



Wild, Natural & Sustainable®

January 30, 2020

The Honorable Louise Stutes
Chair, House Special Committee on Fisheries
Alaska State Capitol Room 406
Juneau, Alaska 99801

RE: HB 203 – Transportation of Live Crab

Dear Chairwoman Stutes and members of the House Fisheries Committee:

Alaska's crab species are known worldwide as premium products from an unrivaled ocean environment. Alaska crab species – king, opilio (snow), bairdi (Tanner) and Dungeness –on an annual basis, represent 12 percent of the total value of all commercially harvested Alaska seafood species, despite accounting for just one percent of the total catch. The first wholesale value of all crab species combined exceeds \$300 million annually. Live crab sales, however, account for less than 1 percent of this total, which can be attributed to several factors including shipping limitations.

Alaska's crab is enjoyed by consumers both domestically and abroad. However, in every market where Alaska crab is available, a comparable species of crab harvested from a different region in the world is available as well. Often, Alaska crab species are undercut by cheaper foreign crab with more favorable trade terms. Increased competition and lower competitor prices negatively impact the market position of one of Alaska's most prized seafood species.

Transportation technology for seafood has made vast improvements in recent years. As such, the ability to ship live crab via surface now exists as it never had before. This new technology means that more crab can be delivered fresh at a lower cost to the seafood company with less financial risk than associated with shipping live crab via air. Currently, the majority of Alaska crab is sold in the form of frozen or cooked products. However, at market, live crab is sold for a significantly higher price.

HB 203 will correct Alaska Statute 16.10.240 and allow Alaska processors the ability to capitalize on the newfound shipping technology by expanding markets for the highest value product forms. HB 203 supports Alaska's largest private direct employer by providing the seafood industry with the tools necessary to compete in the global market. As a result, fisherman, processors and communities across Alaska will benefit from the higher returns of this valuable product.

Sincerely,

Jeremy Woodrow
Executive Director
Alaska Seafood Marketing Institute