Agency: Commerce, Community and Economic Development

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Celebrate Seafood, Inc. **Federal Tax ID:** 45-2212137

Project Title: **Project Type:** Planning and Research

Celebrate Seafood, Inc. - Advancing a National Seafood Marketing Association

State Funding Requested: $200,000 **House District:** Statewide (1-40)

One-Time Need

Brief Project Description:

Provide project support to the National Seafood Marketing Coalition to bring funds to Alaska for seafood marketing.

Funding Plan:

Total Project Cost:	$600,000
Funding Already Secured:	($400,000)
FY2012 State Funding Request:	($200,000)
Project Deficit:	$0

Funding Details:

Funds will be expended in FY12.

Detailed Project Description and Justification:

For the last year, the development and organization of a National Seafood Marketing Coalition (NSMC) has been underway. The Coalition now represents 75 member organizations (including 4 State Legislatures, with one additional legislature in progress) from 25 states who have written their support to their Congressional Delegations. This broad based Coalition includes Mariculture, Aquaculture, Fresh water fisheries, and of course the wild capture fisheries, including the processors and marketers of these seafood sectors.

The primary goal of the coalition is the formation of a National Seafood Marketing Fund (NSMF) which will provide sustained marketing funds for all U.S. seafood producers. Alaska and Hawaii will make up the Western region. If the NSMF is successful in it's request for a national $100M fund, the Western Region would receive an allocation of approximately $26M per year. This will increase the value of the nation's fisheries, increase the viability of the industry as a whole, and create jobs.

The last year 1 1/2 years of effort have created such support that it is now expected that legislation creating a National Seafood Marketing Fund will be introduced prior to the August Break by Senator Murkowski with willing, bipartisan cosponsors from Washington to Louisiana to Maryland and Maine.

Celebrate Seafood, Inc. is the Alaska organization collaborating with this national effort. Celebrate Seafood, Inc. will ensure that the funding from Alaska sources will be matched by other states to maximize the national effort to develop the NSMF. CSI already has commitments from industry in Alaska and across the country to match these funds and those commitments

For use by Co-chair Staff Only:

$200,000 Approved

10:26 AM 5/27/2011

Contact Name: Erin Harrington
Contact Number: 465-4230

are already beginning to be met.

The Alaska Seafood Industry has spent approximately $400,000.00 on this outreach effort in the 1½ years and will be out of funds by mid-summer of 2011. These funds are almost solely on a small staff of 2 and the extensive, national travel it takes to put and keep together a large and growing NSMC.

New and additional funds are needed to continue the outreach process that is required to grow and maintain such a large group and to help move legislation through Congress, once it is introduced, this spring. The Coalition's timeline for this particular project is 24 months. Support documents, economic research, outreach staff, travel and professional consultation will be the primary, expected use of these funds.

See resolutions from Alaska and Maine in support, and draft resolution from Florida.

Project Timeline:

Expenditures will occur in FY12 and FY13

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

N/A

Grant Recipient Contact Information:

Name:	Celebrate Seafood, Inc.
Title:	Duncan Fields
Address:	PO Box 25
	Kodiak, Alaska 99615
Phone Number:	(907)317-5959
Email:	dfields@gci.net

Has this project been through a public review process at the local level and is it a community priority? [X] Yes [ ] No

For use by Co-chair Staff Only:

Contact Name: Erin Harrington
Contact Number: 465-4230

10:26 AM 5/27/2011

National Seafood Marketing Coalition

Creating jobs & economic growth

List of Supporting Organizations - *As of February 16, 2011*

1) Alaska Bering Sea Crabbers (AK, WA)
2) Alaska Crab Coalition (AK, WA)
3) Alaska Fisheries Development Foundation (AK, WA)
4) Alaska Scallop Association (AK, WA)
5) Alaska Seafood Marketing Institute (AK)
6) Alaska Shellfish Growers Association (AK)
7) Aleutian Pribilof Island Community Development Association (AK)
8) Alliance of Communities for Sustainable Fisheries (CA)
9) American Albacore Fishing Association (WA, OR, CA)
10) American Shrimp Processors Association (TX, LA, MS, AL, FL)
11) American Tuna, Inc. (WA, OR, CA)
12) Bama Sea Products (FL)
13) California Sea Urchin Commission (CA)
14) Catfish Farmers of America (LA, MS, AL, AR)
15) Catfish Institute (LA, MS, AL, AR)
16) Chesapeake Bay Seafood Industries Association (MD)
17) City and Borough of Wrangell (AK)
18) City of Unalaska/Dutch Harbor (AK)
19) City of Cordova (AK)
20) Copper River / Prince William Sound Marketing Association (AK)
21) Crab Boat Owners Association (CA)
22) Dare County (NC)
23) Downeast Lobsterman's Association (ME)
24) East Coast Shellfish Growers Association (ME, NH, MA, RI, CT, NY, NJ, DE, MD, VA, NC, SC, GA, FL)
25) Fishermen's Marketing Association (CA, OR, WA)
26) Florida Aquaculture Association (FL)
27) Garden State Seafood Association (NJ)
28) Georgia Shrimp Association (GA)
29) Governor Sean Parnell (AK)
30) Gulf & South Atlantic Fisheries Foundation, Inc. (TX, LA, MS, AL, FL, GA, SC, NC, VA)
31) Hulls Seafood (FL)
32) Louisiana Crab Task Force (LA)
33) Louisiana Seafood Promotion & Marketing Board (LA)
34) Louisiana Shrimp Task Force (LA)
35) Maine Lobster Promotion Council (ME)
36) Maine Lobstermen's Association (ME)

37) Maryland Department of Agriculture (MD)
38) Maryland Seafood Marketing Advisory Committee (MD)
39) Maryland Watermen's Association (MD)
40) Massachusetts Lobstermen's Association, Inc. (MA)
41) Mississippi Dept. of Marine Resources (MS)
42) Oregon Albacore Commission (OR)
43) Oregon Dungeness Crab Commission (OR)
44) Oregon Trawl Commission (OR)
45) Organized Fishermen of Florida (FL)
46) Pacific Coast Federation of Fishermen's Associations (CA, OR, WA, AK)
47) Pacific Coast Shellfish Growers' Association (CA, OR, WA, AK, HI)
48) San Diego Fishermen's Working Group (CA)
49) *Seafood* OREGON (OR)
50) South Carolina Seafood Alliance (SC)
51) Southeast Alaska Fisheries Association (AK)
52) Southeast Conference (AK)
53) Southeastern Fisheries Association, Inc. (TX, LA, MS, AL, FL, GA, SC, NC)
54) Southern Shrimp Alliance, Inc. (TX, LA, MS, AL, FL, GA, SC, NC)
55) St. Bernard Parish (LA)
56) State of Alaska (AK)
57) State of Florida - resolution in progress (FL)
58) State of Maine (ME)
59) Texas Shrimp Association (TX)
60) United Catcher Boats (CA, OR, WA, AK)
61) United Fishermen of Alaska (AK)
62) Virginia Marine Products Board (VA)
63) Washington Trollers' Association (WA)
64) West Coast Seafood Processors Association (CA, OR, WA)
65) Western Fishboat Owners Association (CA, OR, WA, AK, HI)

House Memorial

A memorial to the Congress of the United States, urging Congress to support the marketing of Florida seafood.

WHEREAS, Florida seafood products face constantly increasing domestic competition from imported seafood products, with more than 80 percent of the total seafood consumed in the United States currently originating in foreign countries, and

WHEREAS, effective domestic marketing of Florida seafood in the face of aggressive competition from foreign products requires innovative, forceful, and consistent promotion, and

WHEREAS, current annual funding for the domestic promotion of Florida seafood is insufficient to effectively develop the thriving markets that sustainable Florida seafood products merit, especially when competing with nationally supported promotional programs aimed at United States consumers by rival seafood-producing countries, and

WHEREAS, duties and tariffs on imported seafood products generate approximately $280,000,000 annually for the United States Treasury, and

WHEREAS, revenue from anti-dumping and countervailing duties on imported seafood products collected by the Federal Government total hundreds of millions of dollars annually, and

WHEREAS, federal revenue derived from the importation of competing seafood products is not presently made available for the marketing of seafood harvested and produced domestically, and

28 WHEREAS, using a portion of the revenue collected on the
29 importation of foreign seafood products to promote United States
30 seafood to domestic consumers will secure United States
31 fisheries and seafood processing jobs, create robust and
32 enduring domestic markets, and greatly enhance the nutritional
33 value of national diets, and
34 WHEREAS, throughout recent history each spill or leak
35 associated with the transportation or production of oil
36 negatively affects the seafood industry through the closure of
37 commercial and recreational fishing operations, the destruction
38 of wildlife and natural habitat, or loss of market share, and
39 WHEREAS, in a recent survey conducted by the University of
40 Minnesota, 54 percent of respondents said the Deepwater Horizon
41 oil spill has affected their seafood consumption habits
42 somewhat, 44 percent said they will not eat seafood from the
43 Gulf of Mexico, and 31 percent said they will eat less seafood
44 regardless of its origin, and
45 WHEREAS, a new National Seafood Marketing Fund designed to
46 promote and develop United States produced seafood would help
47 the United States seafood industry now and in the future recoup
48 damages related to oil spills that result in decreased market
49 demand for seafood, and
50 WHEREAS, a small portion of oil revenues are a logical
51 source of funding for a National Seafood Marketing Fund as
52 mitigation for real damages incurred by the seafood industry and
53 coastal communities, NOW, THEREFORE,
54
55 Be It Resolved by the Legislature of the State of Florida:

That the Congress of the United States is requested to allocate moneys generated from federal marine and fishery product import tariffs for the domestic marketing of Florida seafood.

BE IT FURTHER RESOLVED that the Congress of the United States is urged to pass legislation dedicating a significant portion of marine and fishery product import tariffs to a national seafood marketing fund to promote domestic seafood products that face competition from foreign imports.

BE IT FURTHER RESOLVED that the Florida Congressional Delegation is urged to work with representatives of other seafood-producing states to secure adequate funding for effective and sustained domestic marketing of United States seafood.

