

American Lobster

Management and Production

American lobsters are distributed in the Northwest Atlantic from Maine to North Carolina. The US offshore fishery is managed under the New England Fishery Management Council (NEFMC), while fisheries within 3 miles of shore are managed by the various states under the Atlantic States Marine Fisheries Commission's (ASMFC) Interstate Fishery Management Plan. There is no quota on lobster, however, the fishery is regulated through certain measures, including; carapace length limits, protection of berried (egg-bearing) females, and gear restrictions. For example:

1. The State of Maine does not allow the landing of dragged lobsters or those caught with trawler nets. The State has also set up an apprentice program to train new entrants to the fishery. In addition, the State has also established a co-management system, subdividing the state into seven management zones. Through this process, the State has established a limited entry program designed to control fishing effort on the lobster population.
2. In the States of Massachusetts and Rhode Island, landings south of Cape Cod are experiencing decline, due in part to lobster shell disease that has also contributed to lower landings in Connecticut and New York. Other contributing factors may be warmer water temperatures and land-based pollution run-off. In Rhode Island, effects of the 1996 North Cape oil spill may still be contributing to lower inshore lobster populations. Conservation and restoration efforts include restocking populations, 'notching' tails and replacement of mature and egg-bearing females. The \$10 million restoration project has experienced setbacks and success has not yet been determined. The Atlantic States Fisheries Commission is expected to propose additional conservation measures in 2003. Recent proposals include reducing allowable traps to further reduce fishing efforts. As of February 28, 2003, regulators increased minimum size requirement in the Cape Cod area, though other restrictions, such as complete closure of lobstering grounds, could be implemented by early 2004. It is estimated the new minimum size will lower landing in Cape Cod by 15%.
3. During the fall and winter of 1999-2000, the lobster resource in Western Long Island Sound suffered massive mortalities, possibly associated with a parasite infestation. Following requests from the Governors of New York and Connecticut, on January 26, 2000, the US Secretary of Commerce declared the Long Island Sound die-off to be a commercial fishery failure. Following the declaration, the US Congress appropriated \$13 million to address the biological and economic consequences of the fishery failure. Plans are to utilize \$7.3 million to provide economic relief funds for impacted New York and Connecticut lobstermen and utilize \$6.6 million in research funds for a comprehensive, collaborative research and monitoring program in the possible cause(s) of poor lobster health in Long Island Sound.

American lobsters ranked third in terms of commercial landed value for fishery products, trailing only the harvests of shrimp and crabs. The fishery has grown steadily since 1990, when commercial landings totaled over 62 million pounds valued at \$155 million. By 2001, US domestic production was 71 million pounds, worth \$247 million, or roughly 92 percent of the total US lobster harvest. Maine landed 68 percent of the total US lobster landings, followed by Massachusetts with 20 percent and Rhode Island with 5 percent.

Production Outlook/Supplies

From the current resource situation, (stock is unknown), it is not possible to state whether production will increase or decrease in the future. Findings from a Gulf of Maine study released by scientists at Bigelow University/University of Maine indicate that current high levels of landings in Maine's lobster fishery might decline sometime during the next two to four years. Interestingly, however, a research study conducted at the University of New Hampshire indicates that current lobster traps are actually not as effective as once thought. Underwater video surveys in this study show surprisingly large numbers of lobsters around subject traps, but small percentages actually caught. In addition, further studies show that two-thirds of females caught in Maine already have a 'V'-notch in their tail, indicating they are spawning for a second time. Further studies regarding changes in ocean currents, spawning areas and the effects of pollution are needed before future population growth or decline can be reasonably made. In addition, recent preliminary data compiled from the Maine Dept. of Marine Resources indicates that 2002 landings in Maine were 57.2 million pounds valued at \$188.5 million; an increase of 18% over 2001 landings and expected to exceed 2000 landings as well. Maine landings comprise about 70% of total New England production

Share of U.S. Exports:

American lobster comprises 10 % of total US seafood exports by value and ranks as the 4th largest US seafood product exported. Although lobster continues to be a very important export commodity, it is difficult to determine the share of US production that is exported, because export data is not broken down by types of lobster. From production data gathered from 1995-2001, however, it is evident that American lobster constitutes at least 90 percent of total US lobster landings and this percentage has increased by 2-3 percent in 2000 and 2001. If total US lobster exports in recent years comprise 60-68 percent (by volume) and 74-82 percent (by value) of total US exports, it may be reasonably estimated that American lobster constitutes between 50-60 percent of total US exports. Due to imports of Canadian product that are reprocessed and either re-exported to foreign markets or sold to US domestic markets, it is very difficult to discern how much Canadian product is part of US lobster exports. In 2001, US imports of Canadian live and frozen American lobster were nearly as much as total US production that year.

