

## FRENCH MARKET FOR LOBSTER

The market for lobster, a species considered to be traditional, is large and well-established. With the decline in the French catch and the increase in consumption, lobster imports have increased in volume. There are two quite distinct markets for lobster: live and frozen, which may or may not be whole.

### LIVE LOBSTER

Product in competition with: live rock lobster (red or pink). Origin in competition with: France, Scotland, Ireland, and the United States. Large, live shellfish, (rock lobster and lobster) are a favourite food, especially during the Christmas and New Year's holidays, often in conjunction with very elaborate recipes. However, the consumption of festive foods began to show the effects of the economic crisis in 1992, after a number of years of steady growth. In addition, supplies of rock lobster have diminished and have become very expensive (around C\$100 per kilo wholesale), to the benefit of lobster.

The "homarus americanus" lobster from the US and Canada is considered to be of inferior quality to the European lobster, and is available at a much lower price (European lobster is also much more rare). Its availability and relatively low price are largely responsible for the sharp rise in imports of the North American variety.

There is also a problem of identification and availability with Canadian lobster in relation to the US product. In fact, nearly all lobster from the United States is apparently being sold under the name "Canadian lobster," which is a fraud, according to the French law on geographical origin. However, some of the lobster is actually fished off Canada and then held for a time in the coastal waters of Maine. The fact that there are American companies with facilities in Canada favours this system. Moreover, much Canadian lobster is shipped via Boston for reasons of availability and air freight cost, which places them in the USA origin category for French customs.

Despite these problems, live Canadian lobster has experienced solid growth in recent years, a trend which may continue if the air freight problems are solved and the product is promoted adequately. Another positive factor would be price stabilization as Christmas approaches, thus reducing financial risks for importers.

### DISTRIBUTION OF LIVE LOBSTER

The traditional distribution system operates through the following intermediaries:

- an importer, which is often a company in the Rungis market;
- a "distributor" or "final vendor" which sells the live lobster either to the final consumer (an individual) or to a restaurant. This system is followed throughout much of the year. The distributor may be a traditional fish shop or a supermarket.

Most of the large supermarket chains sell live lobsters at the end of the year at loss-leader prices (i.e. with no margin for the company). They purchase directly in Canada. Some restaurant chains also import directly from other countries. Two types of product coexist in this market: lobsters that arrive directly from Canada, and lobsters that have spent some time in tanks in Brittany. The latter is often consumed in restaurants. The consumer is not informed about which type he is buying.