

UNITED KINGDOM

SUPPLY AND CONSUMPTION

The United Kingdom is generally a good market for seafood imports, and salmon in particular. The main problem facing Canadian salmon exporters is competition. The competitors with an advantage in the UK market are the Scottish and the Norwegians. The canned salmon market is a different situation based on the relative high cost of farmed salmon, which precludes use by the UK canning industry. One positive factor for Canadian salmon exporters was the strong promotional activities of the Scottish Salmon Growers Association (SSGA), which created excellent consumer awareness of salmon products. Despite these efforts by the Scottish salmon industry, there is little evidence it created consumer loyalty to Scottish salmon. The promotion targeted fresh fish. The main competition for pink salmon in the UK market appears to be tuna, thus price appears to be a determining factor. Red salmon enjoys a separate market segment at the higher end of the market.

The domestic UK salmon smoking sector enjoys a competitive advantage for smoked salmon imports because of a 13 percent tariff, and total imports were 54 tons, half of which were sourced from Ireland. The main opportunities for Canadian salmon exporters exist in supplying frozen salmon for the smoking industry, which only has a two percent tariff. Nevertheless, there are tangible competitive advantages for Canadian salmon exporters, including a cachet for wild salmon. Twice the quantity of salmon is sold as wild salmon of UK origin than is actually landed, which indicates a sales advantage for wild salmon. There appears to be a general ignorance of Pacific salmon species in the UK market, other than the "generic" Pacific labels which sell cheaper than Atlantic products. There are good prospects in the UK market for Canadian canned salmon products. Canadian strengths include the relatively large size of the Canadian industry, and the high levels of quality control. Direct competition mainly comes from the United States, and the US has targeted export enhancement funds for the promotion of salmon in the UK market. At the consumer level, there is little awareness of whether the product is of American or Canadian origin.

TARIFFS

There is a 13 percent import tariff on smoked salmon products, and a two percent tariff on frozen salmon products.