Industry Strengths and Weaknesses:

1. Lobsters are available throughout the year, particularly in the summer with favorable fishing conditions. Production reaches its seasonal highs during July-October, accounting for 73 percent of total US American lobster landings and dockside revenue. Exports are year-round, though significantly less during summer months when shells are new. A sizeable portion of summer production is held for shell hardening before being marketed as exports during

the high fall and holiday demand period. Hard shell lobsters are more tolerant of travel stress and are preferred by buyers due to their higher meat content.

2. As stated, a large portion of American lobster is harvested and processed in Canada and re-exported as Canadian product either to foreign markets or into the US domestic market. There is no way to distinguish Canadian product from US product other than by documentation or external identification (Canadian lobsters may be smaller).

Squid

Management and Production

There are three major squid fisheries in the US: California Loligo squid, Northeast Loligo (Longfin) squid, and East Coast Illex (shortfin) squid.

Although the population extends from Southern California to Alaska, the primary California Loligo fishery constitutes two areas; one near Monterey and the other off of southern California near Los Angeles, centered between San Pedro and Oxnard. The main processing facilities are in Monterey; therefore, southern product is generally transported north for processing and freezing. Each fishery has its own season; December thru March in Southern California and April thru August in Monterey. The fishery and resource is under the jurisdiction of the California Department of Fish and Game, but no fishery management plan existed until recently. In 2002, the Governor of California signed legislation authorizing California Fish and Game to set quotas on yearly production and other regulation measures. The yearly-proposed quota was 125,000 tons, based upon 2001 landing data. Additional proposals to reduce vessel permits by 45 percent were also recommended to reduce fishing efforts. California Loligo squid is caught by purse seine and jigging vessels.

The Northeast Loligo and East Coast Illex fisheries extend from Maine to Virginia are divided between freezer/trawler vessels and wetfish trawler vessels that deliver fresh squid to dockside shore plants. Rhode Island, New York, and New Jersey constitute the bulk of East Coast landings and freezer trawlers account for the majority of these. Both East Coast squid species are regulated and managed through plans developed by the Mid-Atlantic Fishery Management Council. Prior to 2002, there had not been quotas established for East Coast squid species, however, a 17,000 MT quota for Northeast Loligo and a 24,000 MT quota for Illex were set for 2002. A 26,000 MT Loligo quota was set for 2003, divided quarterly, and the East Coast Illex quota remained at 24,000 MT.

Production outlook/supplies

Production in all three species has declined over the past few years. The Northeast Loligo and East Coast Illex fisheries have experienced declines over the past five years since a high production year in 1998, (57,000 MT of Northeast Loligo and 68,600 MT) of Illex). Recent implementation of quotas may impact further production, especially in the Northeast Loligo fishery. In addition, periodic opening and closing of the Northeast Loligo fishery under current management policies may cause limitations in available product for export processing, due to coinciding increases in domestic market prices for fresh product. The California Loligo fishery remains strong under normal circumstances. In 2001, however, production declined due to work stoppages by fishermen protesting

low market and ex-vessel prices. This fishery is also subject to “El Nino Southern Oscillations” (ENSO), commonly known as the “El Nino Effect”. Changes in Eastern Pacific currents bring warmer-than-normal seawater to the coast of California, resulting in the near disappearance of the California squid in those years. In 1982-1983 and 1997-1998, there were virtually no landings of California squid, due to El Nino Effects. El Nino is being blamed for the current 2003 lack of production in the Southern California region, though scientists have not conclusively proven this.

Share of U.S. Exports

Total US exports in 2000 were 92,945 MT valued at \$84.7 million. These exports represented 67% of the landed volume and 163% of the landed value. In 2001, export volume increased by 14% to 105,947 MT, but decreased by 4% in export value. In 2002, US world squid exports dropped dramatically to 71,974 MT, a decline of nearly 17% by volume and to \$61.2 million, nearly 23% by value. US exports to the EU declined 20.8 percent by value and by 24.6 percent by volume. Much of these declines were due to competing product from Falkland Island suppliers.

