

# the Market Report



Premium Seafood | Remarkable Value | Tradition of Service

## FISHING BEGINS AT APICDA PROCESSING PLANTS



The APL barge at the Bering Pacific Seafoods dock in False Pass, Alaska Photo by Jed Smith.

With Copper River insanity over, the Western Alaska fisheries are now underway. Cannon/APICDA processing plants - Bering Pacific Seafoods in False Pass and Atka Pride Seafoods in Atka - began processing salmon in early June, sockeyes and some chums and later pinks. The

quality of these fish is at their peak when they pass through the Bering Sea on their way to the Alaska mainland. All fish processed in our plants are certifiable MSC (Marine Stewardship Council) and RFM (Responsible Fisheries Management) sustainable. These fish are harvested in what is known as "open waters", meaning they are a long distance from fresh water and are some of the best quality fish harvested in Alaska.

## CANNON FISH COMPANY IN KENT, WASHINGTON

Our state-of-the-art processing facility in Kent, Washington (south Seattle) earned the Global Food Safety initiative British Retail Consortium Certified (BRC) in 2015 and holds a AA grading. In addition we are MSC Certified and a member of Trace Register. All products are processed and packed under strict standards set by these gov-



erning bodies to assure you receive only the best of the sea.

In addition to processing our Cannon Fish brands, we also pack private label brands and offer custom processing for fillet, portions, steaks, IVP, marinades and retail packs, etc.

## Who are Cannon Fish and APICDA?

- Serving premium quality seafood since 1991.
- A subsidiary of the Aleutian Pribilof Island Community Development Association (APICDA) since 2013.
- APICDA is a non-profit dedicated to sustaining the communities and cultures of rural Alaska villages in the Aleutian-Pribilof Island region in the Bering Sea.
  - APICDA is a one of six western Alaska Community Development Quota (CDQ) organizations.
- CDQs were established to enable economically disadvantaged coastal communities in the Bering Sea and Aleutian Islands to develop stable local economies based on the fishing industry.
- APICDA's efforts have resulted in economic stimulants to Aleutian-Pribilof communities, including numerous scholarships, major infrastructure (docks and harbors), seafood processing plants, tourism and workforce development.
  - Cannon Fish is unwavering in our commitment to help sustain the Aleutian-Pribilof villages through creating and offering premium seafood from our own plants and facilities.



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## Salmon Report



Wild salmon markets have been strong due to lack of supply and an increase in worldwide demand. Most processors ran out of salmon before the Boston Seafood Show in March for the first time in many years. Prices have skyrocketed as the market haggled over the last of the remaining inventories.

If Copper River is any indication of what the 2017 salmon season will be like, things could get interesting. Copper River fishermen yielded the highest prices in history despite a fairly good harvest, especially kings. The overall catch to date for the Copper River season is lagging behind the forecast, but the good news is the average size of the fish seems to be running larger than usual.

**Sockeye catch** is expected to be same or less than 2016, but there is no or little inventory carried over from 2016 to bridge the gap before new fish arrives to market. Boat prices started out much higher than last year. Sockeye harvest has started fairly strong compared to last year but is about par historically. There's a lot of fish heading to the fresh market. Expect higher prices and a stronger market throughout the year, as demand is expected to outpace availability.

**Chum (keta) harvest** is expected to be slightly stronger than 2016, at least in Alaska, but a potential shortfall in British Columbia and Puget Sound will no doubt put pressure on the market and resources. The market ended strong last year, as it became apparent inventories were short. Like all wild salmon, there is virtually no inventory as we enter the new seasons.

**Coho**, you never know. The past few years they have been elusive, to put it mildly. Coho inventories were so short this past year prices at times rivaled that of sockeye. Coho are the unknown, but we do know the market is clamoring to see this silver-backed prize fish. The market will depend on harvest and quality of fish.

**Farmed salmon** markets have been unpredictable and atypical this year. For example, prices dropped during Lent and increased after Lent, which is unheard of. It seems there is neither rhyme nor reason to the market. Prices have stabilized in the recent weeks. Norwegian fish is coming into the US at a greater rate than normal. Traditionally, prices drop through the summer to compete with the flood of wild salmon on the market, but as mentioned, this is not a typical year, so we will wait and see.

## Halibut & Cod

**Halibut's fresh market** has been as strong and steady as ever. The quality of halibut harvested in the Bering Sea and Aleutian Islands near our plant in Atka is second to none. The fish is fatter and most often brings a much better yield to fillet as fish from Southeast Alaska.

**For Pacific cod**, it sounds like a broken record, but the market is expected to remain strong, especially large sizes, as demand remains strong and resources are barely keeping up. The first season left the market wanting, and second season, which began June 10, didn't improve. There doesn't seem to be much relief through 2018, especially with a recent announcement of a potential 20 percent cut in Atlantic cod quota next year in the Barents Sea. Japan is a driver in the cod market and they have been buying more than usual, putting pressure on supplies. On the other hand, Iceland just announced a four percent increase in quota for the season opening Sept. 1, and may take some pressure off the Atlantic cod market, but may not have much of an effect on Pacific cod.

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## Exotics Report



**Did you know...**that Cannon Fish sources all our tuna and swordfish from a longtime supplier that participates in the Indonesia Fisheries Improvement Project (FIP) and is working towards MSC certification? Our fish is sustainably and responsibly harvested.

**The tuna market** has been stable the past couple of years, but that may change with a recent slowdown in harvest.

**Mahi Mahi prices** remain at record highs due to the dismal South American season. Things are not starting out any better in Southeast Asia. Don't expect any relief the remainder of this year. There is potential positive news in that El Nino has dissipated, which could result in a normalized South American season. We'll know by fall.

## Cannon Team Member Profile

Brian brings over 18 years of experience as a QA Manager to Cannon Fish. Brian is a graduate of Louisiana State University with a degree in Food Science. Brian has worked with other companies in QA capacity, such as Starbucks Coffee and other seafood companies. In addition to experience as an auditor, Brian brings several certifications to Cannon Fish, such as ISO 22000 Coordinator training, Internal Auditor Training by AIB, HACCP Coordinator Training by AIB and is a certified SQF practitioner by SQFI. Brian was instrumental in Cannon Fish BRC certification, audits and enforcement. Brian is a stickler for detail and compliance. Brian enjoys spending quality time with his wife and daughter, fishing, cooking and gardening.



Brian Y. Chen, Ph.D.  
Quality Assurance Manager

