

U.S. FOODLINK

The bi-monthly newsletter for importers of U.S. foods

Vol. 13 No. 2a



U.S. Seafood Snapshot

Size and Value Of U.S. Seafood Catch Continue Growing

Growing consumer demand for sustainable products is affecting the U.S. fishing industry, with a wider variety of fish appearing at grocery stores and retailers. However, traditional seafood such as shrimp, salmon and tuna still account for the vast majority of the country's production.

The latest findings reveal that U.S. commercial fishermen landed 9.7 billion pounds of fish and shellfish in 2015, 2.4% increase from 2014, according to the National Oceanic and Administration Fisheries. The catch was valued at \$5.2 billion, down approximately 4.5% from the previous year. Landings were above the five-year average of about 9.4 billion pounds.

Alaska was by far the state with the highest landing volume, at about 6 billion pounds valued at \$1.8 billion, both up from 2014. Louisiana held the second spot by volume at approximately 1.1 billion pounds landed, valued at \$339.8 million, but Maine came in second by value with 233.8 million pounds valued at \$588.3 million, according to NOAA's *Fisheries of the United States 2015* report.

The top commercial fishing port in the U.S. by volume was Dutch Harbor, Alaska, while the top port by value was New Bedford, Massachusetts. Dutch Harbor held its position for the 19th consecutive year, with 787 million pounds of seafood landed, valued at \$218 million. New Bedford has had the highest valued catch for sixteen years, landing 124 million pounds valued at 322 million, both down from 2014.

U.S. consumers spent an estimated \$96 billion on fishery products in 2015, up from \$92 billion in 2014. This total includes \$64.8 billion in expenditures at foodservice establishments, restaurants and caterers; \$31 billion in retail sales for home consumption; and \$199.2 million for industrial fish products.

Aquaculture production remained stable, with an estimated 608 million pounds of estimated freshwater production, valued at \$1.33 billion. The main components of freshwater aquaculture were catfish at 307 million pounds, crawfish at 134 million pounds and trout at 48.5 million pounds.

(Continued on page 2)



www.foodexport.org

AMERICANS EAT MORE SEAFOOD FOR THIRD STRAIGHT YEAR IN 2015

Americans ate 15.5 pounds of seafood per capita in 2015, up 0.9 pounds from 2014, according to the National Fisheries Institute. The total includes 11.5 pounds of fresh and frozen seafood, 3.7 pounds of canned seafood and 0.3 pounds of cured seafood, according to the National Oceanic and Administration Fisheries.

The top seafood choice was shrimp, with an average annual consumption of four pounds per capita. Salmon was the second most consumed seafood at about 2.9 pounds per capita, followed by tuna at 2.2 pounds per capita, tilapia at 1.4 pounds per capita and Alaskan pollock at about one pound per capita. In total, the top 10 seafood species accounted for nearly 91.5% of all seafood consumption in the U.S.

“Three years’ worth of increase in seafood consumption is good news from a public health perspective,” registered dietitian and Dish on Fish blogger Rima Kleiner said. “The fact that we see a variation in expansion and contraction across the top ten species, coupled with overall growth, is actually very positive. The nutrition community recommends that Americans eat a variety of seafood and this type of distribution reflects that message.”

SO-CALLED “TRASH FISH” GAINING POPULARITY

Consumers’ desire for sustainability and increasingly adventurous palettes are causing them to rethink the fish they avoid, creating an opportunity for species traditionally considered unappetizing. While the trend is particularly strong in foodservice, retailers are picking it up as well, reported *Supermarket News* (Feb. 6).

One retailer picking up on the trend is New Seasons Market, which sources lesser-used fish as part of the chain’s overall commitment to sustainability. The chain shies away from the term “trash fish,” instead focusing on the low price and the sustainability story behind using species that previously weren’t sold commercially.

“What typically happens in our stores is that consumers will see a variety that’s not as expensive, and because of the price they’ll ask about it,” seafood program and category manager Daisy Berg said. “That’s where our staff can take over, say this fish is really tasty, here’s where it came from and here’s how to prepare it.”

New Seasons’ primary limitations are the amount of unusual fish it can purchase from suppliers. While a restaurant may be able to experiment with just 10 or 15 pounds of product, the 19 store chain needs to make sure it has a steady supply available before it introduces a new product.



Hannaford Supermarkets combines the sustainable and local trends through a partnership with the Gulf of Maine Research Institute, selling less popular but locally caught fish such as pollock, whiting and mackerel. By focusing on where the fish was caught, the chain gives seafood a halo to attract people looking for food with qualities similar to what is sold at farmers’ markets, according to chef, author and seafood advocate Barton Seaver.

Seaver suggests that retailers should “sell the dish, not the fish” by emphasizing the qualities of species rather than the species itself. He noted that offering simple preparation notes usable over a wide variety of species could garner more interest than specific cooking instructions for each individual kind.