Industry Strengths and Weaknesses

California Loligo squid continues to be a strong export product, due to its small, uniform size and inexpensive price. Historically, its primary market has been China, though recent promotion to, and interest from, Portugal and Italy have been successfully developed. Production interruptions from El Nino have not seemed to have an effect on foreign market demand. Implementation of fishery management policy and quotas may help to increase prices and have an effect on traditional export market demand. A current problem that exists in developing demand in European markets is due to Chinese importers who purchase inexpensive US product in volume for re-export to European buyers in smaller quantities, but at higher prices.

The Northeast Loligo fishery product is larger, more in demand in European markets, and commands a higher value, (up to 8-10 times the ex-vessel price of California squid). The strong dollar relative to European currencies, however, has made Northeast Loligo less price competitive in world markets in the past 3-4 years. In addition, US domestic demand for squid products has increased and has caused US processors to direct production toward this more profitable area. The periodic opening and closing of this fishery causes production to be erratic and ex-vessel prices to fluctuate than in past years.

The East Coast Illex squid is primarily processed for bait for other fisheries, due to the squid's tough meat texture. Some Illex is processed as cleaned tubes and rings for domestic use. Small amounts of Illex are sold to Spanish and Philippine canneries where inexpensive and small size squid is required. East Coast Illex is only harvested in the late summer months, is highly perishable and freezer trawlers are the primary harvester of this squid.

Sources: Seafood.com article, California Squid article, NMFS statistics.

Atlantic Herring/Mackerel

Management/Production

A National Marine Fisheries Service survey in 1998 indicated there was a 2.9 million MT herring biomass off the Atlantic coast and a follow-up survey in 2000 indicated the biomass was still high and increasing. The Atlantic Herring Fishery Management Plan, implemented in 2000, regulates herring quotas and harvesting through monitoring four management areas from Virginia to Maine as well as controlling factors such as reporting requirements, vessel size and closing the fishery just before Total Allowable Catch maximums would be reached. The Atlantic States Marine Fisheries Commission repeated the 2002, 250,000 MT quota for the 2003 Atlantic herring fishery and prohibited foreign fishing. The 2003 fishing year management plan for Atlantic Mackerel sets an Initial Optimum Yield of 134,000 MT. The 250,000 MT quota has been in place since 2000, though in 2001, herring landings did not even reach half of the allowed quota, yet the landings were the highest since 1950.

The 2001 Atlantic mackerel landings were well below the 85,000 MT quota in 2001. The quota was repeated for 2002. For 2003, the Initial Optimum Yield for mackerel is set at 347,000 MT, and the Domestic Annual Harvest is set at 175,000 MT and also prohibits foreign fishing, however, foreign processing vessels continue to be allowed to purchase harvested product from domestic vessels. Mackerel landings have not exceeded 30,000 MT for decades. Until recently, there was little domestic demand for these species, other than for lobster and long-line fishing bait. With increasing restrictions on groundfish species used for bait, there has been some increased domestic demand, but not enough to utilize the potential landings.

Due to declining foreign landings and increased foreign market demand, new US-based food grade processing facilities were either operational or under construction in 2002. One such facility, located in Gloucester, MA, has been under continual production since July 2001, producing 187 MT/day and another, in NJ, began operations in 2002. In 2003, this same company expects to complete another facility in Rhode Island. In addition, a new \$6 million pelagic processing and freezing facility was opened in New Bedford, MA at the end of 2002. This newest facility was constructed based on Dutch processing facilities. All of these operations represent significant financial and economic investment that will utilize presently abundant natural resources and could provide significant economic benefits to both industry and the cities in which the companies operate. As these are modeled after well-established European facilities, they should offer advantages in securing sales and markets for their products.

A historic deterrent to marketing US production has been the lower fat content of the species. The current US industry strategy is to thin competing schools by consistent harvesting and allow for larger size and fat content, therefore, in time, a product that compares favorably with traditional Norwegian and Dutch product may be realized and greater demand for US product could result. In addition, with experience and modeling established facilities and processing methods, US industry may be able to compete favorably in world markets. As European quotas decline and emerging market demand increases, (such as Eastern Europe for herring flaps), US product differences perceived as 'significant' may diminish as lack of traditional supplies become less available or prices for these traditional supplies exceed purchase price ability of these markets. As an example, 2000 Norwegian herring flap prices increased 194% in 2001.

