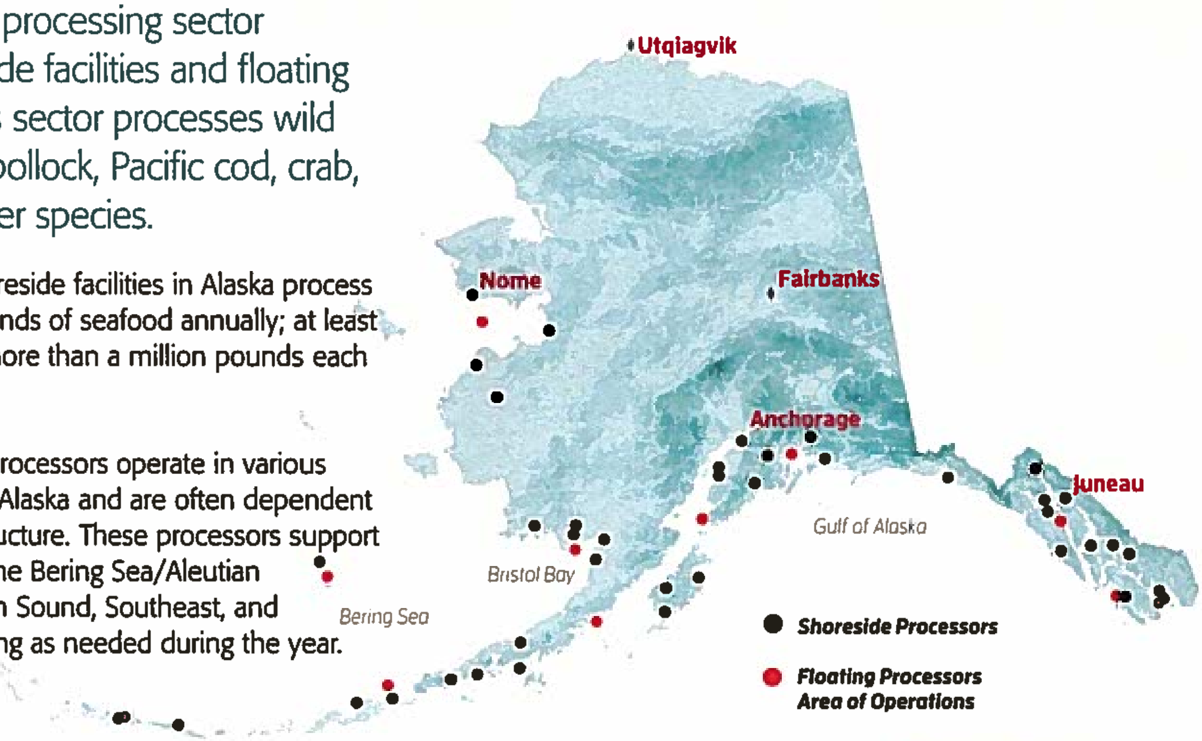
Alaska Inshore Seafood Processing

Alaska's inshore processing sector includes shoreside facilities and floating processors. This sector processes wild Alaska salmon, pollock, Pacific cod, crab, rockfish and other species.

An estimated 87 shoreside facilities in Alaska process at least 100,000 pounds of seafood annually; at least 70 facilities handle more than a million pounds each year.

Roughly 10 floating processors operate in various locations throughout Alaska and are often dependent upon inshore infrastructure. These processors support fleets in Bristol Bay, the Bering Sea/Aleutian Islands, Prince William Sound, Southeast, and other locations, moving as needed during the year.



Alaska Shoreside Seafood Processing

LOCATION	# OF FACILITIES	LOCATION	# OF FACILITIES	LOCATION	# OF FACILITIES
Kodiak	9	False Pass	2	Hoonah	1
Naknek	7	Juneau	2	Kake	1
Cordova	6	Petersburg	2	Kasilof	1
Dutch Harbor	5	Togiak	2	King Cove	1
Kenai	5	Valdez	2	Larsen Bay	1
Egegik	4	Wrangell	2	Metlakatla	1
Ketchikan	4	Adak	1	Nome	1
Seward	3	Akutan	1	Port Moller	1
Sitka	3	Alitak Bay	1	Saint Mary's	1
Anchorage	2	Atka	1	Saint Paul	1
Craig	2	Emmonak	1	Sand Point	1
Dillingham	2	Excursion Inlet	1	Unalakleet	1
Ekuk	2	Haines	1	Whittier	1
				Yakutat	1

Note: These data are estimates based on best available information and represent physical plants. Facilities handling more than 100,000 pounds of seafood annually are included, a small number of seasonal buying barges/stations are also included.