BE IT FURTHER RESOLVED that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

State of Maine

In the Year of Our Lord Two Thousand Ten

JOINT RESOLUTION SUPPORTING FEDERAL FUNDING FOR MARKETING AND PROMOTING SEAFOOD PRODUCED IN THE UNITED STATES

WHEREAS, the Maine Legislature, in partnership with the lobster industry, established in statute the Lobster Promotion Council, funded by lobster license holders, to market and promote the sale of Maine lobster to customers worldwide; and

WHEREAS, effective marketing of Maine lobster requires a constant, consistent and long-term marketing presence, especially in times of oversupply and new competition, in order for Maine lobster to reach a greater market; and

WHEREAS, the Maine lobster industry has paid for promotional activities to provide the greatest return on the investments made by lobster license holders; and

WHEREAS, the Maine lobster industry has made the most cost-effective use of a limited promotional budget; and

WHEREAS, despite the money raised within the lobster industry in Maine, the Lobster Promotion Council's promotional activities are often limited and underfunded; and

WHEREAS, in times of economic collapse or oversupply of lobsters, the lobster industry in Maine is not in a position to increase marketing assessments to raise more funds; and

WHEREAS, the Federal Government collects approximately $280,000,000 annually through customs laws regulating the importation of seafood products, many of which compete with Maine's lobster products; and

WHEREAS, funds collected from the importation of seafood products are not available for the domestic marketing of American seafood; and

WHEREAS, using seafood product import revenues to market American seafood will preserve American fishing and seafood processing jobs, will preserve United States processing capacity and will ensure the availability of domestic seafood for the American consumer; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-fourth Legislature now assembled in the Second Regular Session, on behalf of the people we represent, take this opportunity to express our support for the use of a portion of federally generated seafood product import revenues for the domestic marketing and promoting of Maine lobster; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to Governor John E. Baldacci.

In Senate Chamber
March 29th, 2010
Read and Adopted
Sent Down for Concurrence

Joy J. O'Brien
Secretary

S.P. 744
ATTEST:

Elizabeth H. Mitchell
President of the Senate

House of Representatives
March 30th, 2010
Read and Adopted
In Concurrence

Millicent M. MacFarland
Clerk

ATTEST:

Hannah M. Pingree
Speaker of the House of Representatives

Sponsored by: Senator Damon of Hancock County
Cosponsored by: Representative Percy of Phippsburg
Senator Sullivan of York County
Senator Rector of Knox County
Representative Mazurek of Rockland
Representative Pieh of Bremen
Senator Perry of Penobscot County

In Testimony Whereof, I have caused the seal of the State to be hereunto affixed, GIVEN under my hand at Augusta, this 30th Day of March in the year of our Lord two thousand ten

Matthew Dunlap
Secretary of State

National Seafood Marketing Coalition

Creating jobs & economic growth

May 19, 2010

Contact Info:

Julie Decker, Kevin Adams, Julianne Curry, Bruce Wallace

Cell: 907-305-0586; juliedecker@gci.net

Become a member of the Facebook group

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Executive Summary

U.S. seafood producers have common interests. These common interests are often overshadowed by a variety of conflicts, such as access and allocation. U.S. seafood producers can set aside conflicts in order to focus on areas of common interest.

U.S. seafood producers need parity with other U.S. food producers. The bottom line is that U.S. seafood producers are food producers and struggle with the same issues as other U.S. food producers. However, seafood producers are not included in many of the USDA programs which currently benefit other food producers. For example, seafood producers do not receive funding for domestic marketing and product development which leaves us behind foreign competitors. Additionally, "wild caught" seafood producers cannot participate in the USDA Farm Service Agency's Loan Program due to the agency's definition of "fish."

Marketing addresses areas which are critical to the survival and success of the U.S. seafood industry and increase the contribution of the industry to the national economy. A broad and sustained national seafood marketing initiative will increase the general demand for seafood products and increase the value of the industry. The goals of a national marketing initiative should be to increase demand for seafood products and to expand or improve the marketing, product development, promotion and utilization of domestic seafood products.

In order to implement a national seafood marketing program, U.S. seafood producers need to begin to think strategically. Below is an outline of those strategic steps (see "Proposal to Create a National Seafood Marketing Fund" for more details).

<u>Strategic Steps to Success:</u>

1) Create a Coalition
2) Define the issue & build support – establish a ***National Seafood Marketing Fund***
3) Identify potential legislative vehicles
4) Create regional boards & fund marketing activities annually
5) Sustain marketing activities over time
6) Results – increased demand & value

Step 1 – Create a Coalition: The formation of a ***National Seafood Marketing Coalition*** (Coalition) creates a forum on which to build grass roots support and affect the changes necessary in the industry. The creation of the Coalition is vital to securing the support within Congress for legislative changes.

Step 2 – Define the issue & build support: The Coalition will work to establish a ***National Seafood Marketing Fund*** which targets $100 million in revenues from import & antidumping/countervailing duties on fish and fish products as an annual funding source to market U.S. produced seafood.

A focused single issue with broad support is essential to achieving success. Marketing is an issue which will help all sectors of the industry by creating higher demand for U.S. seafood products, developing new seafood products and increasing the value of the U.S. seafood industry.

Grassroots support is the single most powerful influence on our Congressional Delegates. The Coalition must build support at the local, regional and national levels to create an unshakeable foundation for its issues. To do this, Coalition members must rally organizations, businesses, communities, and states with interest in the seafood industry and economic development to support the creation of a National Seafood Marketing Fund by Congress.

Step 3 – Identify potential legislative vehicles: The next strategic step for success is to identify potential legislative vehicles on which to attach the Coalition's issue. For example, a potential vehicle could be a new "Jobs Bill" currently being discussed in DC. Once the vehicle is identified, the Coalition will need to coordinate its operatives in order to align its support within Congress for the legislative vehicle.

Step 4 – Create regional boards & fund marketing activities annually: The year following the enactment of legislation, the regional boards will be created and begin to develop regional marketing goals, priorities, RFPs, and scoring processes in anticipation of receiving annual marketing funds for distribution.

Step 5 – Sustain marketing activities over time: After funds begin to flow to the regional boards, domestic seafood marketing activities will increase and be sustained over time. Activities such as quality improvements, research and product development, infrastructure, branding, and advertising will trigger seafood industry participants to re-evaluate "business as usual".

Step 6 – Results – increased demand & value: As investment in marketing activities continues over time, industry participants will begin to see measurable results, such as increased demand, increased number of product forms, increased quality, increased value and increased profits. As economic activity grows around the seafood industry, local communities, support businesses and governments will also begin to see measurable benefits.

Job Creation

In 2006, the U.S. commercial fishing industry generated over $103 billion in sales, $44.3 billion in income, and supported over 1.5 million jobs. The industry produced commercial fisheries landings of 9.5 billion pounds, totaling $4.1 billion. The industry includes the commercial harvest sector, seafood wholesalers and distributors, seafood processors and dealers, and seafood retailers.*

In 1986, the U.S. Congress found that:

(1) the commercial fishing industry of the U.S. significantly contributes to the national economy, and could make a greater contribution if fish resources were more fully utilized;
(2) the commercial fisheries of the U.S. provide significant employment in coastal areas and in processing and distribution centers;
(3) fish contribute an important nutritional component to the American diet;
(4) increased consumption of seafood in the U.S. could significantly lower the risk of many cardiovascular diseases;
(5) Federally supported development programs for commercial fisheries are unable to meet present and future marketing needs; and
(6) many fish species are underutilized by the U.S. fishing industry because of underdeveloped markets.**

Investment in a sustained national seafood marketing program will increase profits, jobs and economic activity. Funding marketing activities such as quality improvements, research and product development, infrastructure, and advertising, will increase the demand for seafood in the U.S., increase the value of the industry, grow the economy and increase jobs related both directly and indirectly to the industry. This economic growth will also increase tax revenues across local, regional, state and federal levels.

Investment in a national seafood marketing program creates economic growth and jobs in U.S. communities and energizes the U.S. seafood industry which is based on a healthy and renewable resource.

*U.S. Dept. of Commerce, NOAA, NMFS, *Fisheries Economics of the U.S. 2006*, pgs. 11-14
**U.S. Congress, *Fish & Seafood Promotion Act of 1986*, Section 4001

Proposal to Create a National Seafood Marketing Fund

Need

American seafood products are increasingly forced to compete with imported seafood and many other sources of protein in the domestic marketplace. Consequently, United States fishermen and seafood producers struggle to maintain a healthy business profile. Ex-vessel prices are too low to sustain many domestic fisheries. Fishing jobs are being lost and fishery dependant communities are in decline. It is in the interest of the U.S. to maintain a strong domestic seafood industry.

Concept

Develop national legislation directing a portion of the import duties collected on fish and fish products be dedicated to a National Seafood Marketing Fund (NSMF). The NSMF would market domestic seafood which directly competes with foreign imported seafood. Secondly, the legislation would establish nine (9) Regional Seafood Marketing Boards to receive, manage and direct these dedicated funds.

Factual Background

Seafood imports generate two sources of revenue for the U.S. treasury. First, approximately $300 million dollars annually ($282 million in 2008) is generated through duties on imported fish and fish products. Second, as much as $400 million dollars may be generated annually from the antidumping/countervailing duties (AD/CVD) on imported fish and fish products.

