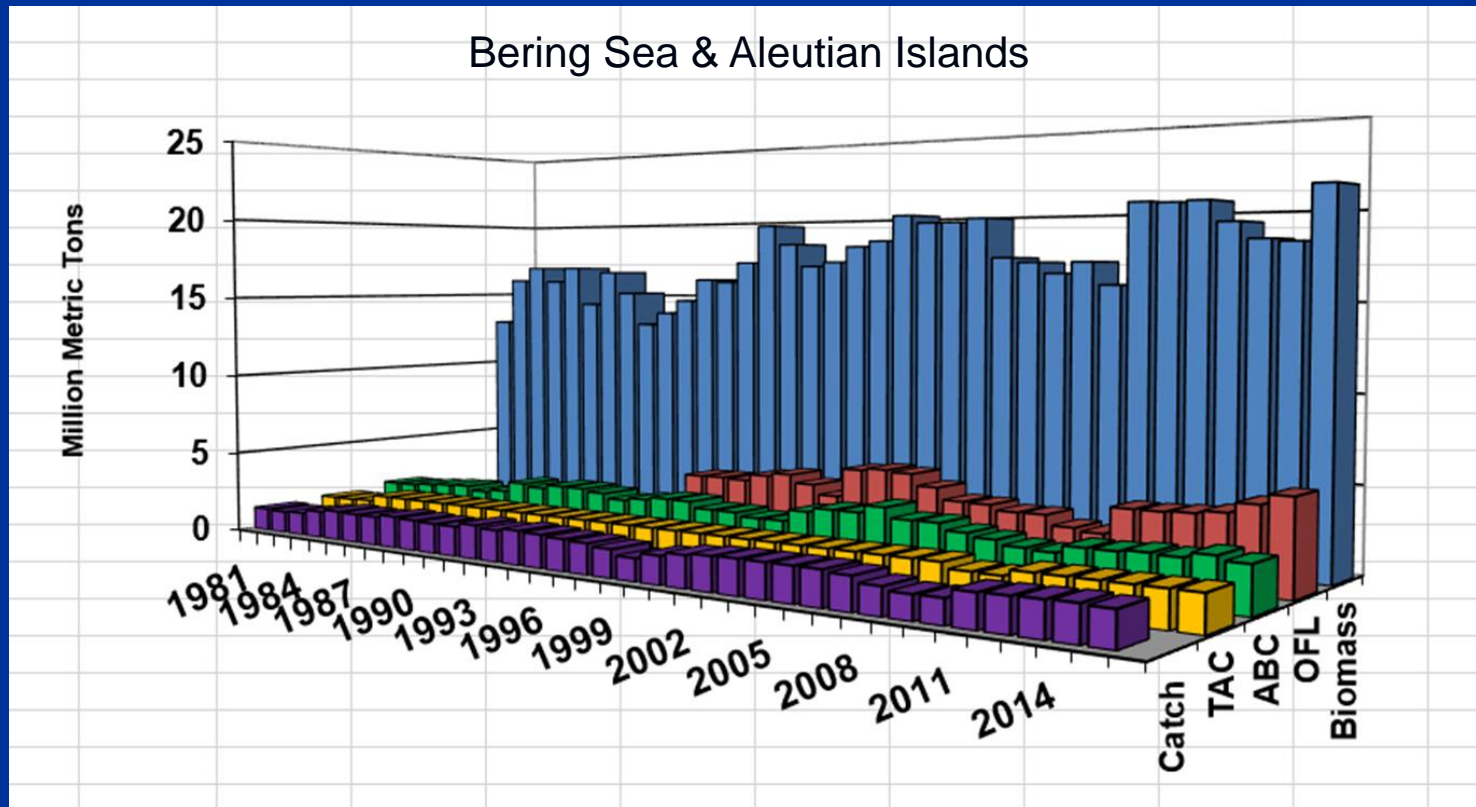
Example of new facility in Kodiak to improve efficiency



Peter Pan, Dillingham

# Investments in sustainable management

- Governance – key to long-term stability & volume



# Investments in sustainable management

- Sustainability certification – a robust, low cost program rooted in our management system is key to competing globally
- Funding for biological data – lack of data means more conservative management (less fish across the dock) to buffer against risk. Need inseason management and surveys to achieve optimum yield.



# What puts those investments at risk

- Fluctuations in fishery abundance/access
- Trade policy & currency changes (strong dollar)
- Simultaneous aging infrastructure and challenging pollock markets
- Changes in market demand & consumer preferences
- Competing species and products
- Reduced access and inability to achieve optimum yield

# State policies - Alaska seafood industry competitiveness

- Environmental permitting
- Loan programs
- State marketing efforts
- Commercial fisheries management budget
- Fishery management policy & regulations
- Fish tax policy

# Thank you

