

SEAFOOD

Market Overview

With a population of 82 million and an annual per capita consumption of about 14 kg (roughly 2 kg of freshwater fish and 12 kg of marine fish or products thereof), Germany is a sizeable market for seafood. Total German seafood imports in 1999 amounted to DM 3.1 billion, of which DM 45.5 million came from Canada. In 1999, 83% of the total demand on the German market for fish and fish products was imported, which illustrates the high importance of world trade to the German seafood market. In 1999, about 39% of the German seafood supplies came from (EU) member states, with about 61% coming from third countries.

The German seafood market is characterized by a strong emphasis on saltwater fish. The big sellers are herring (22.6% of the German inland use (catch weight)), Alaska pollack (19.8%), tuna and bonito (13.2%), salmon (10.4%), cod (7.0%), ocean perch/redfish (6.0%), hake (5.4%), trout (5.1%), saithe/pollock (4.6%), mackerel (2.0%), plaice (1.6%) and halibut (0.8%). Rising incomes have resulted in more consumption of luxury products like lobster and shrimp, and of convenience products. Also part of this trend is the increase in salmon consumption, primarily from Norway, much of which comes in the form of smoked products. Less affluent consumers of the New German States have reinforced demand for cheaper species.

One of the most important sectors showing steady growth in the German fish industry is the production of frozen fish products. With a large selection of products and a yearly growth rate of 4.5%, the production of "freshness that came out of the cold" has gained popularity.

Growing readiness to accept "ready-to-serve-meals" proves that further developments of these meals based on fish are welcome. The wide range of breaded fish products within this category show a marked increase, mainly due to the demand of consumers from eastern Germany. The high-quality standards, and a wide range of marinades and canned fish have become popular in eastern Germany as well.

The trend at the fish counter is shifting away from whole fish. Consumers generally prefer convenience foods. For this reason, ready-to-serve fresh fish dishes,

including specially created sauces, are increasingly offered. Sales of salads, dips and marinades are increasing.

Canned fish and marinades represent the largest portion (29%) of the German per capita consumption of seafood. In particular, Bismarck herring; rollmops; herring in dill, tomato or mustard sauce; tuna fish; or Swedish tidbits are the most popular types. The demand for precooked and shelled shrimps and prawns is also very high. In addition to the traditional fish fingers and frozen fish fillets, TV-dinner fish dishes are available. Ethnic food has conquered a secure market niche for itself. Numerous exhibitors at all the important fish fairs are displaying exotic finger foods.

Generally, the trend in the industry is towards an even greater degree of further processing to achieve added value, as the competition for the limited home freezer space puts downward pressure on prices.

Smoked fish is not only a delicacy but also a very attractive eye catcher in the retail trade for the consumer. The side range includes salmon, eel, herring, mackerel, strips of hot-smoked dogfish, halibut, redfish and trout. The demand for smoked fish has greatly increased during the past few years. This traditional product group got its impetus mainly from improved processing techniques, refined recipes and innovative marketing.

There are a number of good prospects in the German market for those Canadian suppliers of fish and shellfish able to offer a quality product:

- Herring products are by far the most popular fish in Germany, and German processors have traditionally sought high-fat content, larger-sized Canadian herring.
- The current world tightening of mackerel supplies may augur well for Canadian suppliers; processing companies in Germany reportedly favour large hand-filleted mackerel.
- Groundfish are also popular. In recent years, Alaska pollock has largely replaced traditional species such as cod. Groundfish products from Canada such as redfish, sole and hake could be targeted for expanded sales.