The first source of revenue, money collected from import duties on fish and fish products, are funds deposited into the U.S. Treasury. Annually, 30% of these funds are transferred from USDA to the U.S. Department of Commerce (USDC) National Marine Fisheries Service's *Promote and Develop Fisheries Products* (P&D) account. NMFS further allocates a majority of the P&D account to Operations, Research and Facilities (ORF). The remaining portion funds the Saltonstall-Kennedy (S-K) program, which traditionally has few or no proposals to "*promote and develop fisheries products.*" To date, it has been difficult to find the disposition of the remaining funds. A breakdown of the appropriation of these funds for fiscal years 2007 & 2008 is listed below:

Revenue from Import Duties on Fish & Fish Products (millions)

Year	Total Duties Collected	P&D Account	Remaining in Treasury
FY07	**$ 276.05**	$ 82.82	$ 193.23
% of Total Duties	**100%**	30%	70%
FY08	**$ 281.98**	$ 84.59	$ 197.39
% of Total Duties	**100%**	30%	70%

P&D Account Breakdown	
ORF	SK
$ 79.00	**$ 3.82**
29%	**1%**
$ 77.00	**$ 7.59**
27%	**3%**

The 1956 S-K Act was amended in 1983 to require that 60% of the P&D, or approximately $50M, be used to fund the S-K program annually. Further, it is interesting to note that the amount of funds used for the S-K program since 1983 has never met this minimum of 60%; the average for this period is 11.8% (including promotional and marketing funds).

From FY1978 to FY2008, import duties on fish and fish products have grown from $43.3M to $282M. However, funds available for the S-K program have shrunk from $13M to $7.6M. The average for this period is $7.3M.

The second source of revenue, the antidumping/countervailing duties (AD/CVD), is not currently allocated for any use by domestic seafood producers, although domestic seafood producers are dramatically affected by imported products often subsidized by foreign governments. AD/CVD funds collected from imported seafood have been difficult to definitively identify; however, it is believed to be as much as $400M annually.

Funding Source

This proposal recommends an annual funding mechanism which directs $100M annually into a *National Seafood Marketing Fund*. The source of the $100M will be equal portions of the revenue from import duties on fish and fish products and of the revenue from AD/CVD.

To be clear, this proposal does NOT target NOAA funds for ORF, S-K or any other funds.

Structure of Regional Seafood Marketing Boards

1. Nine (9) Regional Seafood Marketing Boards (Boards) would be established in order to include all U.S. seafood producers which would include mariculture and aquaculture. Eight (8) Boards would geographically parallel the 8 Regional Fishery Management Councils authorized by the Magnuson-Stevens Act. The 9th Board would represent in-land domestic seafood production. Marketing activities of each Board would be directed toward seafood caught or products produced in each region.

2. Establish a statutorily "fixed" annual funding mechanism using an equal portion of the import duties on fish and fish products and the AD/CVD. The total amount appropriated annually would be divided into thirds:

- One-third distributed equally to all 9 regional Boards.
- One-third distributed based on the comparative regional value of seafood produced in the most recently reported year.
- One-third distributed based on the comparative regional volume of seafood (metric tons) produced in the most recently reported year.

3. The Boards should be limited in scope to promotion and marketing, including new product development, of seafood harvested and/or produced in each region (e.g. no imported products). "Promotion and marketing, including new product development" should be defined broadly enabling Boards to respond quickly to market needs.

4. Boards serve as the regional "umbrella funding" entity. The Boards' activities should be limited to the awarding of grants and the distribution of funds through a Request for Proposal process. Boards would not manage marketing programs. Existing marketing or development entities, such as the Wild American Shrimp, Inc., Louisiana Seafood Promotion and Marketing Board, Maine Lobster Promotion Council, Alaska Seafood Marketing Institute, or the California Salmon Council could also apply to the Boards for funding to support their programs.

In addition, the Boards, as regional "umbrella" entities, should be encouraged to also focus on smaller (niche) marketing initiatives by requiring Boards to distribute a specific portion of their annual funding to "small businesses" as defined by the Small Business Administration.

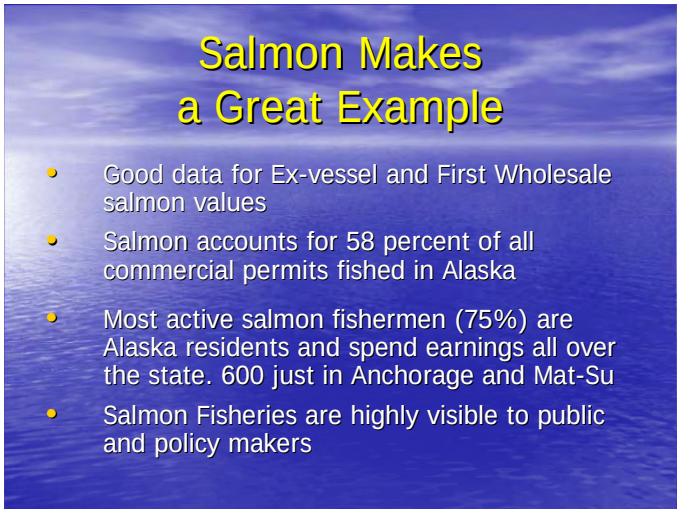
Boards can spend no more than 10% of their annual funding for administration and operational expenses.

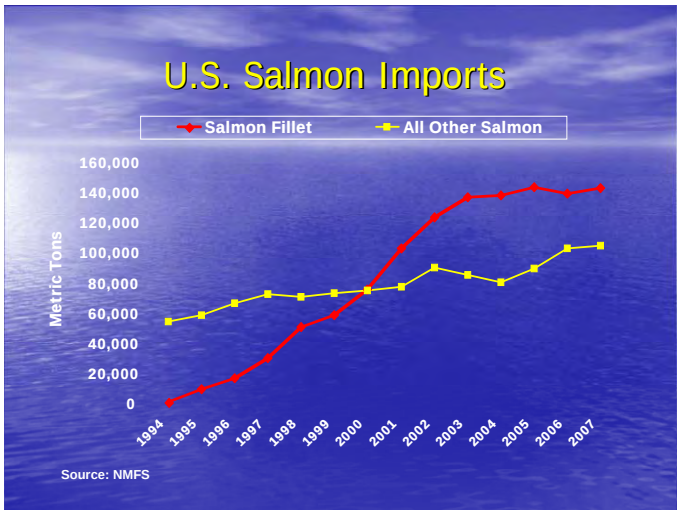
5. Cooperation between Boards should be encouraged by requiring the Board chairmen to meet semi-annually to discuss common species, marketing projects and issues of concern. Semi-annual meetings could also include representatives from various existing seafood marketing organizations as well.

6. Representation on Boards should be structured to include expertise from all sectors of the industry in that region (harvesting, different species, processing, and support industry).

7. Appointments to Boards may follow the regional management council process.

Why Marketing?
An Example from the Alaska Salmon Industry





In 1991, the Alaska salmon industry suffered from a huge influx of imported farmed salmon in consumer-friendly forms.

From 1991 to 2002, the value of Alaska salmon continued to drop as the import of farmed salmon continued to rise.

As the demand for Alaska salmon fell, so did the funds used to market Alaska salmon through the Alaska Seafood Marketing Institute (ASMI). ASMI is funded based on a percent tax on the industry.

As the value of the fishery declined, the marketing funds desperately needed to pull the industry out of the tail-spin were also declining, furthering the downward trend.

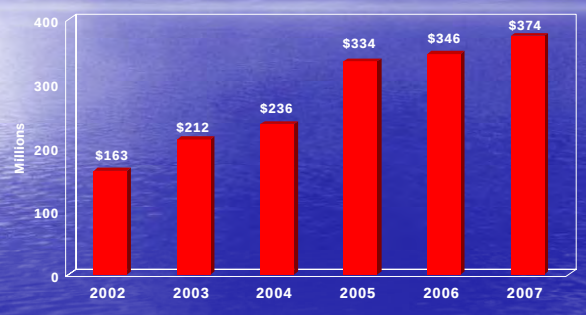
During this time, approximately two-thirds of the fishermen and processing companies went out of business across Alaska.

In 2002, the Alaska salmon industry hit the lowest point of profitability in history.

Definitions

- Ex-vessel Value, $1.6 billion in 2007
  - Payment to Harvesters
    - Most common measure, basis for taxation, captures activity of harvest sector only
- First Wholesale Value, Est. $3.6 billion
  - First sale by a processor to a buyer outside their affiliate network
    - Not commonly used, but captures the full spectrum of economic activity

Alaska Salmon Ex-Vessel Value



Source: ADF&G

Value Growth Drivers

- Biology
  - Strong sockeye harvest
  - Record and near-record pink & chum harvest
- Salmon Product-form Shifts
  - Pink salmon
  - Fillet production
- Market Activity
  - Production & consumption growth
  - Market receptive to AK seafood core messages
  - Effective Differentiation

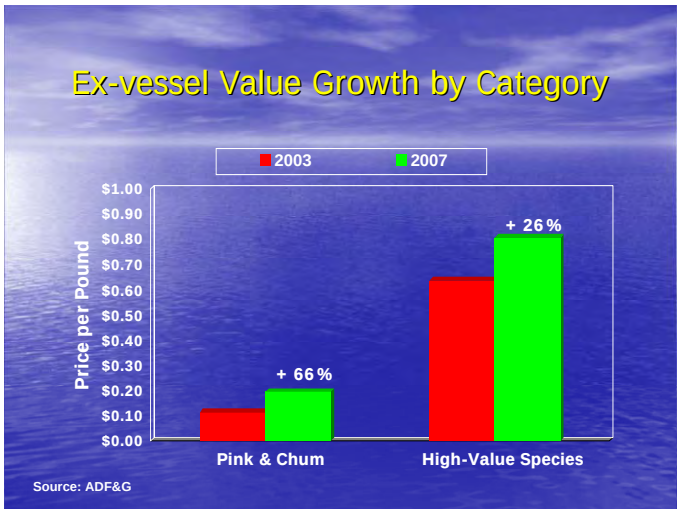
Also in 2002, Governor Frank Murkowski and his Salmon Cabinet designed and implemented the Alaska Salmon Revitalization Plan, funded with approximately $40 million, plus an equal amount of matching funds from private industry.

