

market. While tariffs are higher than in the United States, higher prices have more than compensated. Major live markets in order of importance are France, the Netherlands, Belgium, West Germany and the United Kingdom. Canadian product faces major competition in these market from the United States which took advantage of the Air Canada strike in 1987 to build a strong presence in France. (Figure 3) The Americans have also opened up new markets in Spain, Switzerland and Italy using smaller, less expensive product to gain a foothold.

US producers have the advantage of more frequent air links with Europe as well as more favourable rates of exchange. Shipments out of Boston tend to include a high proportion of Canadian product. The message to Canadian producers is that we must differentiate the Canadian product from that of the United States in Europe so that our lobster occupies a higher market niche. Much can be done to capitalize on the unique qualities of Canadian lobster. Our lobster offers a much greater range of sizes than its American cousin and therefore fills a greater number of specialized market niches. The colder Canadian waters also produce lobster recognized by connoisseurs for its sweeter flavour, firmer flesh and harder shell. Last October the department sponsored a lobster seminar and tasting in London to help promote the distinctiveness and versatility of Canadian lobster.

Hans Andregg, a leading Prince Edward Island chef was on hand to demonstrate handling and preparation of lobster. He was the star attraction. A report on this very succesful event is available.

Japan has been the fastest growing market for both live and frozen lobster over the past few years. Exports have grown from virtually nothing in 1984 to \$22 million in 1989. Canadian live lobster has become a very popular gourmet item and is featured on the menus of family restaurants and is available at many retail outlets. Promotional events have been held in restaurant chains and major hotels. These have boosted the prestige image of Canadian lobster and have been great customer draws. The long period during the illness and official mourning for the late emperor saw a slump in sales. Live sales have remained relatively stable though, due to the increasing demand in Japan for high quality seafood. However, as in Europe the United States poses a threat to the dominance of Canadian Lobster in Japan.

### Frozen Lobster in Brine

The "popsicle pack" is the most important of PEI's lobster products. Demand for this product has grown rapidly over the past decade largely due to demand in Europe where it is perceived as a less expensive substitute to live lobster. The largest single market is France where Canadian suppliers hold a monopoly position. In France the popsicle pack is heavily promoted at Christmas in major supermarket chains where it is often sold as a "loss leader". This market has expanded dramatically in the past few years. Exports doubled between 1987 and 1988 alone.