

More product is coming onto the market, especially from Chile (Argentina is also expected to become a supplier shortly) and recently from Russia. Demand/consumption can be expected to increase in the longer term but world prices have been depressed and are not expected to rise significantly in the near term.

Buyers in most markets, especially the USA, are not as discerning as might be expected. Generally, they are unable to distinguish between fresh/frozen, wild/farmed, Coho/Atlantic, etc. although in the US at least there is a stated preference for fresh salmon. US buyers tend to "buy with their eyes" in a price sensitive market unlike certain other markets, such as Europe, where consumers are inclined to be more sophisticated in their buying practices.

Excellent possibilities exist for increasing Canadian exports, especially to the US, by developing a more positive Canadian image through dedication to quality, taking advantage of efficiencies gained through target marketing and market segmentation, by capitalizing on the benefits of marketing leverage to secure higher prices and through better positioning of salmon as a product which must be carried by the retail and food service sectors.

#### PRODUCT FORMS:

Fresh. The U.S. remains the premier market for fresh forms (H & G, loins, steaks, fillets.) but Japan has a growing interest in fresh product. Food service and retail are both important. Demand for fresh salmon, often the preferred form, may provide advantages for farm raised Atlantics from N.B. and N.S. and Pacific species, including Atlantics, from B.C.

Frozen - The U.S. food service and retail markets represent prime outlets, especially for surplus wild pinks and chum. Frozen pinks sometimes serve as a loss leader. In Japan there is a strong preference for red coloured species such as coho or sockeye, and imports of frozen salmon predominate. In Europe, demand remains for red Pacific and troll caught salmon for smoking.

Smoked - U.S., Europe (Switzerland), Airlines and Western style hotels world-wide are the main markets for smoked salmon, including mousses and patés.

Roe - Japan in particular. Denmark continues to be an important market for reprocessing/packaging and subsequent sale to a range of third markets.

Canned - U.S., U.K., Belgium, other European countries, Australia, N.Z., the Pacific Rim and some Caribbean countries. Large inventories and competition from canned tuna have kept prices down. Canning in Thailand and Taiwan, especially of illicitly caught salmon, has been a competitive problem.