Production Outlook/Supplies

As stated, the resource stocks for both herring and mackerel appear to be healthy and increasing. The New England Fishery Management Council stated in their Fall 2002 report that the 250,000 TAC for herring is only about 10-12 percent of the estimated biomass of 2.9 million MT (6.6 billion pounds). In addition, NEFMC reported that fishing mortality remains low and the long-term prospects for resource are very positive, though monitoring will need to continue. As mackerel harvests continue to be far below MSY and TAC quotas, it also appears that the mackerel resource could be abundant in the future. Both resources could sustain large development of an export market program.

Share of US Exports

In 2001, the industry harvested 95,804 MT of Atlantic herring valued at \$12.9 million. Food grade exports of Atlantic herring totaled 2,312 MT valued at \$ 6 million or 46% of landings by value and 0.24 percent by volume. The major export destinations were Russia and Egypt. In 2002, U.S. Atlantic herring exports totaled 2060 MT worldwide and \$2.16 million by value. Nigeria and Russia continued to be the major importers, but Turkey also emerged as a significant importer of 549 MT or nearly 3 percent of the total.

2001 landings of Atlantic mackerel were 12,318 MT, valued at \$2.22 million. Exports of Atlantic mackerel in 2001 were 18,067 MT, valued just above \$4 million; an increase in export volume of 1,233% and a 405% increase in export value. For 2002, Nigeria continues to be a major export destination for US mackerel, (accounting for 18.5 percent of total US market exports in 2002). Significant increases in 2002 volume were seen in exports to Bulgaria (1,255 MT or 4.6% of total), the Russian Federation (465 MT or 1.7% of total) and Romania (341 MT or 1.2% of production). Spain, Italy and Greece were new importers of US mackerel in 2002.

Industry Strengths and Weaknesses

The abundant stock resources of herring and mackerel provide the best opportunity to establish a large and sustainable export program for US industry. With new domestic investment in processing facilities and further development of acceptable product and packaging, US exporters could experience substantially increased sales to EU markets. Further marketing efforts to increase awareness of improvements in US quality and availability in foreign markets is essential if a viable and sustainable export program is to be realized. Long-standing misperceptions regarding lower US product fat content than other competing suppliers must be overcome if sales and acceptability are to be achieved. In addition, US fishermen and industry must be educated as to the alternative viability of targeting herring and mackerel for export markets, as well as the necessity of improving the quality of harvested product destined for these markets. Improved global prices, as well as continued decline in competitor supplies, should allow US industry to increase market share and realize greater sales in the future. Development of export markets for herring and mackerel offers the East Coast fishery a sustainable alternative to traditionally targeted (and increasingly regulated) species.

Monkfish

Management and Production

Monkfish (also categorized as goosefish in export records) are distributed from New Brunswick, Canada to North Carolina. Monkfish landings are regulated by the Mid-Atlantic Fisheries Council under the Monkfish Fishery Management Plan. Regulation of fishing effort is in the form of by-catch harvest quota limits as well as limiting days-at-sea for the directed fishery. For the 2002-2003 fishing year (May 1, 2002 – April 30, 2003), the Council delayed the proposed elimination of the directed fishery until the following year's council meeting. The Western Atlantic Fishery is divided into two areas; the Northern and Southern Fishery Management Areas. For both areas, the optimum yield of 19,595 MT was implemented, with the NFMA (North of Cape Cod) receiving 60 percent of the quota and the SMFA (South of Cape Cod) receiving 40 percent.

Production Outlook and Supplies

Continued concern over available stocks and possible closure of the directed fishery of monkfish in the future could severely affect available supply. In addition, in the directed fishery, much of the available production is currently targeted toward whole, head-on monkfish for the Korean export market, instead of the tails and fillets for the EU market. Although Korean companies are the primary exporters of whole monkfish, many US companies participate in the processing and packing of this export item. Fishermen using stationary gill-net gear are the primary participants in the directed fishery, where most of monkfish tails come from trawler boats and scallop harvesters. In the directed fishery, fishermen generally prefer to harvest whole monkfish, due the continued demand in the Korean market less processing effort needed for whole monkfish and higher yield of salable product to wholesale dealers. Harvests of monkfish tails is also affected by further restrictions of general groundfish quotas and days-at-sea, as well as low monkfish by-catch quotas, which are 200-300 pounds per trip or 25 percent of total trip weight, whichever is less. Studies during May 2002 indicated that the fishery may be healthier than first estimated. In January, 2003, the New England Fisheries Management Council voted to delay the closure of the directed fishery for one year to allow for further investigation as to whether monkfish is over fished or not.

