



August 16, 2011

Volume 12 Issue 3

## PRESIDENT'S REPORT —MIKE

The 2011/2012 started early this year with 4 licenses already fishing. This could be a indication of positive things to come for the new season. Over the past 4 years there has been a continuous improvement in landings and the early indications are that this trend will maintain. Although Japan is by far our largest market, China is certainly contributing to the improving demand.

In September, PUHA representatives will attend the Asia Pacific Seafood Show and in November, the China Seafood Exposition. This is a continuation of the PUHA Long term marketing strategy. Following The China show, Premier Kristy Clarke will sign an MOU with the Ocean and Fisheries of Guangdong Province and the Province of British Columbia. PUHA attended an event this past January hosted by the Guangzhou Fisheries Association and the Ocean and Fisheries of Guangdong. They featured sea urchin and was attended by many importers and restaurateurs. Paddy Wong and his counterpart with the Guangzhou Fisheries Association spearheaded the event which was a great success. This summer South China Airlines commenced direct freight flights into Guangzhou. All in all this strong connection between the 2 regions should have long term benefits. There are some 700 million people in the Guangdong Province, a substantial market with huge potential.

On the fishing side, the area selection resulted in the exact numbers as the 2010/2011 season. This means quotas and fees will remain the same as last year. There were some minor adjustments to the quotes and the fishing plan, mostly to allow flexibility and giving the fishermen responsibility for the in-season and area management. The challenge with this responsibility is for the fishermen on the grounds to act responsibly and respect the regulations. Unfortunately there were a few incidents where this did not happen this past season. As a result DFO has implemented a requirement that any fleet operating in the North coast (above Hakai Pass) to have at least one vessel with a Vessel Monitoring system (VMS) installed and operating. There will be a presentation of the VMS and it's operation at the AGM on August 25. Subsequently there will be more information distributed via e-mail and the website. There is a short list of 10 vessels being contacted to work with the pro-

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## MARKETING — GEOFF KRAUSE

We again applied for funding this year from Agriculture and AgriFood Canada. We applied for about \$46.8 K based on pursuing a program similar to last year's. Basically we are working to establish a presence on world seafood markets for Red Sea Urchin as a signature West Coast of North America product and are working with other producers such as California so we are all working to the same standards. Our marketing program per se is focused on existing customers in Japan but we are also looking for new opportunities in Hong Kong and China. At the end of the day we were awarded about \$ 46.5 K for our association initiative for "generic" unbranded product. Some further Small and Medium Enterprise (SME) funding for branded product has also been, or is in the process of being, approved , so the total approved funding for the year is expected to come in between \$59,500- 70,000, a value which comprises to my mind a fairly substantial vote of confidence in what we are attempting to do. These are of course 50% dollars so we are working with a total budget in the neighborhood of \$120 - 140 K.

The basics of the plan this year have us attending the 2011 Asian Seafood Expo in Hong Kong in September and the 2011 China Fisheries and Seafood Expo in Qingdao in November. Presenting fishermen and processors as united is key to demonstrating the commitment of the industry to build and maintain a strategy based on strength though sustainability, fairness and quality. In a sense this can be looked at as just the sort of leadership that many talk about but is apparently still a bit short in practice. To my mind, in that alone there is also opportunity.

China of course is expected to remain one of the main drivers of international economic growth in the foreseeable future and Hong Kong remains one of the most dynamic economies in the world in part because it is such an important link between the Chinese market and the rest of the world. There is considerable interest in BC seafood suppliers throughout the region and the potential rewards of developing appropriate business relations as sustainable suppliers of high quality seafood are multifaceted and substantial. Our Japanese customers are still, and will without doubt continue to be, very important to us but diversifying our customer base will benefit all we do business with, including them. After all, stable, if not actually increasing, revenues are needed to support the type of production (i.e. exemplary sustainability and transparency, high value, high quality) we are pursuing for BC's Urchin fisheries.

We are sharing a booth with the Pacific Sea Cucumber Harvesters Association and the Underwater Harvesters Association in Hong Kong and are displaying live product in an aquarium as well as chilled product in a display freezer. We use a freezer because a chiller is just not enough in semi-tropical Hong Kong at that time of year. It will be our first time displaying live urchins at this sort of venue and it will likely be kind of interesting keeping geoducks, urchins and maybe even some cukes healthy in the same tank. Just demonstrating the we can supply live product to Hong Kong may have significant benefits and any advice or insight from those with such experience will of course be welcome. This will be our second year at this show and we are hoping that we will continue seeing increasing interest from buyers and distributors in Hong Kong.



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The China show in November will be our fourth. We are again going to be part of a Canadian Pavilion with companies and seafood associations from all over Canada and the BC Government this year is increasing its presence. We are sharing a booth with the PSCHA right next to the UHA and right across the aisle from the 6X- sized BC booth. We are going to be coordinating with them and other groups more closely this year, including supporting chef activities and samples, display materials and whatever else we might provide to make sure the BC contingent is ready to shine.

All in all, despite the wild bounces these days, it seems reasonable to hope that things are lining up for a pretty good year this year, with the caveat (first expressed by Babe Ruth) that it is awfully hard to make predictions, especially about the future. We will have to wait to see about many things, including wind, weather and world events. Russian IUU fishing is continuing, albeit a bit slower than in 2006-08, and Japan still suffers misfortune from that massive earthquake and tsunami on March 11 but at least currencies seem to be cooperating: the Japanese yen and Canadian dollar are stabilizing around a balance relative to each other that was last seen in 2004 and the Chinese RMB is getting stronger. Also, according to the data I have been collecting from Japan Customs for the past few years, imports of Canadian RSU last year into Japan increased from about \$C 8.5 M in 2009 to about \$C 14 M in 2010. That seems like good news and the first few months of 2011 even saw improvements over the same in 2010. So what the hey: stay positive.

Hopefully see you on the 25<sup>th</sup> at the A.G.M.

**P. U. H. A.**

**ANNUAL GENERAL MEETING**

**AUGUST 25, 2011  
(THURSDAY)  
9:30 A.M.**

**STEVESTON HOTEL  
12111– 3rd AVENUE  
RICHMOND, B. C.**

**2010 A.G.M. MINUTES AVAILABLE ON OUR WEBSITE  
[WWW.PUHA.ORG](http://WWW.PUHA.ORG)**

## PRESIDENT'S REPORT—CONTINUED

Transport Canada Marine Safety representatives will also attend the meeting to facilitate an outreach opportunity to assist vessel operators in the completion of the certificates of service (grandfather tickets for Masters and Mates). Masters and mates should bring copies of their sea time, Marine Emergency Duties card and a marine medical exam. Many operators will only need a Small Vessel Operators Course and information on the various requirements will be discussed. As a segway to the TC presentation Gina Johansen will discuss the Fish Safe educational and training programs.

Hope to see everyone at the Annual General Meeting on Thursday, August 25<sup>th</sup> at the Steveston Hotel, downtown Steveston

