



February 22, 2021

Senator Joshua Revak, Chair
Senate Resources Committee
State Capitol Room 125
Juneau, AK 99801
Senate.Resources@akleg.gov

RE: Support SB33

Dear Senator Revak and Members of the Senate Resources Committee,

Silver Bay Seafoods is a vertically integrated, primarily fishermen-owned processor of salmon, herring, Pacific Cod, pollock, rockfish, and other species. Silver Bay began in 2007 as a single salmon processing facility in Sitka, Alaska, and has since grown into one of the largest seafood companies in Alaska. Silver Bay has invested in state of the art, high volume processing facilities throughout Alaska, with operations in several coastal communities, including Sitka, Craig, Valdez, Naknek, False Pass, and Kodiak.

Silver Bay Seafoods supports SB-33, Seafood Product Development Tax Credit bill and we thank Senator Gary Stevens and Senator Jesse Kiehl for co-sponsoring this bill. This bill seeks to extend the sunset date for the seafood product development tax and include pollock and cod as eligible species.

We have been able to take advantage of the past versions of this legislation which has encouraged our investment in additional equipment and infrastructure to produce more value-added products in Alaska. This new legislation supports additional value-added processing within the State and provides significant return on investment to Alaska through increased economic activity and fish tax revenue. By expanding this to other species, some of which have experienced market impacts from the COVID-19 pandemic, this promotes continued investment in fisheries and encourages businesses to find innovative and adaptive ways to thrive in a time of consumer activity change.

Maximizing the value and full utilization of our fish resource will benefit harvesters, processors, communities, and the State of Alaska.

Thank you for your time and consideration of SB-33.

Respectfully,

Abby Fredrick
Director of Communications



February 21st, 2021

Senator Gary Stevens
Alaska State Legislature
Juneau, AK 99801
Senator.Gary.Stevens@akleg.gov

RE: Support for SB 33 SEAFOOD PRODUCT DEVELOPMENT TAX CREDIT

Senator Stevens,

Icicle Seafoods operates a shorebased processing facility in Dutch Harbor and a floating processor in the Dutch Harbor area, both of which participate mainly in the pollock and cod fisheries in the Bering Sea and Aleutian Islands. With a long history of dependence in these fisheries, our processing platforms, employees, and independent harvesters depend on our ability to process efficiently and supply the market with high-quality desirable product and product forms. Alaska produces some of the most sustainable and sought-after seafood in the world and we pride ourselves on being a contributor to Alaska's economy since 1965.

Icicle is pleased to support SB 33, the extension of the Seafood Product Development Tax Credit bill with the inclusion of pollock and cod as eligible species under this long-standing and important program. The seafood industry is a critical component of Alaska's economy generating \$5.6 billion in economic value annually and creating more direct jobs than any other private industry in our state. We take our role as food producers seriously and we are proud to be part of the critical infrastructure of Alaska and the United States.

Seafood is Alaska's only major renewable resource industry. As such, our processing efforts and our harvesters continually face uncertainty such as fluctuating resource levels as well as domestic and international market conditions. Creating higher valued seafood products is one of the primary methods we have to increase the dockside price of fish for our harvesters. Through SB 33 and the inclusion of pollock and cod as eligible species, we would be able to purchase equipment to not only increase the quality of seafood we produce, but also turn to value-added product forms that would help revolutionize our processing platforms and further our ability to compete with overseas seafood producers. SB 33 would also vastly improve our ability to further capture the waste stream and turn this unused resource into a viable product.

The COVID-19 pandemic has brought many challenges including drastically increased operating costs. Icicle has worked hard to streamline our operations since the pandemic began, but the impacts of these costs have been felt throughout the company and our industry. Although domestic and global retail sales are at all-time highs for seafood, those sales haven't been enough to off-set the staggering decrease in restaurant and other foodservice sales. Although SB 33 is beneficial even in non-pandemic times, we are even more supportive of this vital legislation given the current challenges facing the industry. In the hope that SB 33 passes this session, we are actively researching how to upgrade our processing platforms to bring more value to our processing efforts.

Since its inception, this tax credit has drastically increased seafood industry innovation and quality. Higher value products and product forms allow for an increase in the price paid dockside to harvesters and more tax revenue for communities. With the inclusion of pollock and cod, we expect this program to continue to advance the industry to the benefit of the State of Alaska.

1

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Thank you for introducing this legislation and helping create opportunity for Alaska's seafood industry.
Please let us know if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Curry', written in a cursive style.

Julianne Curry
Public Affairs Manager
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