

SEAFOOD MARKET IN BRIEF

MARKET STRUCTURE

Traditionally, the import and retail sides of the Belgian seafood market were strictly separated, although recently a more dynamic structure has begun to overtake the market. Nevertheless, this dichotomy is still in present in the distribution of both domestic and foreign seafood production.

One strength on the wholesale side of the Belgian seafood market has always been the importer. However, some import companies, facing increased competition from the 1993 EC Single Market, have altered their structure extensively. The most widely known such example in Belgium is the Pieters company.

The main characteristic of this modern importing firm is its extensive vertical integration. Besides being a strict importer, Pieters also subcontracts several foreign fleets or makes partial investments in them. At the same time, Pieters owns its own processing plants for smoking, marinating or preparation of special dishes, frozen fish and seafood dishes, which are in turn exported under their own brand name. Last but not least, Pieters has set up a special seafood retail chain in various Belgian cities.

Agents and brokerage firms are also active in the Belgian market, but their importance has been steadily declining. Nowadays, the major food chains prefer to carry out their own purchasing, establishing contacts with the sources of seafood delivery.

Traditional processing in Belgium consisted of small smoking or marinating firms working with very traditional processing technology. However, with the increased consumption of microwaveable foods and frozen fish dishes, specialized processing firms have gained a considerable market share. Currently, three major brands are active in the Belgian market: McCain Foods, Iglo (part of the Dutch consumer goods giant Unilever), and Frima, which four years ago was bought up by McCain Foods.

McCain Foods- Frima Belgium is the purchasing leader for fish for the entire European Community. They process almost exclusively imported frozen fish, such as cod without bones, hake with and without bones and sole. While some of these imports already come from Canada, the company is still looking for diversification in their product line.

Unilever is basically a vertically integrated company, with 90% of its fish purchasing done by a 100% owned subsidiary, concentrating on cod, fish sticks and coalfish. However, Unilever has recently begun introducing other fish species such as salmon, trout and sole. They are now anxious to find new suppliers for these species (particularly salmon) since Norwegian salmon prices have skyrocketed. (It should be kept in mind that the price of Norwegian salmon has always proved prone to extensive fluctuations.)

On the retail side, the traditional fishmonger still occupies an important place in the Belgian market due to a marked consumer preference for fresh fish. The fishmonger plays an important part in upholding the old Catholic tradition of eating fish at least once a week. Originally this was done on Friday, but over the years it has changed to any day of the week when fish can be bought freshly. Fishmongers can be found in every town or village, and sometimes already belong to specialized retail chains.