

To keep up with market demands, strategic partnership may well include the retailer, you -- the processors -- and your suppliers working together to develop products and marketing strategies. So perhaps we need to look at strategic partnerships which cover everything from ocean to market.

Speaking of markets, I would like to say a few words about emerging opportunities, market intelligence and market systems.

First, markets: the international seafood products market. This is an expanding, consumer-driven business. Despite problems in some fish stocks and a global recession, in 1990 the volume of exports from Canada increased to 624,000 metric tonnes of product, up nearly 4 per cent over 1989. And the total value of product -- at \$2.6 billion in 1990 -- increased more than 8 per cent over 1989.

While ground fish were down slightly in 1990 (some 217,000 tonnes, compared to 221,000 tonnes in 1989), exports of shellfish increased from 65,000 tonnes in 1989 to 72,000 tonnes in 1990. Freshwater fish exports also increased from 22,000 tonnes in 1989 to 29,000 tonnes in 1990. Market opportunities are opening for other existing, new and perhaps under-utilized species.

Market intelligence is the basis of any marketing strategy. In assessing potential markets I am sure you recognize that the United States will probably remain our primary market for the immediate future. However, emerging are some long-term, potentially massive new markets to serve. For example, South Korea is lowering tariffs on a number of fish and seafood products, including lobster. Japan, Taiwan, Hong Kong and Singapore offer interesting market and joint venture opportunities for expanded distribution. Such gains might be modest at first, but could increase significantly over time.

My department assisted your industry in investigating the Mexican market earlier this year. ISTC is asking firms to make a commitment to this market and to follow up on this initiative. Your president, Ron Bulmer, participated in that exploratory mission and will be reporting on it to you later in the week.

Perhaps the most interesting opportunity for expansion of exports may well lie in the European Community and its 320 million consumers. Perhaps this market area will be joined by another 300 to 400 million consumers, once the political and economic transformation of the former Soviet bloc is completed.

Market systems: studies undertaken by your industry in co-operation with my department, point to the need for new industry-co-ordinated marketing services so we can remain competitive.