BOTH COASTS HOME TO FAMOUS SEAFOOD

Maine is home to some of the largest fisheries in the U.S., with shellfish a major part of the catch. On the other side of the continent Alaska is known for its salmon, accounting for 90% of the wild catch in the U.S. and 60% of the country’s seafood harvest overall.

Maine’s commercial seafood harvest reached about \$ 721.2 million in 2016, according to preliminary data from the Maine Department of Marine Resources. The total is a record high and nearly \$100 million more than the harvest in 2015.

The lobster fishery represented Maine’s biggest increase for the second year in a row, valued at \$547.2 million and accounting for 73.9% of Maine’s total value. The year also marked a record for Maine lobster landing by weight, with over 130.8 million pounds of lobsters caught.

“The historic landings reflect the hard work of our harvesters to build and sustain this fishery,” Maine Department of Marine Resources Commissioner Patrick Keliher said. “The exceptional value is the result of growing demand by consumers who appreciate both the quality of Maine lobster and the long-standing commitment to sustainable harvesting practices that characterize this fishery.”

The key to Maine’s lobster success is the herring used as bait, and Maine’s herring fishery was valued at \$19 million, more than a \$5 million increase over 2015 despite a nearly 11% decline in landings. Maine’s softshell clam industry dropped from second place in 2015 to third in 2016 with an overall value of \$15.7 million. The catch declined 13.4% in per pound value as well as 20% in pounds landed during the year. Other major industries for Maine fishermen include elvers, scallops and oysters.

A total of 41.5 million sockeye salmon are expected to return to Alaska’s Bristol Bay in 2017, about equivalent to the 10-year average, according to data from the Alaska Department of Fish and Game. Another 4 million salmon are expected in the 2017 Upper Cook Inlet run, up from 3 million in 2016.

Alaskan salmon raised some concerns after news reports mentioned parasites in the fish, but U.S. Food and Drug Administration guidelines call for seafood to be frozen to -4°F or below for seven days if it is to be consumed raw. The Alaska Seafood Marketing Institute noted only 6% of Alaska wild salmon is released fresh, making it safe for consumption in sushi or cooked.

EVENT CALENDAR

APRIL

1-4: SNAXPO - Snack Food Association Show
Houston, TX
<http://www.snaxpo.com>

5-7: SIAL Brazil (former SIAL Mercosur)
Sao Paulo, Brazil
<http://imexmanagement.com/show/137/sial-brazil-2016/>

17-19: Asia International Import Food Expo (AIFE)
Beijing, China
<http://en.aifoode.com>

21-24: World Dairy Expo & Summit
Harbin, China
<http://en.dairyexpo.com/>

25-27: Seafood Expo Global
Belgium, Brussels
<http://www.seafoodexpo.com/global/>

MAY

1-4: Food Show PLUS! at SIAL Canada 2017
Toronto, Canada
<https://www.foodexport.org/programs-services/enter-new-markets/food-show-plus/M17SIM>

8-11: HOFEX
Hong Kong
<http://hofex.com>

10-12: Seoul Seafood Show
Seoul, South Korea
<http://www.seoulseafood.com/eng/main.asp>

17-23: Food Show PLUS! at SIAL China 2017
China, Shanghai
<https://www.foodexport.org/programs-services/enter-new-markets/food-show-plus/G17SIA>

22-24: Sweets and Snacks Expo
Chicago, IL
<https://www.foodexport.org/programs-services/enter-new-markets/buyers-missions/G17NCA>



Discover Fish and Shellfish Products FROM THE NORTHEAST USA

A long history of responsible fishing and good, science-based, conservation management practices have produced sustainable and profitable fish and shellfish resources. The seafood suppliers of the northeastern United States have a strong reputation for providing quality fish and shellfish products at competitive pricing to buyers worldwide, including:

 <p>AMERICAN LOBSTER <i>Homarus americanus</i></p> <p>HARVESTING METHOD Traps</p> <p>PRODUCT FORMS Live, raw meat, fresh cooked meat, and frozen</p> <p>DISTRIBUTION CHANNELS Restaurants and retail</p> <p>AVAILABILITY Year-round</p>	 <p>U.S. ATLANTIC SEA SCALLOPS <i>Placopecten magellanicus</i></p> <p>HARVESTING METHOD Dredges and trawl nets</p> <p>PRODUCT FORMS Fresh and frozen meats</p> <p>DISTRIBUTION CHANNELS Restaurants, retail, and processing</p> <p>AVAILABILITY Year-round</p>			
 <p>MONKFISH <i>Lophius americanus</i></p> <p>HARVESTING METHOD Trawl nets and gillnets</p> <p>PRODUCT FORMS Whole fish, tails, fillets, livers and stomachs, fresh and frozen</p> <p>DISTRIBUTION CHANNELS Restaurants and retail</p> <p>AVAILABILITY Year-round</p>	 <p>ATLANTIC HERRING <i>Clupea harengus</i></p> <p>HARVESTING METHOD Mid-water trawl nets</p> <p>PRODUCT FORMS Land-frozen and sea-frozen</p> <p>DISTRIBUTION CHANNELS Retail and processing</p> <p>AVAILABILITY Year-round</p>	 <p>ATLANTIC MACKEREL <i>Scomber scombrus</i></p> <p>HARVESTING METHOD Mid-water trawl nets</p> <p>PRODUCT FORMS Land-frozen and sea-frozen</p> <p>DISTRIBUTION CHANNELS Retail and processing</p> <p>AVAILABILITY November/December through April/May</p>		
 <p>DOGFISH <i>Squalus acanthias</i></p> <p>HARVESTING METHOD Bottom gillnets, trawl nets, and hook gear</p> <p>PRODUCT FORMS Fresh and frozen—backs, belly flaps, and fins</p> <p>DISTRIBUTION CHANNELS Restaurants and retail</p> <p>AVAILABILITY Year-round</p>	 <p>SKATE <i>Raja spp.</i></p> <p>HARVESTING METHOD Gillnets and trawl nets</p> <p>PRODUCT FORMS Fresh and frozen—wings and fillets</p> <p>DISTRIBUTION CHANNELS Restaurants and retail</p> <p>AVAILABILITY Year-round</p>	 <p>SQUID</p> <table border="0"> <tr> <td data-bbox="885 1500 1069 1590"> <p>Long-Finned Boston/Winter Squid <i>Loligo pealei</i></p> </td> <td data-bbox="1077 1500 1260 1590"> <p>Short-Finned Summer Squid <i>Illex illecebrosus</i></p> </td> </tr> </table> <p>HARVESTING METHOD Otter trawl nets, pound nets, and fish traps</p> <p>PRODUCT FORMS Sea-frozen squid (whole) and land frozen squid (whole, cleaned tubes and tentacles), size-graded by tube length</p> <p>DISTRIBUTION CHANNELS Restaurants, retail, and processing</p> <p>AVAILABILITY Year-round</p>	<p>Long-Finned Boston/Winter Squid <i>Loligo pealei</i></p>	<p>Short-Finned Summer Squid <i>Illex illecebrosus</i></p>
<p>Long-Finned Boston/Winter Squid <i>Loligo pealei</i></p>	<p>Short-Finned Summer Squid <i>Illex illecebrosus</i></p>			

MISSION STATEMENT

The U.S. Foodlink newsletter and e-mail bulletin are brought to you by the Food Export Association of the Midwest USA and Food Export USA–Northeast, two state regional trade groups located in the U.S. that promote exports of U.S. food and agriculture. Food Export–Midwest and Food Export–Northeast administer many services through Market Access Program (MAP) funding from the Foreign Agricultural Service (FAS) of the USDA. U.S. Foodlink was created to provide readers credible data and information in an easy-to-read format.

Food Export–Midwest and Food Export–Northeast administer many services through Market Access Program (MAP) funding from the Foreign Agricultural Service (FAS) of the USDA. Persons with disabilities who require alternate means of communication of program information should contact us. Food Export Midwest and Northeast do not tolerate fraud and are vigilant in preventing fraud in any of our programs. Food Export does not discriminate, and we reserve the sole right to accept or deny companies into our programs. For complete participation policies and our code of ethics, visit: www.foodexport.org/termsandconditions.

news briefs



Online grocery ordering is on the rise in the U.S. Over 30% of shoppers are likely to order groceries online in 2017, up from 19% of shoppers buying groceries online in 2016, according to the *2017 Grocery eCommerce Forecast* from Unata and Brick Meets Click. Sixty-eight percent of customers who shopped online in 2016 say they are “somewhat” or “very” likely to switch grocers to one with a better online shopping experience.

30 percent of Millennials prefer the value channel in general for better pricing, product variety and “shopability.” The three biggest factors motivating customers to buy natural and organic products are avoiding chemicals, the perception of higher quality and watching out for their family’s health.

Consumers care about added sugar in food products.

Approximately 38% of American shoppers consider low sugar an important factor when purchasing shelf stable juices and drinks, according to Nielsen. At the same time, 34% of consumers look at sugar content when buying snack bars, and 26% when buying ready-to-eat cereal. Even categories normally considered healthier are affected, with a yogurt sales decline of 0.9% for the 52 weeks ending Dec. 31, 2016 partially attributed to the fact that 86% of the products in the category contain added sugars.

Sales on cakes and pies are up in 2016. Total sales for the cakes and pies category increased 5.5% in 2016, according to *Technomic’s Volumix Cakes and Pies Report*. The largest sales increases were seen in the fine dining, fast-casual and casual dining sectors. Sara Lee Bakery, Sweet Streets Desserts and Lawler Foods Inc. were the top three manufacturers in the category. Distributor brands represented nearly 10% share of sales volume for cakes and pies.

Optimistic consumers are willing to pay more for food. Optimistic consumers account for 70% of households, and 57% of optimistic consumers are willing to pay more for food and beverage products with additional benefits such as antioxidants, compared to 41% of the total population, according to IRI’s Consumer Connect survey. Optimistic consumers believe their household finances will improve in the next six months. In addition, 33% of optimistic consumers and 20% of the overall population will pay more to order products online and have them delivered.

Foods and beverages offering health benefits drive value sales. Organic sales increased 6.8% to \$36 billion and free-from increased 7% to \$32 billion in 2016, according to Euromonitor International. Free-from foods are set to generate an additional \$9.5 billion in sales by 2021, and will become the fastest growing category in Asia Pacific, Latin America, Europe and North America with an average of 5.4% growth. The growing popularity of free-from items was attributed to modern free-from products being as convenient as their standard versions, whereas in the past they usually needed to be prepared from scratch.



Americans are eating out more often. Over 30% of consumers overall are purchasing food to go more often than three years ago, reaching 49% among those aged 18 to 34, according to Technomic. Consumers are more likely to order carryout or delivery through a restaurant’s mobile app or website than from an online ordering platform, but 25% of 18 to 34-year-olds are currently using third-party delivery more often than they did one year ago.

The snacking trend is still on the rise. Snacking is projected to account for \$200 billion in sales by 2020, driving innovation in snacking options, tastes, and flavors, according to the International Dairy Deli Bakery Association. Non-meat protein options continue to generate interest among consumers, with 50% of consumers surveyed stating plants are the best source of protein. Shoppers are particularly interested in attributes matching their lifestyles and beliefs, including origin, transparency, freshness, ingredients, and health attributes.

Consumer spending on meat was down in 2016. Shoppers spent 5% less at the meat department in 2016 than in the previous year, causing total dollar sales to fall 3%, according to Nielsen. Consumers in affluent suburbs account for 18% of the population and purchase the most meat, but the demographic spent 5.4% less in 2016 than in 2015. Consumers in metropolitan centers, largely independent singles and young people transitioning to family life, spent 5% less on meat than the previous year.

Technology and sustainability are important for food industry in 2017. Perfectly imperfect packaged foods, smart appliances producing smart food and a move towards plant-based products will be major themes for the food industry in 2017, according to food and beverage design firm Mattson, reported Forbes. The company believes food producers will need to eschew traditional retailing as people trust their gut above industry experts.

Millennials are less likely to shop for organics at traditional grocers! Only 20% of Millennials prefer shopping for natural and organic products at standard grocery stores, compared to 55% of the Silent Generation, 54% of Baby Boomers and 42% of Generation X, according to Acosta. Nearly



U.S. FOODLINK

Tim Hamilton
Executive Director
thamilton@foodexport.org

John Belmont
Communications Manager
jbelmont@foodexport.org

Adolfo Montelongo
Communications Coordinator – Content
amontelongo@foodexport.org

Laura Buske
Communications Coordinator – Publications
lbuske@foodexport.org

FOOD EXPORT ASSOCIATION OF THE MIDWEST USA

309 W. Washington Suite 600
Chicago, IL 60606
T: 312/334-9200
F: 312/334-9230
www.foodexport.org
info@foodexport.org

Michelle Rogowski
Deputy Director
mrogowski@foodexport.org

Teresa Miller
International Marketing Program Manager
tmiller@foodexport.org

Molly Burns
Branded Program Manager
mburns@foodexport.org

Rob Lowe
Financial Manager
rlowe@foodexport.org

FOOD EXPORT USA-NORTHEAST

One Penn Center
1617 J.F.K. Boulevard, Suite 420
Philadelphia, PA 19103
T: 215/829-9111
F: 215/829-9777
www.foodexport.org
info@foodexport.org

Joshua Dillard
Deputy Director
jdillard@foodexport.org

Suzanne Milshaw
International Marketing Program Manager
smilshaw@foodexport.org

Howard Gordon
Branded Program Manager
hgordon@foodexport.org

Bruce Pansius
Financial Manager
bpansius@foodexport.org

GOT FEEDBACK?

Let us know what you like about U.S. Foodlink, and how we can make it better: send an e-mail to info@foodexport.org

SUBSCRIPTIONS

The U.S. Foodlink newsletter is available every other month, in many countries around the world. Find out how to access the newsletter in your country by sending an e-mail to info@foodexport.org.