

periods. I have been regularly seeing good fresh scrod fillets recently for US\$ 2.99 a pound at retail.

But of particular concern to us is the indication that consumption of Atlantic groundfish products, of which we are major suppliers, has dropped considerably. Usage of blocks, half of which are produced from cod, may have dropped as much as ten percent.

THE BIG QUESTION WE ASK IS: WHAT ARE THE UNDERLYING FACTORS BEHIND THE SLOWDOWN IN SEAFOOD DEMAND ? And since it started in 1988 the question is particularly puzzling as there was no economic depression to blame then. On the contrary, economic growth was much higher than predicted. Consumers were buying more things in 1988 than in 1987 -- expensive or non-expensive things, including cars and houses. Unemployment was down -- a record low, as it turned out, by the year-end.

I am suggesting that the "bottom-line" reasons for weakening demand for seafood in the USA are as follows:

First, there has been, and still is, general resistance to HIGH PRICES.

Secondly, we could blame the recent wave of negative publicity due to media coverage about toxins, contaminants, or water pollution issues.

Thirdly, we could say that seafood did not get promoted