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**The Government's Place
In Market Promotion Of Fishery Products**

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CERTAINLY there is no more important link in the entire commercial fishery industry chain than the final sale of the product to the consumer. Without this final sale there would be no incentive for the other phases of production, processing, and distribution. As in any industry, the success and growth of the domestic fishery industry lie in the vigor with which it develops, maintains, and increases its markets.

However, this is easier said than done. Important as our fisheries may be, they have been faced with increasing competition for the consumer's food dollar, largely as a result of record agricultural productivity and the increased entry into the market of fishery products of foreign origin.

Because of the geographical spread of the industry, the preponderance of small and medium sized producers, and the fact that fish and shellfish as a class are composed of so many different species, it has been difficult for members of the industry to give much attention to other than their own species and areas in their marketing activities. As a result, their activities in promoting fishery products as a class have necessarily been limited. Largely as a result of this condition, the per capita consumption of fish, on a national basis, has not kept pace with the increases for other protein foods.

In recognition of the importance for improving the marketing of fishery products, the Congress on August 11, 1939, authorized the annual transfer from the Department of Agriculture to the Secretary of the Interior of \$75,000 "to promote the free flow of domestically produced fishery products by conducting a Fishery Educational Service" and \$100,000 to "develop and increase markets for fishery products of domestic origin." These funds were transferred from the Section 32 funds made available to the Department of Agriculture which represent the import duties levied on food products coming into this country. Actually the full amounts of these funds were not transferred until 1946. From that time until the enactment of the Saltonstall-Kennedy Act, our market development program was designed basically to conduct those market development activities, which are beyond the physical and financial scope of the domestic fishery industry. The program was built largely around the development of new markets in the school lunch and institutional fields. During that time, because of the limited staff that could be supported

by these funds, it was necessary to confine our attention to fishery products in general, and we are not able to handle individual marketing problems other than in a very general way. With the addition of the Saltonstall-Kennedy funds, staff and program increases permitted us to vastly expand our market development program to the point where we could give emergency assistance to distressed segments of the fishing industry when the seriousness of the situation justified such action.

As in any other business, periodic unbalances occur for which the commercial fishing industry must necessarily adjust itself. However, marketing unbalances occasionally occur which so affect a major segment of the industry, from fisherman to distributor, that normal industry measures prove inadequate. That is now where we are able to render what we think is valuable assistance. Probably the best example of how an emergency program of this type can be put into action is demonstrated by the recent industry-government cooperative haddock marketing campaign. As cold storage stocks of haddock began to accumulate at an unusually heavy rate during the fall of 1954, a serious marketing condition developed which was reflected in all segments of the Boston haddock industry from fishermen to distributor. As inventories accumulated, the processor found himself with his working capital tied up in cold storage stocks. As a result, it was necessary for him to reduce his purchases of fresh fish over the Boston Fish Exchange. The chain reaction extended to the boat owner and fishermen, who were naturally reluctant to return to the fishing grounds when they knew that the prices they would receive would be so low as to fail to cover expenses. As a result, many of the large ocean type trawlers were tied up in Boston and many of the shore processing plants curtailed operations to the point where unemployment became heavy among the shore plant workers and truckers. This situation constituted not only a problem to the haddock producers, but it raised a threat to producers of other New England fish, who were fearful that the market for all types of New England fillets would break.

At this stage, the Boston haddock industry requested Government assistance in the form of a surplus purchasing program using Saltonstall-Kennedy Funds to remove the surplus stocks so as to stimulate the market and restore normal operations in the area. With the experience of the U. S. Department of Agriculture as a background, it was the opinion of the Departments of Interior and Agriculture, that other means should be developed to overcome the problem. The cooperative industry-government program evolved from these discussions. On January 13, 1955, the Secretary of the Interior announced that the full force of the Fish and Wildlife Service's Market Development Activities would be placed behind the program. At the same time, the industry expanded its sales activities to the degree that its facilities permitted.

The Government's program was built around the following lines: since haddock fillets were an item that fitted price-wise into the school lunch program, circulars were distributed to all of the participating schools in the twenty-three states of the Northeast part of the United States, advising them of the availability of haddock fillets and recommending recipes that would be suitable for their use. These circulars were distributed through the individual State Departments of Education, whose cooperation had been developed largely through the school lunch activities that we have been conducting during the past several years. The larger food trade associations and chain stores were

contacted by the Service, and supported the program very well. These included such organizations as the National Restaurant Association, Independent Groceries Alliance, National Association of Retail Grocers of the U. S., Super Market Institute, the Great Atlantic and Pacific Tea Company, National Food Brokers Association, National Association of Food Chains, National Association of American Railroad Dining Car Officers, Walgreen Drug Stores and about twenty-five other similar food merchandising groups.