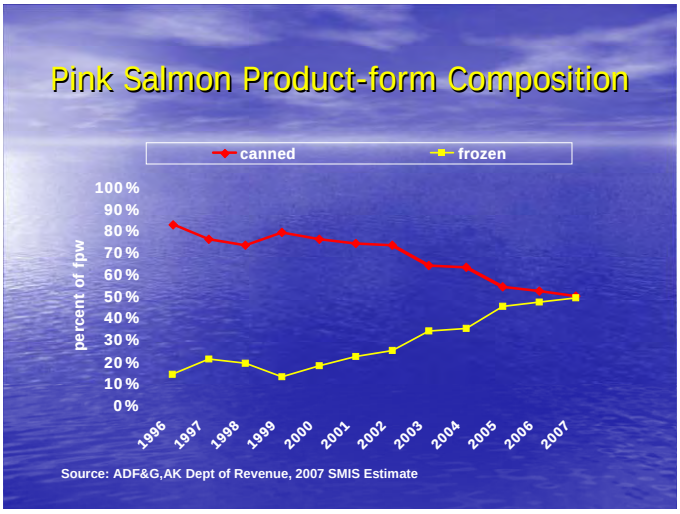
At this same time, Senator Ted Stevens created the Alaska Fisheries Marketing Board (AFMB) out of frustration in trying to meet the intent of Congress to use 60% of the Promote & Develop Fisheries Account funds to "promote and develop fisheries products." AFMB is considered a pilot project to the current proposed National Seafood Marketing Fund.

The AFMB was funded with $36 million between 2002 and 2007.

The combination of these funds, over $116 million, was used for marketing, product development and infrastructure with an emphasis on the failing salmon industry.

The positive results of these investments are significant.





Impacts of Product-form Shift

- Sustains demand growth for frozen in emerging markets
- Reduced chronic surplus of canned salmon, restoring balance of supply and demand
- Full utilization of harvestable surplus

Results of Investments in Marketing:

--Increased the general demand for salmon products.

--Increased quality on vessels and in processing plants.

--Increased the number of new product forms, such as fillets, portions, and consumer-ready products.

--Decreased the number of old product forms, such as canned and headed-and-gutted salmon.

--Changed from focusing on the primary processing industry to the secondary processing industry.

--Changed from focusing on the salmon market to focusing on the food market.

--Changed from a commodity-driven market to a consumer-driven market.

--Brought fishermen, processors, wholesalers and government agencies to the table to determine what was needed as market conditions were dynamically changing.

First Wholesale:
The Full Measure of Salmon Value

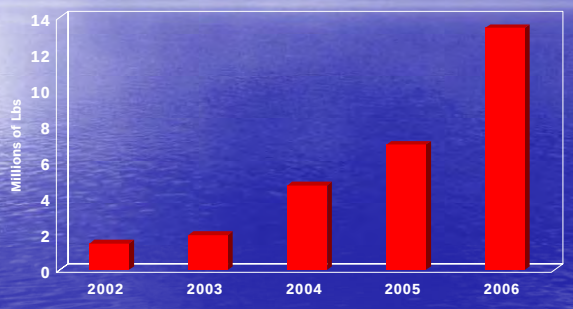
- Payment to harvesters
- Processors' profits
- Expenditures on goods and services associated with production in Alaska

Average First Wholesale Value Primary Pink Salmon Products

	Froz H&G	48-tall case
CY 2003	$.41	$35.57
CY 2004	$.52	$36.94
CY 2005	$.62	$41.00
CY 2006	$.82	$46.12
Jan-Sep 2007	$.75	$57.70

Source: AK Dept of Revenue

Alaska Sockeye Fillet Production



Source: AK Dept of Revenue

As a result of the investments in marketing (quality, product development, infrastructure and advertisement), the value of Alaska salmon began to rise almost immediately.

From 2002 to 2007, the ex-vessel values increased from $163 million to $374 million, an increase of 130%.

The first wholesale value of salmon increased from approximately $550 million to $850 million.

The price of canned pink salmon rose from $35.57 to $57.70 per case.

The amount of sockeye fillets produced continued to rise from approximately 2 millions pounds to almost 14 million pounds.

Many of the costs for processors are fixed. Therefore, as profitability began to rise, the percentage of profits that could be shared with fishermen also rose. The price paid to fishermen, as a percentage of the first wholesale value, increased from 29% to 40%.

Potential Value Growth Inhibitors

- Continuous growth of farmed salmon production
- Record harvest volumes of AK salmon
- Product-form Shifts
  - Capital, market development costs
  - Value added = cost added
- Recent processing sector consolidation

Market Activity

- Despite factors that normally erode value, Alaska salmon value shows strong growth. Per-pound wholesale value is up, driven by several factors including marketing activity.
- Processing has a high fixed cost load, so wholesale value growth beyond the fixed-cost "tipping point" translates largely into profit
- Profitability increases ex-vessel value and stimulates product-form shifts that position Alaska products for further value growth

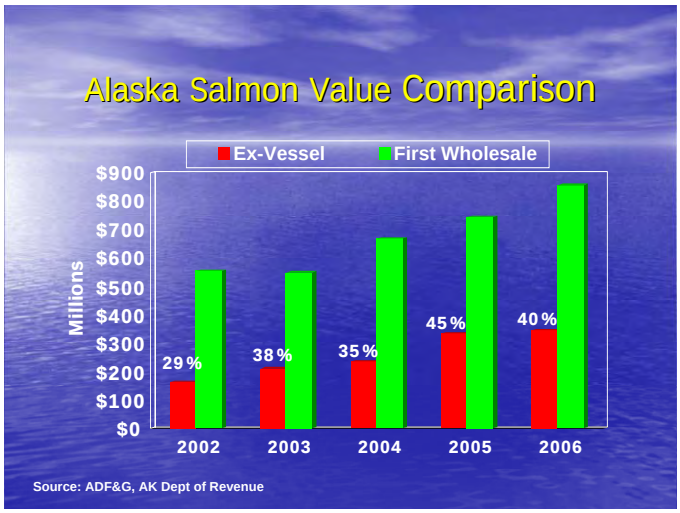
Market Activity

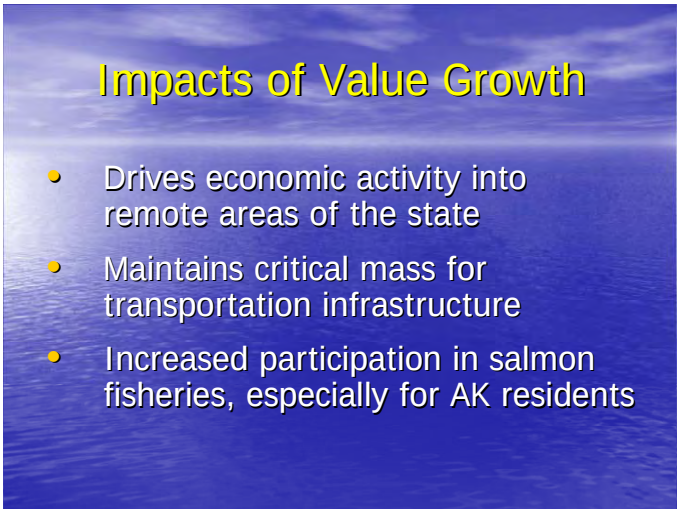
- Marketplace remains very receptive to core messages of Alaska Seafood and Alaska Salmon
- Increased coordination between industry and state marketing efforts
- Increased financial support of private and public marketing efforts
- Ongoing product and market development efforts

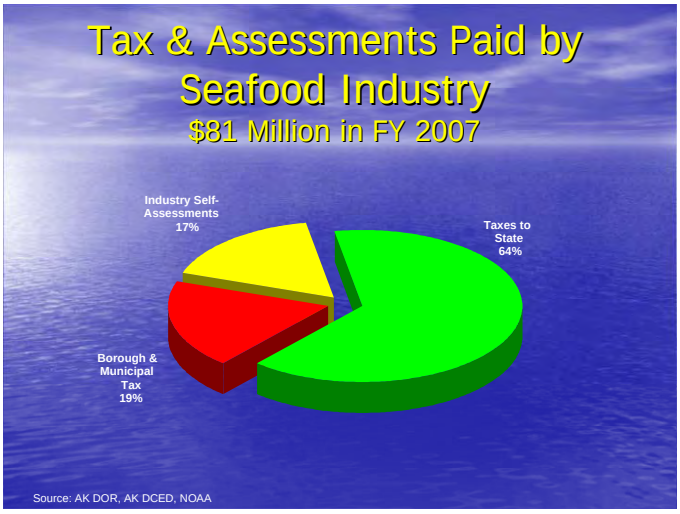
The rise in value of Alaska salmon continued even in the face of increased production of farmed salmon, record harvests of Alaska salmon, increased competition from other sources of seafood, and increased marketing efforts from foreign countries. For example, Norwegian salmon companies have budgeted $15 million for marketing in the U.S. for 2010.

The Alaska Seafood Marketing Institute (ASMI) continues to receive funding for marketing from taxes assessed on the industry. ASMI's budget from assessments is between $5 million and $10 million per year to market ***all*** Alaska Seafood. These assessments allow ASMI to leverage a variety of grants.

Since 2007, the influx of $116 million in marketing funds is no longer available. However, the ex-vessel value of salmon continues to rise. In 2008, ex-vessel values of Alaska salmon rose to $452 million, an increase of 177% over 2002 ex-vessel values.







These marketing investments in the Alaska salmon industry were pure economic development.

As the value of the industry increased, economic activity also increased from rural areas of Alaska to urban centers, and even extending to other states which support the industry.

For example, as the industry began to be profitable again, upgrades were made in both the processing and harvesting sectors. Airlines invested in additional cargo capacity as more fillets and high quality salmon were shipped by air. Freight and trucking companies invested in upgrades as distribution lines changed.

Quality improvements and product development meant investments in equipment and machinery (i.e. ice machines, flash freezers and fillet machines) purchased through supply companies all over the country.

