

Marketing And Market Promotion In The Fishing Industry Of The Netherlands

PH. VAN GELDEREN

Director of Chancery, Netherlands Embassy, Washington, D. C.

THE FISHING INDUSTRY in the Netherlands does not yet occupy the place it deserves in the national economy. This is due partly to the aftermath of the second world war when attention could only be given to supplying fish as quickly as possible to the undernourished population. Besides, it was more or less a tradition to ship the fish landed by the Dutch fishing fleet without further delay to those regions where the demand was great, and therefore little was done in the preparation and the preservation of the product. The result was that too little attention was given to research in the techniques of preparation and packaging.

Although the marketing set-up has been modernized considerably, especially as far as the domestic market is concerned, these conditions have had a restraining influence on the development of the fishing industry, particularly with regard to marketing.

The following figures will give some idea of the scope of fish production in the Netherlands:

In 1954 the supply of fish received from Dutch fishing vessels amounted to 395 million pounds, at a value of 19 million dollars. The supply from coastal fishing was 208 million pounds, valued at six million dollars.

In the same year exports (exclusive of fish meal) amounted to 348 million pounds at a value of 28 million dollars.

The principal Dutch supply port of fresh fish is Ymuiden, where the fish is marketed and sold at an auction organized by the Government. There, the fish are selected carefully before buyers make their bid according to the system called "Dutch auction." The wholesalers maintain storage space and offices in the auction buildings.

The Government collects a commission from the seller (shipowner) and from the buyer (wholesaler). The total amount of these revenues, together with dock-dues, etc. is about sufficient to cover the expenditures, so that in the last years—taking into account the necessary depreciation on the buildings, harbors and other plants—this enterprise has resulted in neither profit nor loss for the Government.

Scheveuingen is the most prominent port for salt herring. Here the fish are sold at a municipal auction. Other important landing ports are Vlaardingen (for herring), Breskens and Den Helder for coastal fishing and shrimp, while Ierseke is the center of oyster and mussel farming.

Since the auction at Ymuiden begins as early as seven o'clock in the morning, the fish which is sold there is, as a rule, on its way to the stores—either in its original state or filleted—or to cold storage by or before noon of the same day. Because the country is comparatively small the fish generally reach even the remote corners of the country on that same day, so that there is no need for freezing the fish before shipping.

Large quantities of fresh herring which cannot be disposed of on the same day are very often put in cold storage so that there may be a supply available in times of low production.

In spite of the fact that the people of the Netherlands, even those in the

Eastern and Southern provinces, do not live far from the sea, fish consumption is on a relatively low level. In 1954, the per capita consumption was 17¾ lbs., of which about 4 lbs. consisted of salted herring, 2½ lbs. fresh herring and 8¼ lbs. fresh fish.

Throughout the years, various experts in the fishing industry as well as Government agencies have been wondering why people do not eat more fish. The general conclusion was that the system of distribution could be improved, to get the fish to the smallest communities. The question has been raised whether attention has not been centered too much on production, as a result of which marketing and distribution problems have remained in the background.

As a rule, the retail fish stores buy small quantities at a time, in order not to be left with over-supplies of fresh fish. This in turn results in high freight rates from the port of supply to the place of destination, which makes the price of the fish too expensive. It often happens that price reductions at times of large landings do not have any advantage for the consumers. Consequently, more effort is being put forth to encourage a larger consumption of fish.

Commercial advertising in the Netherlands does not have the facilities of television or radio. Television in the Netherlands started on October 1, 1951. The programs are supervised by the Minister for Education, Arts and Sciences, and are carried out under the joint responsibility of five broadcasting corporations. Although the Government sees a possible source of revenue in commercial programs, advertising is not allowed thus far. Just a few days ago a newly formed group of Dutch companies applied to the Minister for permission to set up Holland's first commercial television station. This proposal is under consideration, and will ultimately have to be approved by Parliament. Consequently, any advertisement of fishery products is thus far excluded.

At the present time, then, sales promotion for larger fish consumption remains limited to exhibitions, newspapers, magazines and displays sponsored by private business enterprises and Government agencies. In the framework of promotion much emphasis is stressed on the quality of the fish. Those in the fishing industry are aware that well equipped and modern fish stores and stands have favorable influence on sales. It would be ideal if fish stores could have their own cooling and freezing facilities but before we are that far advanced much has to be done. More up-to-date procedures in the preparation and packaging of fish are now being followed, and these developments point towards further promotion of deep-freezing of fish. In 1954 the number of shops which sell fried fish have increased from fifty-one to fifty-five and a further increase is expected, which shows that the consumer desires a ready-to-eat product.

Efforts to improve the quality of the fish must start with the fishermen, who have to be trained accordingly. To encourage the fishermen, the marketing board for fishery products gives awards each year to the skippers of vessels who—to the judgment of an advisory committee—have taken the best care in preparing a fine product during the season, and the Board also gives an award to the fish preserving factory which produces the best preserved product. A great deal of technical and scientific research has also been done in the field of quality control.

To stimulate the fish consumption throughout the country, part of the Moody funds, two million guilders, have been appropriated for the distribution of fish. These funds are used in granting credits to retailers for the purchase of deep freeze boxes and to equip a display center where housewives and others can become acquainted with methods of fish preparation, and where experts

give lectures on fisheries and on the distribution of fishery products. Also a mobile demonstration unit was set up, which makes it possible to distribute information to every part of the country.

Labor productivity in the Netherlands is, generally speaking, at a very high level. A shortage of labor has led to a more vertical investment (more capital per worker) as opposed to the earlier horizontal investment (capital to provide employment for an additional number of workers). It remains to be seen, however, to what extent the vertical investment can be applied to the fishing industry. The fact is that fishing is not a mechanized operation, and the fishing waters situated around the Netherlands offer only limited possibilities to the fishermen.

It is possible to determine fairly accurately how much fish is needed for home consumption, taking into account an increased per capita consumption, but the quantity to be exported remains more or less uncertain. The Marketing Board of Fishery Products—an agency of the Ministry of Agriculture, Fisheries and Food—has, despite this difficulty, set up a work schedule for the current year, listing the quantities of fish which they expect from the Dutch fishing fleet and the manner in which the fish will be used.

PRODUCTION	CONSUMPTION			Exports
	Preserved fish	Fish meal	Domestic market	
120 million lbs. of seafish	7%	3%	73%	17%
8½ Million lbs. shrimp	—	—	40%	60%
187 million lbs. pickled herring and ungutted herring	—	7%	33%	60%
120 million lbs. fresh herring	30%	7%	27%	36%

These figures show that the fishing industry is greatly dependent on exports. These exports need not be reduced if the domestic consumption should increase, because there are still many fishing grounds which can be reached by at least part of the existing Dutch fishing fleet to increase the production. The aim is to strive for greater expansion and for an increase in consumption both in the domestic and the export markets.

In the present competitive American market the Dutch interests have to make use of all available devices to promote its fishery products. Although the cost of promotion in foreign countries is higher than in the Netherlands, the results in these countries are more rewarding. In several countries the Netherlands fishing industry has built a reservoir of goodwill, resulting in satisfactory trade relations.

In a country like the Netherlands where industrial expansion is further ahead than ever before in history, the modernizing of the promotion of fishery products is receiving special attention and shows great possibilities.

Can Natural Sponges Meet Competition from Synthetic Sponges?

DAVID H. WALLACE

*Executive Secretary, Sponge and Chamois Institute
Annapolis, Maryland*

FOR THOUSANDS OF YEARS natural sponges have been an item of commerce in the Mediterranean world. Aristotle wrote of soldiers padding their helmets