Mr. Ustad indicated that the NFF has played a large part in making Norwegian aquaculture what it is today. The association has been particularly active in distributing information to the fish farmers and mediating communication and cooperation between the farmers. He noted that the success of these operations will depend on the ability of the farmers to pull together in the same direction.

It was noted that the NFF, together with the Fish Farmers Sales Organisation A/L (a cooperative), owns the Norwegian Fish Farmers Breeding Center A/S. This is an ultramodern breeding station which plays an important role in the selective breeding work conducted for the Breeding Council of the fish farmers' organisations. The NFF is also the owner of "Norsk Fiskeoppdrett", the members' journal of the organisation.

Mr. Ustad described the <u>Norwegian Fish Farmers Sales</u>
Organisation (FOS, Fiskeoppdretternes) which is owned by the
fish farmers and controls the first-hand sales of all farmed
fish in Norway. Every fish farmer is a part owner of the sales
organisation, with a share in proportion to their production.

Mr. Odd Berg explained the reasons for establishing the sales organisation. First, fish farmers wanted an efficient instrument for keeping good and stable prices. Second, farmers wanted to take part in making the future of their industry. At the time of its founding in 1978, production and sales were not coordinated and the production was often inadequately planned. The result was a varying supply of fish to the market and unstable prices.

Mr. Berg noted that the sales organisation has a monopoly on all sales of farmed fish and shellfish, a right which is protected by law. He noted that the same law provides that fish farmers can only sell their products through buyers recognised by the sales organisation. Mr. Berg felt that this aspect of Norwegian aquaculture has contributed much to the industry's success.

Mr. Berg indicated that the sales organisation formally may also conduct the distribution of the fish but has not done so to date. He explained that it is believed that others are able to do the job equally well. He noted by entering that sector of the trade, they might just find themselves colliding with their own customers. Instead of conducting the distribution of the fish, they have chosen to emphasize developing cooperation with the seventy buyers which have been approved.