Ex-Vessel Value

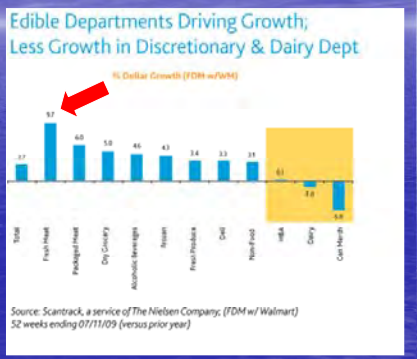
- Salmon earnings migrate all over Alaska
  - 75% of active permits held by Alaskans
  - Salmon earnings return to many non-coastal areas of Alaska and elsewhere
- Basis for state taxes & revenue sharing
- Basis for municipal & borough taxes not captured in state data

Spending on Goods & Services

- Labor & Materials
  - Processing labor
  - Skilled labor, service providers, etc.
- Utilities, economies of scale
  - Potable water
  - Solid waste
  - Electricity
- Shipping, economies of scale
  - Backhaul rates & activity
  - Usage of public infrastructure

Current Big Picture Market Forces

- Fresh Meat and Seafood is the #1 growth category in grocery by a wide margin. (See Chart at right.) [Source: A.C. Nielsen]
- Frozen Seafood is growing at a 7.1% annual rate, ranking 16th out of 77 large categories (over $1B). [Information Resources Inc.]



As the salmon industry increased in value, the tax revenue from the industry also increased. Salmon industry taxes support the continued marketing of Alaska seafood, the enhancement of the industry, state activities and municipal activities, such as schools and harbors.

This chain of economic impact continues to trickle down and is seen on local, regional, state and federal levels.

The investment in marketing Alaska salmon is a success story; it is also an example of what marketing can do for any product and the value of aggressive and continued marketing support, such as a *National Seafood Marketing Fund*.

*Note: All slides (except last slide) are excerpts from the McDowell Group's presentations to the Alaska Fisheries Marketing Board (Jan. 21, 2008) titled, "Alaska Salmon Industry: Value Growth Drivers, Secondary Impacts" & to the Alaska Seafood Marketing Institute (Feb. 21, 2008) titled "Value of the Alaska Fishing Industry to the State of Alaska".

Order Code RS21799
Updated May 26, 2004

CRS Report for Congress
Received through the CRS Web

Saltonstall-Kennedy Fishery Funding

Eugene H. Buck
Specialist in Natural Resources Policy
Resources, Science, and Industry Division

Summary

The Saltonstall-Kennedy Act established a fund that, among other things, has supported fishery research and development projects, with funding awarded annually on a competitive basis. Recent congressional "earmarks" have preempted the competitive process for awarding funding for industry projects. This report will be updated as this issue evolves.

The Saltonstall-Kennedy (S-K) Act, as amended (15 U.S.C. §713c-3), established a fund (known as the S-K Fund) that the Secretary of Commerce uses to finance projects and cooperative agreements for fishery research and development. Under this authority, projects or cooperative agreements are selected annually on a competitive basis to assist NOAA Fisheries (previously known as the National Marine Fisheries Service) in addressing concerns related to U.S. commercial and recreational fisheries. The S-K Fund is capitalized through annual transfers under a permanent appropriation to the Secretary of Commerce of 30% of the gross receipts collected by the Secretary of Agriculture under the customs laws on imports of fish and fish products.[1]

The objective of the S-K program is to address the needs of fishing communities in providing economic benefits for rebuilding and maintaining sustainable fisheries, and in dealing with the impacts of conservation and management measures.[2] The S-K program has become very important in addressing issues of immediate concern to the commercial fishing industry, by producing many new gear innovations, markets, and management options. Issues addressed have included fish harvesting, seafood quality improvements, domestic and foreign market development, efficiency and productivity improvements, and the costs/profitability of potential fishing industry investments.[3]

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[1] Because of progressive reductions and eliminations of tariffs on edible fisheries products, most of these customs duties come from non-edible products, such as pearls, coral jewelry, etc.

[2] U.S. Dept. of Commerce, National Marine Fisheries Service, *The Saltonstall-Kennedy Grant Program: Fisheries Research and Development*, Report 2003 (Aug. 1, 2003), p. 2.

[3] U.S. General Accounting Office, *Uses of Saltonstall/Kennedy Fisheries Development Funds*,

(continued...)

Customs receipts have increased substantially during the life of this program, with almost $80 million currently being transferred annually to the Secretary of Commerce. **Table 1** summarizes program funding. In 1980, Congress enacted formal program authority to fund fishing industry development projects and expanded this authority in 1983, establishing a minimum percentage of S-K funds to be used to provide financial assistance to projects. The balance of S-K funds were to be used by the Secretary of Commerce for a national program of fisheries research and development to address aspects of U.S. fisheries not adequately addressed by funded industry projects. Beginning in FY1979, increasing amounts of S-K dollars have been transferred to the Department of Commerce's National Oceanic and Atmospheric Administration's (NOAA's) *Operations, Research, and Facilities* (ORF) account, reducing the funds and percentage of funds available for fishing industry projects and the national program. Since FY1982, the S-K program has never allocated the minimum amount (50% after FY1980 and 60% after FY1983) specified by law for industry projects. For example, in FY2002, slightly more than $79.1 million in customs duty receipts were transferred to the Department of Commerce from the Department of Agriculture. Of this amount, P.L. 107-77 transferred $68 million to NOAA's ORF account "for necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration."[4] A total of slightly more than $11.1 million (14.1% of the customs receipts transferred to the Department of Commerce) remained for commercial fishing industry projects, the national program of fisheries research and development, and S-K program administration.

In FY2004 appropriations (P.L. 108-199, 118 Stat. 73, §208 of "General Provisions — Department of Commerce"), congressional earmarks designated funds for specific activities outside the regular competitive award process, and the competitive program was cancelled for FY2004.[5] A similar situation occurred in FY2003. Regardless of the merits of the activities funded through the congressional earmarks, some elements of the commercial fishing industry have expressed frustration when the competitive process is circumvented and projects are funded outside a competitive selection process.[6]

Since the S-K program requires no periodic reauthorization, no recent congressional oversight hearings have been held to review the department's rationale for allocating S-K funds between industry projects and agency base funding; how specific project areas to be funded are selected; how this program is administered and at what cost; how the results of funded projects are reviewed, disseminated, and used; and to what extent the program continues to meet its statutory objectives. Additional questions include whether the S-K

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[3] (...continued)
GAO/RCED0-85-145 (Washington, DC: Aug. 30,1985), p. ii.

[4] 115 Stat. 774-775.

[5] In several earlier instances, congressional "soft" earmarks were specified in report language associated with annual appropriations. Although such language is not legally binding, NOAA followed the direction in making funds available noncompetitively for various specific projects. Examples include the Interstate Shellfish Sanitation Conference for an education program on naturally occurring *Vibrio vulnificus* in shellfish and the Alaska Fisheries Development Foundation for a report entitled *An Ocean of Answers*.

[6] Discussions among commercial fishermen on the internet discussion group "Fishfolk" fishfolk@mitvma.mit.edu on Mar. 22-25, 2004.

program might be considered a continuing subsidy for the commercial fishing industry, whether the funding of industry projects continues to be useful, how the utility of the S-K program authority may have changed over time, and whether critical research might be done by industry if it were not funded by the S-K program.

Criticism of S-K program management generally comes from elements of the commercial fishing industry. Some critics of S-K Fund management question whether the administration of both regulation and research within the same agency raises questions about objectivity; they suggest that researchers might be hesitant to criticize the agency for its regulatory actions because they might lose access to future or continued project funding. Others suggest that the selection (i.e., restriction) of what types of projects will be funded also may administratively "earmark" funds, such as occurred in FY2003 when about half of all industry project funding ($5 million of an anticipated $10.3 million) was identified for direction to Atlantic salmon aquaculture development. Others suggest that the narrow agency identification of projects that would be funded in FY2003 actually prompted the subsequent congressional earmarks to specify projects that are to be funded.

The following chronology presents the development of this program. Key references are identified in footnotes by links to where they may be viewed, with care taken to select those resources that may be least transient. Full citations are not provided to these footnoted documents because of the lengthy organizations and titles for them.

Chronology

07/01/1954 — President Eisenhower signs the Saltonstall-Kennedy Act (68 Stat. 376; 15 U.S.C. §713c-3) into law.

06/15/1961 — Senate Commerce Subcommittee on Merchant Marine and Fisheries holds a hearing on fishery research and rehabilitation amendments to the S-K Act.[7]

10/01/1978 — NOAA's National Marine Fisheries Service (NMFS) begins receiving S-K dollars as annual budgetary transfers to NOAA's *Operations, Research, and Facilities* account.

12/22/1980 — Section 210 of the American Fisheries Promotion Act (P.L. 96-561) amends the S-K Act to require that not less than 50% of each fiscal year's funds be used to provide financial assistance for projects.

01/06/1983 — Section 423 of P.L. 97-424 amends the S-K Act to require that not less than 60% of each fiscal year's funds be used to provide financial assistance for projects.

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[7] U.S. Congress, Senate, Committee on Commerce, Subcommittee on Merchant Marine and Fisheries, *Fishery Research and Rehabilitation (Amendments to Saltonstall-Kennedy Act)*, 87th Congress, 1st session, hearing on S. 1230 on June 15, 1961 (Washington, DC: GPO, 1961), 103 p.

08/30/1985 — The General Accounting Office (GAO) releases a report on the *Uses of Saltonstall/Kennedy Fisheries Development Funds* (GAO/RCED0-85-145), reviewing both NMFS in-house activities and competitive industry projects supported by S-K dollars. GAO examines the adequacy of the project selection process, project monitoring procedures, and the dissemination of project results. GAO presents views on the benefits of this program to the U.S. commercial fishing industry but makes no recommendations.[8]

11/14/1986 — The enactment of §209 of P.L. 99-659 creates the Fisheries Promotional Fund, to be capitalized with S-K funds.[9]

05/14/2002 — NOAA Fisheries announces the FY2003 S-K Program, allocating $5 million of an anticipated $10.3 million for Atlantic salmon aquaculture development.[10]

02/20/2003 — President Bush signs P.L. 108-7, wherein §209 (Division B; General Provisions — Department of Commerce) appropriates $10 million in S-K dollars for the Alaska Fisheries Marketing Board for FY2003.[11]

06/30/2003 — NOAA Fisheries announces the FY2004 S-K Program, suggesting that about $4 million would be available for projects.[12]

08/01/2003 — NOAA Fisheries publishes its 2003 S-K Report to Congress.[13]

01/23/2004 — President Bush signs P.L. 108-199, wherein §208 (Division B; General Provisions — Department of Commerce)[14] appropriates $17 million in S-K dollars for various specified fisheries programs for FY2004;[15] a "soft" earmark (H.Rept. 108-221, p. 89) identifies an additional $250,000 for the Gulf and South Atlantic Fisheries Foundation to continue a *Vibrio* education program.