In addition to thousands of jobs directly supported by processing activity, the inshore processing sector provides markets to tens of thousands of Alaska fishermen. Hundreds of millions of dollars are spent each year in Alaska communities on support services such as shipping and construction, along with fuel, groceries, and other supplies. Processing activity supports vital infrastructure such as docks and utilities while generating millions in tax revenue for local communities and the State of Alaska annually.

PSPA PACIFIC SEAFOOD PROCESSORS ASSOCIATION

This handout was prepared with the assistance of McDowell Group. Alaska Seafood Marketing Institute is the photo source.

PACIFIC SEAFOOD PROCESSORS ASSOCIATION

PSPA is comprised of 8 seafood processing companies that purchase fish from harvesters and provide markets in remote locations around Alaska. These companies operate 25 facilities in 15 coastal communities across Alaska and 3 floating processors. PSPA's members have invested in Alaska, supported Alaskan communities, and hired Alaskans for over 100 years. Our members depend on all state and federal fisheries and gear types.

ALASKA GENERAL SEAFOODS	
AGS Naknek Cannery (Bristol Bay), Naknek	D
AGS Ketchikan Facility, Ketchikan	P

ALYESKA SEAFOODS, INC.	
Alyeska Seafoods, Unalaska	G

GOLDEN ALASKA SEAFOODS	
M/V Golden Alaska - Mothership	B

PETER PAN SEAFOOD	
King Cove Processing Facility, King Cove	J
Dillingham Processing Facility (Bristol Bay), Dillingham	C
Port Moller Processing Facility, Port Moller	K
Valdez Processing Facility, Valdez	E

PSPA offices

PETER PAN SEAFOOD	
False Pass Facility – Fleet Support, False Pass	I
Nornek Facility - Fleet Support (Bristol Bay), Naknek	D
Sand Point Facility – Buying Station, Sand Point	K

PHOENIX PROCESSOR LIMITED PARTNERSHIP	
M/V Excellence - Mothership	B
SS Ocean Phoenix – Mothership	B

TRIDENT SEAFOODS CORP.	
Trident's Akutan shore plant, Akutan	H
Trident's Cordova North plant, Cordova	F
Trident's Cordova South plant, Cordova	F
Trident's False Pass facility, False Pass	I
Trident's Ketchikan facility, Ketchikan	P

TRIDENT SEAFOODS CORP.	
Trident's Kodiak shore plant, Kodiak	M
Trident's Star of Kodiak facility, Kodiak	M
Trident's North Naknek facility (Bristol Bay), Naknek	D
Trident's South Naknek facility (Bristol Bay), Naknek	D
Trident's Petersburg plant, Petersburg	N
Trident's Sand Point facility, Sand Point	K
Trident's St. Paul facility, St. Paul Island	A
Trident's Wrangell plant, Wrangell	O

UNISEA INC.	
UniSea, Inc. - Dutch Harbor, Unalaska	G

WESTWARD SEAFOODS, INC.	
Westward Seafoods, Dutch Harbor	G

PSPA

PACIFIC SEAFOOD PROCESSORS ASSOCIATION

ALASKA'S ECONOMY DEPENDS ON A HEALTHY SEAFOOD INDUSTRY

SEAFOOD DIRECTLY EMPLOYS MORE PEOPLE THAN ANY OTHER INDUSTRY IN ALASKA

- Seafood accounts for $5 - $6 billion in annual economic activity in Alaska.
- Seafood directly employs ~59,000 people in Alaska, including over 26,000 Alaska residents (2017/18). Also creates an additional 10,900 secondary jobs.
- Seafood accounts for $2.1 billion in total labor income and is the economic foundation of many rural communities.
- Seafood is Alaska's #1 export product, accounting for half ($2.4 billion) of all Alaska exports.
- Seafood volume provides economies of scale and economic activity which lowers the cost of utilities, shipping, fuel, and local taxes for Alaska residents.
- Processors purchase 5.7 billion pounds of seafood annually from fishermen and turn this harvest into 2.8 billion pounds of product worth $4.7 billion (2017/18).