Share of US Exports

Since 1998, the primary export market for monkfish has been in Korea. The EU is the second major market for monkfish tails and fillets, along with a continued strong fall/winter market for monkfish livers in Japan. In the EU, France remains as the primary EU importer of US monkfish, followed by Portugal, Belgium, Italy and the UK. Domestic supplies of EU monkfish, though preferred by EU markets due to the snowy-white meat color, are still declining, therefore, demand for US monkfish remains high and should continue to grow as the EU also restricts fishing efforts on their own groundfish and monkfish fisheries. In addition, (as evidenced in the past during times of peak demand, such as the holiday season), US exporters and industry will benefit from higher prices that may be realized for US monkfish in EU markets in the future. Monkfish is a traditional and continually desired fish in the EU and strong demand should continue in the future. Competition from other suppliers in South America, New Zealand and China could also continue, but EU market demand should be sufficient to absorb these supplies as well, though lower pricing pressure from these suppliers, as well as a strong US dollar, could affect export sales as well. 2002 monkfish exports totaled

nearly \$42 million by value and 10,434 MT by volume, an increase of 21 percent and 27 percent, respectively. Out of these, only 1106 MT or 10.6 percent, were exported to the EU (as monkfish tails); a decline of 27 percent by value and 33 percent by volume. The remainder being targeted toward the Asian markets (Korea). Korea remains the primary export market for whole monkfish and France remains the primary market in the E.U.

Industry Strengths and Weaknesses

The strong Korean market demand and continued restrictions on monkfish harvesting will affect supplies for EU exports into the foreseeable future. As previously stated, the main disadvantage of US monkfish is the off-white color of its meat, contrasting with the more accepted snowy-white meat of the European variety. As European supplies continue to decline, this issue may become less important to EU markets. Most US monkfish is distributed in the HRI sector; therefore the final consumer may not even realize they are consuming US monkfish, rather than their domestic product. As fishing regulations tighten and supplies decline worldwide, US exporters and industry may experience a higher value for their product in place of declining volume.

Information obtained from SEAFOOD.COM

Scallops

Management and Production

Scallops are regulated by the New England Fishery Management Council and continue to be successfully managed from the near collapse of the fishery in the 1980's. Due to limitations on meat sizes, trip lengths and complete closure of major fishing areas, landings have continually increased from 1998 to present. In 2000, reported landing values by National Marine Fisheries Service were \$83 million. 2001 landing values decreased slightly, but were steady at \$81.9 million. Fleet revenues more than doubled in 2001 to \$165 million, despite a 40 percent decrease in scallop prices from 1998.

East Coast scallop production remains the largest in the world. Scallop production and landings propelled the port of New Bedford, MA to the top port in the value of its catch, outpacing Dutch Harbor, Alaska for the first time in eight years. There is no quota limit on scallop production, but the fishery continues to be managed by area closures and restricting meat sizes. Sea scallops are dredged year-round from New Jersey to Labrador by offshore boats. The meats are shucked at sea and are either processed and frozen at sea or brought fresh to port. New Bedford is the largest scallop port, though ports in New Jersey, New York and Virginia also produce significant supplies as well.

Production Outlook and Supplies

Continued careful management of scallops should ensure that supplies would remain ample. The US domestic demand for scallops is strong, so prices should remain stable in the future. Sea scallops are farmed in New England, but production is quite limited. Efforts to reestablish the scallop fishery in Maine is underway, through re-stocking of scallop larvae in traditional, but currently closed, fishing grounds. It is hoped that eventual establishment of a sustainable population may offer an alternate fishery for Maine lobster fishermen. Current stability and supplies of scallops would continue to support expansion and development of an export program.

Share of US Exports

The US is the largest importer and consumer of scallops in the world and significant quantities of less expensive imports from third countries with low labor costs compete with domestic production. France is the second largest importer, and the US and EU represent 80% of the world demand for scallops, with Spain and Italy as important importers as well. Frozen scallops represent 83% of the total imported scallop product into France. Scallop production is declining in France, however, and is confirmed by falling global demand in 2002 and French demand declining 20% from 2001 to 2002.

In 2002, total worldwide US exports of scallops were 4551 MT by volume, (up 27.3 percent and \$38.8 million by value, (up 11 percent). 2002 exports to France increased by 28 percent to \$11.8 million and 10 percent by volume to 1552 MT.

