

WASHINGTON D.C.

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 personal 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 at slightly over \$35,000 per household.

The region is expected to grow 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, with demand for canned seafood products declining. The long-term trend toward nutritional and 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 centers 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 paid off handsomely for several Canadian processors recently.

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 center, serving five mid-Atlantic states). These sales/market orientation trips allow Canadian suppliers to compare product, 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, critical at this exploratory stage for forging solid working relationships in the future.

On 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 the provisions of this bill and its attendant seafood safety program is expected to impact U.S. wholesale and retail operations, resulting in higher costs for Canadian exporters selling into this and other regional U.S. markets.