03/19/2004 — NOAA Fisheries announces that the FY2004 competitive S-K Program is being canceled due to insufficient funding and all

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[8] See [http://161.203.16.4/d11t3/127795.pdf], visited Mar. 24, 2004.

[9] 16 U.S.C. §4008.

[10] 67 *Federal Register* 34427-34434 (May 14, 2002).

[11] 117 Stat. 78.

[12] 68 *Federal Register* 38678-38690 (June 30, 2003).

[13] See [http://www.nmfs.noaa.gov/ocs/sk/pdf/03report_wsite.pdf], visited Mar. 24, 2004.

[14] 118 Stat. 73-74.

[15] $10,000,000 to the Alaska Fisheries Marketing Board, $2,000,000 to the Gulf and South Atlantic Fisheries Foundation, $2,000,000 to the South Carolina Seafood Alliance, $1,500,000 to the Oregon Trawl Commission, and $1,500,000 to the Oregon State University Seafood Laboratory.

applications are being returned to the applicants without further consideration.[16] On its S-K website, NOAA Fisheries notes that the President's budget request for FY2005 also does not provide sufficient funding for the competitive S-K Program.[17]

[16] 69 *Federal Register* 13021 (Mar. 19, 2004).

[17] See [http://www.nmfs.noaa.gov/ocs/skhome.html], visited Mar. 24, 2004.

Table 1. Financing History of Saltonstall-Kennedy Account

(thousand $)

FY	Import duties collected	Transfer from Agriculture	Funds to NOAA ORF	Fishermen's Promotional Fund	Congress. earmarks[a]	Remainder available[aa]	Earmarks and remainder as % of transfer
1978	43,280	12,984	0	0	0	12,984	100%
1979	58,120	17,436	5,000	0	0	12,436	71%
1980	88,930	26,679	5,000	0	0	21,679	81%
1981	116,600	35,000	17,500	0	0	17,500	50%
1982	87,300	26,200	10,000	0	0	16,200	62%
1983	102,100	30,600	22,600	0	0	8,000	26%
1984	119,900	33,600	23,600	0	0	10,000	30%
1985	116,500	34,900	25,900	0	0	9,000	26%
1986	145,600	43,700	34,100	0	0	9,600	22%
1987	191,400	57,400	51,600	750	0	5,050	9%
1988	187,800	56,300	44,400	2,600	0	9,300	17%
1989	178,900	53,600	45,600	3,000	0	5,000	9%
1990	206,500	61,900	55,000	2,000	0	4,900	8%
1991	235,900	70,800	60,900	2,000	0	7,900	11%
1992	213,700	64,100	63,100	0	0	1,000	2%
1993	204,700	61.400	55,000	0	0	6,400	10%
1994	206,500	61,944	54,800	0	0	7,144	12%
1995	215,885	64,765	55,500	0	0	9,265	14%
1996	242,977	72,893	63,000	0	0	9,893	14%
1997	221,270	66,381	66,000	0	0	381	1%
1998	219,110	65,730	62,380	0	0	3,350	5%
1999	221,420	66,430	63,380	0	0	3,050	5%
2000	233,070	69,920	68,000	0	0	1,920	3%
2001	242,760	72,830	68,000	0	0	4,830	7%
2002	263,770	79,130	68,000	0	0	11,130	14%
2003	250,750	75,220	65,000	0	10,000	220	14%
2004	265,747	79,724	62,000	0	17,250	474	22%

[a].Except for FY2004, this column does not include the "soft" earmarks as previously discussed.

[aa].This amount includes funds for industry projects, the national program, and NMFS/NOAA Fisheries expenses for administering the industry projects. In FY2003, these administrative expenses were estimated at $500,000.

Alaska Seafood Marketing Institute
Resolution 2009-01

A RESOLUTION OF THE ALASKA SEAFOOD MARKETING INSTITUTE SUPPORTING FEDERAL FUNDING FOR UNITED STATES PRODUCED SEAFOOD

WHEREAS, the State of Alaska in conjunction with the fishing industry created the Alaska Seafood Marketing Institute (ASMI) to market and promote Alaska seafood; and

WHEREAS, ASMI has worked for 28 years to champion the "Alaska Brand" and to identify Alaska seafood as wild and sustainable; and

WHEREAS, effective marketing of Alaska's seafood requires a constant, consistent and long term marketing presence, especially in times of oversupply and new competition; and

WHEREAS, the Alaska seafood industry has "self assessed" fishery production to pay for ASMI's promotional activities; and

WHEREAS, despite the money raised from the Alaska Seafood Industry, ASMI's promotional activities are often limited and underfunded; and,

WHEREAS, in times of economic collapse or fishery oversupply, the industry is least able to increase marketing assessments; and

WHEREAS, the Federal Government collects approximately $280 million dollars annually through customs laws regulating the importation of fishery products, many of which compete with Alaska's fishery products; and

WHEREAS, funds collected from the importation of fishery products are not available for the domestic marketing of American seafood; and

WHEREAS, using fishery product import revenues to market American seafood will preserve American fishing and seafood processing jobs, U.S. processing capacity and ensure availability of domestic seafood for the American Consumer;

THEREFORE BE IT RESOLVED, that the Alaska Seafood Marketing Institute strongly supports the use of a portion of federally generated fishery product import revenues for the domestic marketing of Alaska seafood; and

Alaska Seafood Marketing Institute ▲ 311 North Franklin Street, Suite 200 ▲ Juneau, AK 99801-1147
Phone 907/465-5560 800/478-2903 ▲ Fax 907/465-5572 ▲ www.AlaskaSeafood.org ▲ info@AlaskaSeafood.org

THEREFORE BE IT FURTHER RESOLVED, that the Alaska Seafood Marketing Institute's support for the use of a portion of federally generated fishery product import revenues for the domestic marketing of Alaska seafood be communicated to Governor Sean Parnell, the Alaska Legislature, Senators Lisa Murkowski and Mark Begich, Representative Don Young and to the United Fishermen of Alaska.

Alaska Seafood Marketing Institute ▲ 311 North Franklin Street, Suite 200 ▲ Juneau, AK 99801-1147
Phone 907/465-5560 800/478-2903 ▲ Fax 907/465-5572 ▲ www.AlaskaSeafood.org ▲ info@AlaskaSeafood.org

DOWNEAST LOBSTERMAN'S ASSOCIATION
Resolution 2010-01

A RESOLUTION OF THE ***DOWNEAST LOBSTERMAN'S ASSOCIATION (DELA)*** SUPPORTING FEDERAL FUNDING FOR UNITED STATES PRODUCED SEAFOOD

WHEREAS, the State of Maine, in conjunction with the lobster industry, created the Lobster Promotion Council (MLPC) to market and promote lobster; and

WHEREAS, the MLPC has worked for 19 years to champion the 'Maine Lobster' brand and to identify Maine Lobster as wild and sustainable; and

WHEREAS, effective marketing of Maine's lobster requires a constant, consistent, and long term marketing presence, especially in times of oversupply and new competition; and

WHEREAS, the Maine Lobster industry, including members of ***DELA***, has 'self assessed' fishery production to pay for MLPC's promotional activities; and

WHEREAS, despite the money raised from the Maine lobster industry, MLPC's promotional activities are often limited and underfunded; and

WHEREAS, in times of economic collapse or fishery oversupply, the industry is least able to increase marketing assessments; and

WHEREAS, the Federal Government collects approximately $280 million dollars annually through customs laws regulating the importation of fishery products, many of which compete with Maine's fishery products; and

WHEREAS, funds collected from the importation of fishery products are not available for the domestic marketing of American seafood; and

WHEREAS, using fishery product revenues to market American seafood will preserve American fishing and seafood processing jobs, U.S. processing capacity and ensure availability of American seafood for the American Consumer;

THEREFORE BE IT RESOLVED, that the ***DELA*** strongly supports the use of a portion of federally generated fishery product import revenues for the domestic marketing of American and Maine seafood; and

THEREFORE BE IT FURTHER RESOLVED, that the ***DELA's*** support for the use of a portion of federally generated fishery product revenues for the domestic marketing of Maine seafood be communicated to Governor John E. Baldacci, the Maine legislature, Senators Olympia Snowe and Susan Collins, Representatives Chellie Pingree and Mike Michaud, and to the MLPC's board and members.

Respectfully,
Sheila W. Darbatt
Executive Director - Downeast Lobstermen's Association

A RESOLUTION OF THE MAINE LOBSTER PROMOTION COUNCIL SUPPORTING FEDERAL FUNDING FOR UNITED STATES PRODUCED SEAFOOD

WHEREAS, the State of Maine in conjunction with the lobster industry created the Maine Lobster Promotion Council (MLPC) to market and promote Maine Lobster; and

WHEREAS, the MLPC has worked for 19 years to champion the 'Maine lobster' brand and to identify Maine Lobster as wild and sustainable; and

WHEREAS, effective marketing of Maine Lobster requires a constant, consistent and long term marketing presence, especially in times of oversupply and new competition; and

WHEREAS, the Maine Lobster Industry has 'self-assessed' lobster production to pay for the MLPC's promotional activities; and

WHEREAS, despite the money raised from the Maine Lobster industry, the MLPC's promotional activities are often limited and underfunded; and

WHEREAS, in times of economic collapse or fishery oversupply, the industry is least able to increase marketing assessments; and

WHEREAS, the Federal Government collects approximately $280 million dollars annually through customs laws regulating the importation of fishery products, many of which compete with Maine's lobster products; and

WHEREAS, funds collected from the importation of fishery products are not available for the domestic marketing of American seafood; and

WHEREAS, using fishery product import revenues to market American seafood will preserve American fishing and seafood processing jobs, US processing capacity and ensure availability of domestic seafood for the American consumer;

THEREFORE BE IT RESOLVED, that the Maine Lobster Promotion Council strongly supports the use of a portion of federally generated fishery product import revenues for the domestic marketing of Maine Lobster; and

The world's finest lobster comes from Maine.