Industry Strengths and Weaknesses

ASI added scallops as a benchmark product as an alternative for regional dogfish processors and exporters that have suffered from the severe restrictions on dogfish harvesting. The EU, and France in particular, were chosen for the target export market, due to its status as a major importer and the high demand for scallops there, but also due to the contacts and customer base already established in France by former dogfish exporters. In 2002, some US exporters have successful sales with scallops in France, but there remain numerous barriers to further trade; specifically, restrictive moisture-content regulations and limited awareness of US product. Further efforts to market and increase awareness and demand for US scallops need to continue. In addition to these restrictions, as of 2003, the EU has lifted the 1991 ban against the importation of Japanese cultured scallops, which has been highly anticipated by European importers. Generally, the Asian scallop has been historically 30-40 percent cheaper than other supplies, but importers are not certain of the impact of limited easing of the ban, as Japanese exporters may have established markets elsewhere during the 11-year ban from EU markets. Some are confident, however, that due to the high demand in the EU, Japanese exporters will try to win back market share. Other global competitors include Chile and Peru, which have developed substantial aquaculture operations in response to US and EU demand. US demand could also contribute to limited export potential of scallops as higher domestic prices relative to those in export markets would make export sales unfeasible.

Sources: Seafood.com, Scandinavian Fish Year Book, NFMS Report Fall 2002

SPINY DOGFISH

Management and Production

Spiny dogfish (*Squalus acanthias*) is a small coastal shark distributed in the Western Atlantic from New Brunswick, Canada to North Carolina. There is also a fishery in the Eastern Pacific from Washington State to Northern California. The fishery is regulated by the Mid-Atlantic Fisheries Management Council, which sets the yearly quota. The season is split into two segments, May 1 through October 31 and November 1 through April. In general, the bulk of the harvest occurs in the waters from Maine to New Jersey during May through October, and then reverts to the more southern waters from Virginia to North Carolina from November through April. Spiny dogfish move in schools and migrate up and down the coast with weather and temperature changes.

Due to heavy harvesting pressure on this slow-growing species resource in the 1990s, the Mid-Atlantic Fishery Management Council adopted the Spiny Dogfish Fishery Management Plan and established a yearly quota of 4 million pounds to be divided between the two segments of the season, along with a by-catch limit of 300-600 pounds. This yearly quota has been maintained through the last three years and is expected to continue through the next decade. Spiny dogfish do not mature until they reach seven years of age and the massive landings in the 1990s interrupted normal replenishment cycles of the species. (Interestingly, this pattern had previously occurred with stocks in the Northeast Pacific and in the EU, from which the demand and market for production from the Northwest Atlantic initially emanated). Due to the low price paid to fishermen for these species, it is necessary to harvest dogfish in quantity, especially in North Carolina, where the harvested product must be trucked to processors in New Jersey and New England. This dependence on quantity harvesting, both for transport cost sake and for processing efficiency, makes the by-catch restrictions for dogfish impractical, as processors cannot buy, (therefore fishermen will not keep) such small quantities.

Production Outlook/Supplies

It will take many years to rebuild stocks to the point where higher quotas may be realized. Many fishermen who targeted dogfish in the past have abandoned the fishery entirely, due to these quotas and the inability to realize consistent harvests and income. For the present, the fishery will remain a niche area with a necessarily limited number of harvesters and processors/exporters. Processing and sales efficiencies dictate that dedicated processors maintain supplies year-round; therefore it would be difficult to allocate limited resources among more processors than those already established.

Share of US Exports

Dogfish is processed into skinless backs (body), belly flaps, steaks, and fillets. Tails and fins are marketed to Asian importers. Attempts in the past have been made to develop markets for dogfish livers, skin, and shark cartilage. Limited success has been made in the domestic market for cartilage, but little else. In 2002, dogfish exports decline by nearly 50% in both value and volume exported to the EU.

Industry Strength and Weaknesses

Clearly, limited domestic quotas will restrict any further market development for the species. Due to their low fresh shelf life, dogfish must be processed soon after harvesting to retain product quality. In addition, processors generally must maintain consistent supplies, both to retain export customers and their skilled workforce as well. Dogfish sales are concentrated in specific, defined export markets, essentially replacing traditional EU domestic supplies that are less available as well. It appears unlikely that further value can be added to dogfish products.

Demand continues to be strong, however, and once stocks have rebuilt, it is possible that further expanded export sales can be achieved in the future. Alternative programs involving new target species, such as mackerel/herring and scallops, have continued to be successful for companies that had depended upon dogfish exports.

Source: Information obtained from Knight-Ridder/Tribune Business News
July 18, 2002