

January 23<sup>rd</sup>, 2020

Representative Louise Stutes  
State Capitol Room 406  
Juneau AK, 99801

RE: Support for HB 203 – An Act Relating to Transportation of Live Crab

Dear Representative Stutes and House Fisheries Committee Members,

I would appreciate your support in passing House Bill No. 203, "An Act relating to transportation of live crab." This bill would allow for transportation by sea of live bairdi (tanner crab) and red king crab, which is currently prevented under AS 16.10.240. Currently, only opilio and golden king crab can be transported by sea alive, while bairdi and red king crab must be shipped by air.

Over the past several years, GKC Holdings, LLC has been partnering with Unisea, Inc. in Dutch Harbor, to pioneer shipping of live golden king crab from Dutch Harbor to Seattle. From Seattle these golden king crab have been shipped successfully to local customer and air shipped to customers around the US, Europe and Asia. The only way this has been possible, at any level of volume and consistency, is through an innovative containerized technology. We have proven that these containers can keep crab alive and healthy, in tanks of seawater within the container, while being shipped on a container ship or barge.

Dutch Harbor is home to the Bering Sea crab fleet and is one of the largest crab landing ports in the nation. Unfortunately, air service to Dutch Harbor is limited due to infrastructure and challenging weather curtailing air shipping of live crab. In addition, the remoteness of Dutch Harbor inhibits the healthiness of the crab when it is air shipped, as crab must be packaged in Dutch Harbor, flown to Anchorage and then flown again to another destination for final distribution. This results in crab out of the water for an extended period of time which dramatically increases mortality.

This bill will provide opportunities for Dutch Harbor, and other similarly remote communities with red king crab and bairdi crab landings, to sell these species in larger and more consistent volume to the growing worldwide live markets. Live crab markets continue to expand all around the world. Fisheries with relatively simple logistics have substantial portions of the fisheries consumed by the end customer as a live product. This includes Dungeness crab off the west coast which is sold to consumers alive both domestically and air shipped to China as well as Russian red king crab which is delivered live via vessel to China and also air shipped to the US and Canada.

Bairdi and red king crab are uniquely situated to benefit from growing live markets. Red king crab is already an established product in world live markets thanks to ever increasing deliveries of live crab to China and Korea (from which it is then air shipped around the world). High end markets would prefer to buy Alaskan red king crab if they had the option. Bairdi is even more unique in that it would be a relatively new live product form but is known to be both hardy and has a reputation as being the most delicious crab in Alaska.

It is time for Alaskan red king crab and bairdi fishermen and others dependent upon these fisheries to be able to participate in live crab markets. This will result in higher prices benefiting crew, vessel owners, processors and communities as these markets continue to develop. The work GKC Holdings, along with Unisea, over the last few years has shown that this new containerized technology can successfully ship live golden crab out of remote Alaskan ports to market. Modifying AS 16.10.240 as proposed by HB 203 will allow participants of the bairdi and red king crab fisheries when landed in remote ports such as Dutch Harbor to participate and benefit in the growing live crab markets.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Poulsen'.

Edward Poulsen, Member  
GKC Holdings, LLC

A handwritten signature in blue ink, appearing to read 'Tom Enlow'.

Tom Enlow, President  
Unisea, Inc.