

SALMON INDUSTRY MEETING

Sponsored by the Norwegian Fish Farmers Sales Organisation.
Moderator: Mr. Tanabe, Director, Japan Marine Products Importer Association (JMPIA).

Marketing Concepts for Aquacultured Salmon - Svein. M. Munkejord, Minister of Fisheries, Norway.

60-70 per cent of the world's production of farmed salmon is from Norway, over 190,000 tonnes in 1989. There has been a rapid growth, based on a de-centralized structure that features local ownership, including approximately 850 small coastal installations. They are tied together by the Norwegian Fish Farmers Sales Organization.

90 per cent of the salmon is exported via 70-80 buyers/exporters.

- Transportation has improved to the US, Japan and the rest of Europe, with highly successful results, especially by air, with 18,000 tonnes to the US alone.

- Planning is now reliable and assures an availability of supply and new attempts in direct approaches to retailers have been attempted. There is no taste difference between wild and farmed.

- In 1989 the growth in production exceeded current salmon consumption levels, but Norway is still selling more (50 per cent over 1988), partially due to higher wild catches.

- The development of the market will remain a limiting factor in the Norwegian market, and more competition for the Norwegian industry is another. As a consequence, they have started a process of stabilising higher prices via:

- a reduction in 1990 production.
- NFFSO is buying and freezing product (up to 40,000 tonnes in 1989-90) to stabilise prices.
- 1990 fresh production levels will remain at the same tonnage levels as 1989, but 1991 will be down 10 per cent, as will 1992.
- A frozen programme will sell product as prices determine.
- An increased emphasis was made on the fact that no government support is involved.

- The increase in global production is growing and has now outpaced consumption, so the Norwegian increase is halting and production may well decline. The freezing/storage process is actually attracting less product than expected, leading to price stabilisation much sooner than expected.