Maine Lobster Promotion Council
45 Memorial Circle
Augusta, ME 04330
Tel: (207) 287-5140 Fax: (207) 287-5143
www.lobsterfrommaine.com
info@lobsterfrommaine.com

THEREFORE BE IT FURTHER RESOLVED, that the Maine Lobster Promotion Council's support for the use of a portion of federally generated fishery product import revenues for the domestic marketing of Maine Lobster be communicated to Governor John Elias Baldacci, the Maine Legislature, Senators Olympia Snowe and Susan Collins, and Representatives Chellie Pingree and Mike Michaud.

Signed;

Dane Somers
Executive Director

Mar. 3rd, 2010

The world's finest lobster comes from Maine.

Maine Lobster Promotion Council
45 Memorial Circle
Augusta, ME 04330
Tel: (207) 287-5140 Fax: (207) 287-5143
www.lobsterfrommaine.com
info@lobsterfrommaine.com

MAINE LOBSTERMEN'S ASSOCIATION

Resolution 2010-01

A RESOLUTION OF THE ***MAINE LOBSTERMEN'S ASSOCIATION (MLA)*** SUPPORTING FEDERAL FUNDING FOR UNITED STATES PRODUCED SEAFOOD

WHEREAS, the State of Maine, in conjunction with the lobster industry, created the Lobster Promotion Council (MLPC) to market and promote lobster; and

WHEREAS, the MLPC has worked for 19 years to champion the 'Maine Lobster' brand and to identify Maine Lobster as wild and sustainable; and

WHEREAS, effective marketing of Maine's lobster requires a constant, consistent, and long term marketing presence, especially in times of oversupply and new competition; and

WHEREAS, the Maine Lobster industry, including members of ***MLA***, has 'self assessed' fishery production to pay for MLPC's promotional activities; and

WHEREAS, despite the money raised from the Maine lobster industry, MLPC's promotional activities are often limited and underfunded; and

WHEREAS, in times of economic collapse or fishery oversupply, the industry is least able to increase marketing assessments; and

WHEREAS, the Federal Government collects approximately $280 million dollars annually through customs laws regulating the importation of fishery products, many of which compete with Maine's fishery products; and

WHEREAS, funds collected from the importation of fishery products are not available for the domestic marketing of American seafood; and

WHEREAS, using fishery product revenues to market American seafood will preserve American fishing and seafood processing jobs, U.S. processing capacity and ensure availability of American seafood for the American Consumer;

THEREFORE BE IT RESOLVED, that the ***MLA*** strongly supports the use of a portion of federally generated fishery product import revenues for the domestic marketing of American and Maine seafood; and

THEREFORE BE IT FURTHER RESOLVED, that the ***MLA's*** support for the use of a portion of federally generated fishery product revenues for the domestic marketing of Maine seafood be communicated to Governor John E. Baldacci, the Maine Legislature, Senators Olympia Snowe and Susan Collins, Representatives Chellie Pingree and Mike Michaud, and to the MLPC's board and members.

Patrice McCarron

Executive Director
April 7, 2010

S T A T E O F A L A S K A
THE LEGISLATURE

2010

Source	**Legislative Resolve No.**
CSSJR 27(RES)	37

Urging the federal government to provide funding for domestic seafood marketing and promotional activities.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS Alaska seafood products face ever-increasing domestic competition from imported seafood products, with more than 80 percent of the total fish and seafood consumed annually in the United States currently originating in foreign countries; and

WHEREAS effective domestic marketing of Alaska seafood in the face of aggressive competition from foreign products requires innovative, forceful, and consistent promotion; and

WHEREAS the Alaska seafood industry self-assesses a fee on fisheries production to finance domestic and international marketing of Alaska seafood; and

WHEREAS the state makes substantial financial contributions to the promotion and marketing of Alaska seafood; and

WHEREAS annual funding for the domestic promotion of Alaska seafood is not sufficient to effectively develop the thriving markets that sustainable Alaska seafood products merit, especially when confronted with nationally supported promotional programs aimed at

United States consumers by key rival producer countries; and

WHEREAS duties and tariffs on imported seafood products generate approximately $280,000,000 annually for the United States Treasury; and

WHEREAS revenue from anti-dumping and countervailing duties on imported fish and fish products collected by the United States government total hundreds of millions of dollars annually; and

WHEREAS federal revenue derived from the importation of competing seafood products is not presently made available for the marketing of seafood harvested and produced domestically; and

WHEREAS using a portion of the revenue collected on the importation of foreign seafood products to promote American seafood to domestic consumers will secure American fisheries and seafood processing jobs, create robust and enduring domestic markets, and greatly enhance the nutritional value of American diets;

BE IT RESOLVED that the Alaska State Legislature strongly supports the allocation of money generated from federal marine and fishery product import tariffs for the domestic marketing of Alaska seafood; and be it

FURTHER RESOLVED that the Alaska State Legislature respectfully urges the United States Congress to pass legislation dedicating a significant portion of marine and fishery product import tariffs to a national seafood marketing fund to promote domestic seafood products that face competition from foreign imports; and be it

FURTHER RESOLVED that the Alaska State Legislature respectfully urges the Alaska delegation in Congress to work with representatives of other seafood and fish-producing states to secure adequate funding for effective and sustained domestic marketing of American seafood.

COPIES of this resolution shall be sent to the Honorable Barack Obama, President of the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Robert C. Byrd, President Pro Tempore of the U.S. Senate; the Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives; the Honorable Timothy F. Geithner, United States Secretary of the Treasury; the Honorable Tom Vilsack, United States Secretary of Agriculture; and the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative,

members of the Alaska delegation in Congress.

State of Maine

In the Year of Our Lord Two Thousand Ten

JOINT RESOLUTION SUPPORTING FEDERAL FUNDING FOR MARKETING AND PROMOTING SEAFOOD PRODUCED IN THE UNITED STATES

WHEREAS, the Maine Legislature, in partnership with the lobster industry, established in statute the Lobster Promotion Council, funded by lobster license holders, to market and promote the sale of Maine lobster to customers worldwide; and

WHEREAS, effective marketing of Maine lobster requires a constant, consistent and long-term marketing presence, especially in times of oversupply and new competition, in order for Maine lobster to reach a greater market; and

WHEREAS, the Maine lobster industry has paid for promotional activities to provide the greatest return on the investments made by lobster license holders; and

WHEREAS, the Maine lobster industry has made the most cost-effective use of a limited promotional budget; and

WHEREAS, despite the money raised within the lobster industry in Maine, the Lobster Promotion Council's promotional activities are often limited and underfunded; and

WHEREAS, in times of economic collapse or oversupply of lobsters, the lobster industry in Maine is not in a position to increase marketing assessments to raise more funds; and

WHEREAS, the Federal Government collects approximately $280,000,000 annually through customs laws regulating the importation of seafood products, many of which compete with Maine's lobster products; and

WHEREAS, funds collected from the importation of seafood products are not available for the domestic marketing of American seafood; and

WHEREAS, using seafood product import revenues to market American seafood will preserve American fishing and seafood processing jobs, will preserve United States processing capacity and will ensure the availability of domestic seafood for the American consumer; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-fourth Legislature now assembled in the Second Regular Session, on behalf of the people we represent, take this opportunity to express our support for the use of a portion of federally generated seafood product import revenues for the domestic marketing and promoting of Maine lobster; and be it further

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to Governor John E. Baldacci.

In Senate Chamber
March 29th, 2010
Read and Adopted
Sent Down for Concurrence

Joy J. O'Brien
Secretary

S.P. 744
ATTEST:

Elizabeth H. Mitchell
President of the Senate

House of Representatives
March 30th, 2010
Read and Adopted
In Concurrence

Millicent M. MacFarland
Clerk

ATTEST:

Hannah M. Pingree
Speaker of the House of Representatives

Sponsored by: Senator Damon of Hancock County
Cosponsored by: Representative Percy of Phippsburg
Senator Sullivan of York County
Senator Rector of Knox County
Representative Mazurek of Rockland
Representative Pieh of Bremen
Senator Perry of Penobscot County

In Testimony Whereof, I have caused the seal of the State to be hereunto affixed, GIVEN under my hand at Augusta, this 30th Day of March in the year of our Lord two thousand ten

Matthew Dunlap
Secretary of State

Resolution of the Washington Trollers Association in support of a National Seafood Marketing Coalition

Whereas the Washington Trollers Association (WTA) has initiated and self-funded the promotion of Washington troll-caught salmon for many years, and

Whereas American caught seafood has been consistently shown to be one of the healthiest foods available, and

Whereas all US caught salmon has been subjected to growing amounts of cheap, often subsidised imports, and

Whereas the American consumer receives insufficient information to make fully informed decisions about seafood purchases, and

Whereas the Saltonstall-Kennedy Act intended that funds should be available to promote American caught seafood and to educate the consumer, and

Whereas the term 'marketing' includes public education on the health and culinary benefits of seafood consumption, and on the importance to the nation of Americas fishing communities,

Therefore be it resolved that the Washington Trollers Association supports and encourages the establishment of a National Seafood Marketing Coalition, and the directing of a portion of Saltonstall-Kennedy funds to the promotion of seafood and the benefit of American consumers.

