

share due to an aggressive price campaign from Food Lion and Winn-Dixie. Other chain retailers who underwent significant change include Acme Markets, which closed four stores. Baltimore-based Farm Fresh Supermarkets was one of the few retailers that made gains during the past 12 months by fully integrating its acquisition of the Big B stores (previously owned by Farm Fresh's wholesaler, B. Green). Farm Fresh operated 17 stores (1 opening). Sales rose from \$150.6 million to \$175.2 million.

Collectively, the 24 chain retailers operated 942 stores and realized sales of \$12,166 billion, or 80.46 percent of the region's volume.

Independents

Independent retailers also struggled this year. The leader, Santoni's, dropped almost \$10 million in volume from last year (\$81.6 million to \$72.2 million). New York-based Jay's Supermarkets gained volume by acquiring the two-store Spanglers group and now has 8 stores with sales of \$70.7 million. Others whose sales surpassed \$40 million were Klein's Super Thrifts, 4 stores, \$49M; Harrisburg-based Fox's Markets, 4 stores, \$46.9M; Nell's (subsidiary of AWI), 4 stores, \$46M; George's Super Thrifts, 4 stores, \$41.4M; Super Pride Markets, Baltimore group, 7 stores, \$40M.

The 39 independent retailers as a group operated 130 stores and posted sales of \$1,054.9 million or 7.61 percent of the region's volume. Last year independents operated 142 stores, had sales of \$1,132 million and a 6.98 percent share of the Mid-Atlantic market.

Fish and Seafood

The Mid-Atlantic tier of the United States consists of eastern Pennsylvania, Delaware, Maryland, Virginia and the District of Columbia. The area includes three key regional markets: the Delaware Valley (Philadelphia-Wilmington), the Baltimore-Washington corridor and Richmond-Norfolk. Commercially developed and affluent, the Mid-Atlantic represents some 6 percent (16 million) of the U.S. population, but a full 9 percent (\$350 billion) of American

disposable income. In 1989, the average income per household in the greater Washington area (17 cities and counties in northern Virginia, suburban Maryland and the District of Columbia) exceeded \$52,000, compared to the U.S. average of slightly over \$35,000 per household.

Growth in the region is expected to continue into the 21st century as household incomes increase together with consumer demand for seafood (particularly shrimp and salmon in this area). Consumption of most fresh seafood as well as frozen specialty products will increase, while demand for canned seafood products declines. The long-term trend toward health foods should provide Canadian seafood suppliers an opportunity to increase their share of this market.

Although Boston and New York remain the major distribution centres for seafood sold into the Mid-Atlantic states, the proximity of the Philadelphia and Baltimore-Washington markets offers considerable potential business for Atlantic Canada suppliers willing to take the time to visit with area wholesalers. This approach has recently paid off handsomely for several Canadian processors.

During recent market investigation trips, various seafood organizations from Canada have visited the Washington D.C. area and have all placed orders as a result of visiting with distributors at the Maryland Wholesale Seafood Market (the territory's largest distribution centre, serving five mid-Atlantic states). These sales/ market orientation trips allow Canadian suppliers to compare products, assess the competition from domestic and other foreign suppliers and become familiar with regional distribution practices. They provide an opportunity to establish credibility with the market wholesalers, which is critical at this exploratory stage for forging solid working relationships in the future.

With respect to market access, legislation currently before the United States Congress, if enacted into law, would require mandatory inspections of all fish products including imported seafood. The cost of implementing