THE SEAFOOD SECTOR IS A REVENUE-GENERATING INDUSTRY

- Seafood pays ~$172 million (FY18) in taxes, fees, and self-assessments to pay for management each year.
- This revenue is more than four times the state general fund revenue used by the Commercial Fisheries Division (~$38million, FY20 final enacted).
- Seafood funds both state and local governments. For coastal communities that depend heavily on both jobs and tax revenue generated from commercial fishing and seafood processing, reductions in this industry directly reduce local employment, school budgets, road maintenance, and local infrastructure.

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ALASKA PRIORITIES –
NOW AND ON THE HORIZON

- Support for the seafood industry's direct COVID-19 mitigation costs.
- Strong fisheries research and management programs to support Alaska fisheries access and maximum sustainable yield.
- Informed, science-based decision-making to drive ADFG management and state and federal fisheries board policy.
- Commercial fishery representation on state and federal boards that includes harvesters, processors, and communities.
- Policy to support historical inshore fisheries access and to promote stability in the inshore processing sector.
- Support for Alaska's salmon management and hatchery program, including continued state management throughout state and federal waters.
- Increasing positive awareness of the wild, natural, sustainable Alaska Seafood brand resulting from Alaska fisheries management.

PSPA can assist in providing input on regulatory and legislative proposals that affect the seafood industry, in alignment with state interests.

CHALLENGES TO ALASKA'S SEAFOOD INDUSTRY

- Significant increases in operation costs due to COVID-19
- Loss of significant export markets due to trade policies
- Risk of flat or declining ADFG & NOAA budgets for fisheries management & stock assessments
- Increasing variability in stock dynamics and distribution
- Risk of increasing local taxes due to declining state revenues
- Rising labor costs and potential labor shortage
- Increasing global supply of whitefish and farmed fish, suppressing prices for Alaska species
- Competition from countries that have lower environmental compliance and operational costs.

Source data: The Economic Value of Alaska's Seafood Industry report, prepared by McDowell Group for the Alaska Seafood Marketing Institute, January 2020.

The Economic Value of

ALASKA'S SEAFOOD

Alaska's annual wild seafood harvest of **5 to 6 billion pounds** produces significant economic benefits for Alaska communities, businesses and thousands of Alaskans.

In 2017-2018:

Alaska's commercial fisheries employed **29,400 fishermen** on average, including **16,319 Alaska residents.**

Ex-vessel value amounted to **$2 billion** on average.

Seafood processing accounted for **70%** of manufacturing employment, making it the largest manufacturing sector in Alaska.

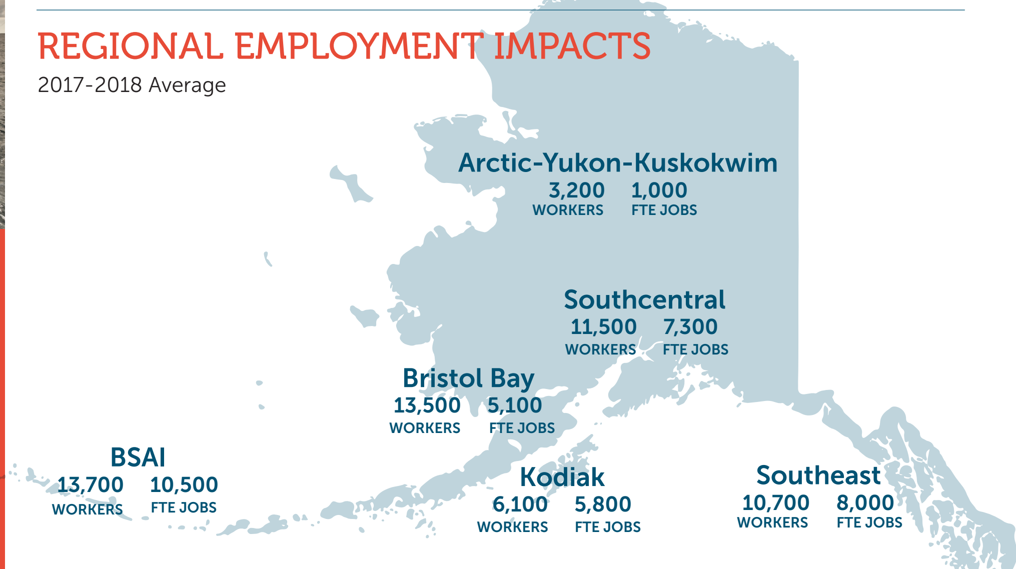
Processing companies employed nearly **26,000 workers**, including **7,300 Alaska residents** (2018).

Processors produced **$4.7 billion** worth of seafood products (first wholesale value).

The seafood industry directly employed **58,700** people in 2018 – more than any other private sector industry in Alaska – and created an additional **10,900** secondary jobs.

REGIONAL EMPLOYMENT IMPACTS

2017-2018 Average

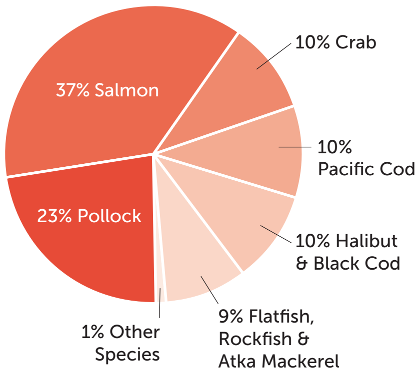


ECONOMICS OF ALASKA'S SEAFOOD INDUSTRY

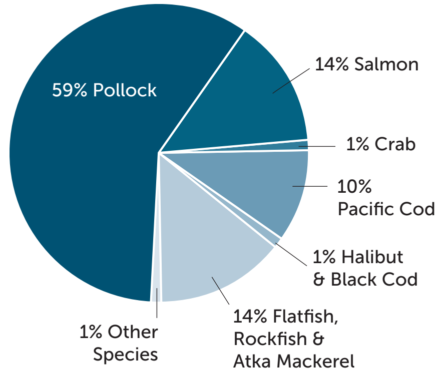
$5.6 billion	**Total annual economic activity created by the seafood industry in Alaska (2017-2018 average).**
$172 million	Total annual state, municipal, and federal taxes, fees, and self-assessments paid by commercial fishermen and seafood processors to operate in Alaska in 2018.
$2.1 billion	Annual labor income generated by the seafood industry in Alaska (2017-2018 average).
58,700	Number of workers directly employed in Alaska's seafood industry (2017-2018 average).

This handout was prepared for the Pacific Seafood Processors Association and the Alaska Seafood Marketing Institute by Little Bird Design Studio, Anchorage, AK. Sources for the data and findings in this handout come from The Economic Value of Alaska's Seafood Industry report, prepared by McDowell Group for the Alaska Seafood Marketing Institute in January 2020. The report can be downloaded at www.alaskaseafood.org.

VALUE BY SPECIES



Percent of Ex-Vessel Value



Percent of Volume

VALUE BY MARKET

The U.S. is the largest single market for Alaska seafood.

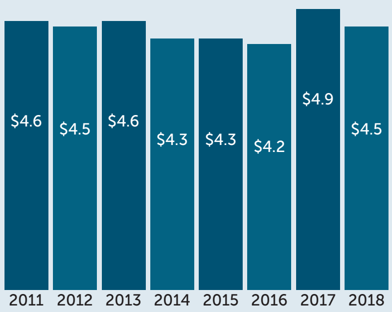
However, a wide diversity of markets is key to seafood value and resiliency. Alaska seafood is exported directly to more than 97 countries, accounting for over $3 billion in sales, or two thirds of total value, each year. Thus, foreign market development and fair and open trade policies are critical to Alaska's seafood industry.

FACTORS AFFECTING VALUE

The value of Alaska's seafood production is a function of many factors, including:

- Wild fish stock fluctuations and ecosystem health
- Trade policies (market access and tariffs)
- Alaska volumes and competing global supply (Alaska produces 2% of global seafood supply)
- Exchange rates and strength of the U.S. dollar
- Marketing (creating demand for Alaska products)
- Input costs
- Production innovation and efficiency

VALUE TRENDS



First Wholesale Value (Billion Dollars)

IMPACTS, INVESTMENT AND GENERATING LONG-TERM VALUE

Alaska's wild, sustainable commercial fisheries have produced over 181 billion pounds since statehood. This is worth an estimated $187 billion in 2018 dollars.

Maintaining or increasing value requires significant industry investment in marketing, product development, and infrastructure in Alaska, as well as in the management system that is the foundation of our long-term health. Managing sustainable, productive fisheries requires a commitment to and investment in data collection, research, and in-season management, which comes at a cost. It is essential that the state of Alaska and the seafood industry continue to partner to maximize the socio-economic benefits of Alaska seafood; even a 5% decline in commercial seafood value equates to $285 million less in instate economic activity.

Alaska General Seafoods, Alyeska Seafoods, Golden Alaska Seafoods, Peter Pan Seafood, Phoenix Processor Limited Partnership, Trident Seafoods, UniSea, Westward Seafoods

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