Alaska Crab Coalition
3901 Leary Way N.W. Suite #6
Seattle, Washington 98107
206.547.7560
Fax 206.547.0130
acccrabak@earthlink.net

May 19, 2010

The Honorable Maria Cantwell
Dirksen Senate Office Building 511
1st and C Streets, NE
Washington D.C. 20510
Fax: 202 228 0514

Re: Support for National Seafood Marketing Fund and *National Seafood Promotion Coalition*

Dear Senator Cantwell:

In these difficult economic times, promotion of America's domestic seafood production offers clear economic benefits for the country. The national unemployment rate is over 10% and imported seafood represents over 80 percent of the seafood consumed in the U.S. As consolidation and imports drive prices down, America's fishing families and coastal communities face difficult economic times, broad and sustained investment in marketing of American seafood adds value to the seafood industry and creates more domestic jobs.

The Alaska Crab Coalition is a member organization of the United Fishermen of Alaska (UFA) and we wish to inform you that we are supportive of UFA's leadership in the organization of seafood producers around the country to form a *National Seafood Promotion Coalition (Coalition).* UFA has recently witnessed the positive effects of a focused marketing plan campaign on vastly improving the value of Alaska salmon products in a brief 5-year period.

As the Alaska salmon example demonstrates, investment in domestic marketing of seafood creates economic development and jobs in U.S. communities and energizes the U.S. seafood industry.

The goal of the Coalition is to create through federal legislation, a National Seafood Marketing Fund, to draw on a portion of the import duties and antidumping/ countervailing duties collected on fish and fish products. The legislation would creat nine regional seafood marketing boards to manage and direct marketing activities. Attached is a general outline of the proposal to create a National Seafood Marketing Fund.

ACC respectfully requests your support for the Coalition's efforts to secure federal funding for domestic marketing of U.S. seafood.

Sincerely,

Arni Thomson
Executive Director

U.S. FARM-RAISED Catfish

THE CATFISH INSTITUTE

Bruce Schactler
Chair, Marketing Committee, United Fishermen of Alaska
P.O. Box 2254
Kodiak, Alaska - 99615

Dear Bruce:

The decision to form a National Seafood Marketing Coalition is supported by The Catfish Institute (TCI). TCI was formed in 1986 as the marketing arm of the U.S. Farm-Raised Catfish industry.

All U.S. seafood producers must create demand for our products in order to enhance economic growth and maintain and/or create jobs for our industry.

It is our belief that a National Seafood Marketing Fund will serve as an effective tool that can be used to highlight the first-class qualities of U.S. Farm-Raised Catfish. We are convinced that it will be a beneficial way to inform the consumer who will then choose domestic fish and seafood because of its superior merits.

The Catfish Institute looks forward to working with you and the many U.S. seafood-producing industries on the implementation of this needed seafood marketing initiative.

Sincerely,

Roger Barlow
President, The Catfish Institute
Executive Vice President, The Catfish Farmers of America

OFFICE: 5420 I-55 N., SUITE F, JACKSON, MISSISSIPPI 39211 ★ 601-977-9559 ★ FAX: 601-977-9632
MAILING ADDRESS: P. O. BOX 1669, MADISON, MISSISSIPPI 39130
E-MAIL: rogertci@bellsouth.net

CBSIA Chesapeake Bay Seafood Industries Association
110 Severn Ave. • Annapolis, MD 21403 • 410-507-3249 • Fax 410-990-0721 • CBSIA@comcast.net

March 25, 2010

Senator Barbara A. Mikulski
503 Hart Senate Office Building
Washington, D.C. 20510

Re: National Seafood Marketing Coalition

Dear Senator Mikulski:

The Chesapeake Bay Seafood Industries is involved with a group that is forming a National Seafood Marketing Coalition, (NSMC), whose primary purpose is to market and promote United States Seafood. Specifically this proposal would instruct the U.S. Treasury to insure that funds collected from duties on imported seafood products be used to actively market and increase promotion of American seafood products either farm raised or wild caught. This was the original intention of the Saltonstall-Kennedy seafood tariff program enacted by congress in the early sixty's.

American consumers care and want to know the origin of their seafood but with such a tremendous influx of seafood coming into the U.S. from all over the world consumers often don't know where the seafood they purchase does come from because of weak labeling requirements on imported seafood products.

These huge quintiles of cheaply produced imported seafood have decimated many domestic fisheries, which means fewer domestic fishing and processing jobs in the U.S. This flood of imported seafood products also depresses prices for the domestic seafood, which is still produced in the United States thus depressing the wages and profits of American watermen and our own watermen and seafood businesses here in Maryland.

We see the NSMC as a way to promote and market American seafood and make our consumers aware that they have choices when it comes to purchases of their seafood. For example you would not believe how many times seafood buyers from all over have told us that they didn't even know there was a domestic blue crab crabmeat industry left!

Hundreds of millions of U.S Treasury dollars are generated annually through duties and tariffs on imported seafood. It is imperative that the Saltonstall-Kennedy funds should be made available, once again, for the marketing and promoting of domestic seafood as was originally intended.

President, Jack Brooks; *Vice President*, J.C. Tolley; *Secretary/Treasurer*, Bill Brooks; *Executive Director*, Bill Sieling
Board Members: Dan Lyons, Robin Hall, Jerry Harris, Jay Newcomb, Casey Todd, Roy Todd, Roger Van Dyke
www.CBSIA.org

We have enclosed a short summary of our proposal to create a National Seafood Marketing Fund for you to review. It is important for you to understand what has prompted us to begin this effort to recreate the funding for this critically important National Seafood Marketing Coalition. We further hope that you will be able to secure the funds outlined in the report so as to get this program up and going as soon as possible.

We see this as a win win where more demand for our U.S. produced seafood will create better pricing for our fishermen and the seafood businesses that rely on our watermen for their raw product. Restoration of these funds will help to both retain current employment and to create new jobs here in America!!

We will be contacting you in the near future to follow up on this letter and to answer any questions you may have about this far reaching proposal to revitalize our domestic fisheries, reduce our foreign trade balance of payments and create many more domestic jobs in our American fisheries and our domestic seafood processing businesses.

In addition consumers will hopefully finally feel confident that they are really getting the American seafood products that they want to buy without worrying about foreign substitutions being sold as domestic product.
\
Thank you in advance for your help and support in helping our American and Maryland seafood industries continue to grow, create jobs and contribute to America's prosperity.

Sincerely yours,

Bill Sieling
Executive Director, CBSIA

CC: Maryland Congressional Delegation
Governor Martin O'Malley
Earl F. Hance, Sec. Dept of Agriculture
John Griffin, Sec. Dept.of Natural Resources
Larry Simns, Pres. Maryland Watermen's Association
Noreen Eberly, Chief Seafood Marketing Maryland Dept. of Agriculture
Julie Decker, Bruce Wallace, Julianne Curry, National Seafood Marketing Coalition

FLORIDA Aquaculture ASSOCIATION

P. O. Box 1519
Winter Haven, FL 33882
Phone (863) 293-5710
Fax (863) 299-5154
www.flaa.org

April 5, 2010

Julie Decker
Post Office Box 2138
Wrangle, AK 99929

Dear Ms Decker:

On behalf of the Florida Aquaculture Association, I would like to express support for the National Seafood Marketing Coalition. The Florida aquaculture and seafood industries are facing difficult times. We do not have the financial resources to combat the adverse affects caused by imports and increased fuel and production costs through an aggressive marketing campaign. A federally funded national marketing campaign would increase consumer awareness of the available domestic products.

We applaud the efforts of the National Seafood Marketing Coalition to the forefront and increasing the awareness of our U.S. Representatives and Senators. If I can do anything to assist, please do not hesitate to contact me.

Sincerely,

David Boozer
Executive Director

Cc: Joanne McNeely
Florida Department of Agriculture and Consumer Services
Bureau of Seafood and Aquaculture Marketing

April 29, 2010

Hon. Barbara Mikulski
United States Senate
503 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Mikulski:

I want to take this opportunity to tell you that the Maryland Watermen's Association has joined in support of the new National Seafood Marketing Coalition, NSMC, and to ask you for your support in assuring that funds collected from duties on imported seafood products will be used to market and increase promotion of American seafood products. This would be accomplished under the Saltonstall-Kennedy seafood tariff program.

As you well know, commercial fishermen across the country, and our watermen on the Bay, have been concerned for some time about the tremendous amount of seafood, wild or farm raised, coming into the U.S. because it is cutting into our market and impacting the economy of our local and national industries. Maryland watermen have been hit hard recently by harvest regulations, the economy, and reduced catches. The National Seafood Marketing Coalition could be an excellent step in the right direction to get the word out to consumers about our seafood and, we think it could help supplement the excellent but limited work…because of funding cuts… that the Office of Seafood Marketing is doing at the state level.

Millions of dollars are generated annually through duties and tariffs on imported seafood. Please help us assure that these Saltonstall-Kennedy funds are directed to the marketing and promotion of domestic seafood as was originally intended. This money would be a huge shot in the arm for Maryland watermen, packers, suppliers and ancillary businesses as our seafood is promoted rather than cheap foreign products that have cut into our markets for years.

Thank you, in advance, for any help you can give us.

Sincerely,

Larry Simns
President

Massachusetts Lobstermen's Association, Inc.
8 Otis Place
Scituate, MA 02066-1323
Bus. (781) 545-6984 Fax (781) 545-7837
www.lobstermen.com

March 2, 2010

Dear Representative Frank,

The 1300 member Massachusetts Lobstermen's Association would like to express its support for the formation of the National Seafood Marketing Fund. This fund is in response to the need for this country to have a seafood marketing initiative which is needed to better move the U.S. caught seafood products to domestic as well as foreign markets. It would serve to help our fishermen and seafood companies in these tough economic times. This means helping to keep jobs which as you know, provide livelihoods for fishing families and communities.

We here in New England are very much in need of this initiative just as those in other parts of our country are as well. In our particular case, our New England American Lobster industry is suffering from low prices to our fishermen and a lack of demand which hopefully could be improved if this National Seafood Marketing Fund could be established. It could prove to be a productive and win-win situation for the fishing industry, the economy and consumers.

The good part here is that the funds for such a Coalition are already available. