

Adding Value in Alaska to Grow a \$4.2 Billion Industry

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McDowell Group

- Research and consulting since 1972
- 17 professional staff
- Staff in Juneau, Anchorage, Bellingham
- Areas of expertise: seafood, mining, oil & gas, tourism, transportation, health care, education
- Services: economic and socioeconomic analysis, surveys, market research, feasibility studies, community planning, program evaluation



Overview

- Volume and value of Alaska seafood industry
- Factors impacting value of industry
- Highlights of ASMI specialty products report



Volume 15/16 Avg.

Ex-Vessel Volume
5.6 Billion Pounds

First Wholesale Volume
2.7 Billion Pounds

Value 15/16 Avg.

**Ex-Vessel Value
\$1.7 Billion**

**First Wholesale Value
\$4.2 Billion**

What impacts the value of the seafood industry?

- Harvest volume
- Inventory levels
- Competition w/other species and protein
- Currency rates
- Trade deals
- Many others

Specialty Products

- Low value
- Underutilized
- A compilation of all available information
 - *Analysis of Specialty Alaska Seafood Products*
 - On ASMI's website

Fish Heads

- Alaska produces a billion pounds of fish heads annually
- Some sold as frozen heads (1%); used in meal/oil production
- Cod/pollock tongues, dried/frozen heads
- The market favors larger heads, not pollock or pink salmon



Internal Organs

- AK produces 700M pounds annually
- Limited markets; most go to meal/oil production or discharged
- Cod/pollock liver and stomachs
- Cod milt

Fish Meal/Oil

- 150M pounds of fish meal; 200M pounds of fish oil
- Fish meal: aquaculture and animal food, retail pet food, fertilizer
- Fish oil: alt. to diesel fuel, aquaculture feed, supplements

Arrowtooth Flounder

- TAC is 300M lbs; about 25% harvested
- Largest biomass in GOA
- Ex-vessel: \$0.05-\$0.08 per pound
- At-sea processed receives 20% premium
- Difficult to handle
- Most exported as whole fish or H&G; high value frill meat



Pollock Roe

- Value declined 70% since 2005
- Competition with Russian pollock large factor
- Market oversupplied
- Japan/South Korea main markets
- Alternatives include roe-based fish oil, sport bait, *Bottarga*



Report is on ASMI's website:

*Analysis of Specialty Alaska
Seafood Products*

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