The State institutions, such as hospitals, prisons, and rest homes, were contacted by means of publicity bulletins, urging them to use haddock in their menus as much as possible. The Agriculture Department through its Food Trades Branch and Federal Extension Service gave the project special attention through its nation-wide food promotional outlets. Haddock was listed as a plentiful food and the Service prepared press releases containing information on haddock as well as recipes which were distributed to approximately 1200 food editors, dietitians, and nutritionists throughout the country. Personal contacts were made by the Service's field force—which, by the way, was devoted solely to this program for a period of approximately eight weeks—and appearances were made on the radio and TV. Newspaper food editors were contacted to enlist their aid. Service home economists gave several TV demonstrations on the home use of haddock.

The effect of the program can best be evidenced by the cold storage withdrawals of haddock fillets in Boston. At the time the program was started, the holdings amounted to approximately seven million pounds, or about double normal. By the end of January, they had dropped to five and one-half million pounds. By the end of March, they were at four million pounds, approximately one-half million pounds less than on the same date a year previous. This heavy reduction in holdings continued even after the Service relaxed its efforts. As the stocks began to move, activity increased in the Boston area. The processors, now being able to move their stocks, were able to re-enter the fresh fish market. As a result, the boats resumed operations and increased landings began to appear at the Boston Fish Pier. Soon the shore workers were rehired to process the new supplies and a new atmosphere of economic recovery appeared in the area. This recovery can be attributed almost entirely to this industry-government program.

Shortly afterward the Pacific Coast tuna canning industry requested the Service to assist it in a national sales promotion campaign to remove the burdensome stocks of canned tuna which were accumulating at the packers level. In contrast to haddock fillets, whose general market area is confined to the northeastern United States, canned tuna is a nationally distributed item that can probably be found in every grocery store in the United States. As a result, the tuna campaign was conducted on a national basis, and during May and June the sales slogan, "Summertime is Tuna Time," became a familiar phrase throughout the country. Again, the Service found the outlets that had been developed during the haddock program to be equally as effective in the case of canned tuna. The schools, national food trade associations and food trade groups, state institutions, radio and press, TV editors and the Department of Agriculture participated in the program. The industry meantime was using its established commercial publicity outlets to stimulate consumer purchases of canned tuna. Because of the many other factors that have an effect on the marketing of canned tuna, such as the heavy imports from Japan, and heavy

shelf stocks, it is not yet possible to evaluate the effect of this program. However, the industry has indicated that the campaign greatly stimulated canned tuna sales.

Since that time, but in a somewhat less extensive nature, the Service has cooperated with the fishery industry in National Fish Week, the Shrimp 'N Rice Fiesta, and worked in cooperation with the fishery industry during National Tuna Week. Campaigns have also been conducted on a regional basis. For instance, in cooperation with the National Fisheries Institute, a market promotion campaign was conducted at the test city of Columbus, Ohio, to stimulate the sales of fish sticks and fillets. Similarly, in cooperation with the Southern California Fisheries Association, a program was undertaken to stimulate the sales of fish in this heavily populated area, which has an unusually low consumption fishery rate, considering that it is a coastal area. In September, 1955, we cooperated in the Wisconsin Fish Month Program, which was sponsored by the industry in that area.

However, there are other areas in which we are endeavoring to promote markets which are equally important and which have not been as highly publicized. In recognition of the problems confronting the fresh fish industry in Florida, we have entered into a contract with the Marine Laboratory of the University of Miami to increase markets for the fishery products of Florida origin. Progress in this study is reported elsewhere in these proceedings. Another program in which we are engaged is that of developing markets for the under-utilized fresh-water species, such as carp, sheepshead, buffalo fish, and quite frequently, smelts, as an aid to the fresh-water fish industry. Already, promising markets have been explored in the fur-animal food industry and trial shipments are now under way. This represents a tremendous potential market, since the fish have certain qualities which make them highly desirable as fur animal food. In addition, the decline in the horse meat supply has opened up this field for the under utilized fish.

Our programs are not all geared to the emergency level, however, since we are currently engaged in a school lunch demonstration program which this year will include Massachusetts, Maryland, Florida, Kentucky, Indiana, Wisconsin, Texas, South Dakota, California and parts of Washington and Oregon. Cook books, which have proven to be so popular that their sales by the Government Printing Office are exceptionally high, are being developed to cover many of those species which we have not been able to cover up to date. Our fishery exhibit program in such national conventions as National Restaurant Association, American Dietetics Association, American Home Economics Association, National Frozen Food Locker Association, American School Food Service Association, etc., is being conducted to bring to these important food groups the advantages that can be accrued from the use of fishery products. Our motion picture program is being expanded. We will soon have two pictures on shrimp, both industry sponsored and Service produced.

In summation, the Service's market development program is not intended to be a substitute for the industry's market development activities, but is designed to be a supplementing aid to industry activities, with the goal being the maintenance and expansion of the economic levels of our important commercial fisheries.