

industry is to replace US product with higher priced Canadian in the domestic urban market and to build a stronger niche for Canadian product in the United States. In Canada the mussel market is divided evenly between food service and retail. The US product is more price competitive and the perception persists that the US product is comparable in quality to the Canadian mussel but at a lower cost. Industry promotional efforts have focussed on educating consumers on the nutritional benefits of Canadian product, on higher meat yield and on the environmental cleanliness of growing sites. The rapid restoration of the market following the shellfish poisoning problem of 1987 is an indication of the success of these efforts.

The task of building and sustaining a strong presence in the US market is on the surface more difficult. While Canada experienced record exports of mussels to the United States in 1989, the Canadian rope cultured product is on average twice as expensive as the US bottom cultivated product. Suppliers may have to become more price competitive to sustain an increasing market share. Suppliers will also have to meet stringent conditions of year round supply.

It has been suggested that the US consumer is unable to discern the difference in quality between cultured and cultivated mussels and therefore is not prepared to pay a premium price. This attitude can be changed through a targetted promotional campaign for the US market. The focus should be on the food service sector where 80% of mussels are consumed. There is evidence that as more consumers get to taste high quality rope cultured mussels the product is expected to replace other bivalves notably clams. Compared to clams, mussels are a bargain and every bit as presentable. I might add that the efforts of PEI mussel growers to build the quality image associated with the "Island Blue" brand is an example of the kind of leadership that PEI is showing in the generic promotion of Canadian mussels in both the United States and Canada.

Underutilized Species

I would like now to turn to the question of underutilized or undermarketed species. The reduction in Atlantic groundfish allocations has given a new impetus to the need to develop species which hitherto have been only of secondary interest to Canadian fishermen and processors. All has now changed. The various task forces reporting on northern cod are expected to give the development of underutilized species a major priority and this is also a high priority of provincial governments.

Some of these species are already established but are currently not price competitive or face market access barriers (mackerel, herring). Other species are not yet fished commercially but have the potential of supporting viable fisheries (silver hake, sea urchin). EAITC is currently developing an export strategy for underutilized species which will see in place a promotional program for the long term market development of these species. The focus on underutilized species has implications for fisheries allocations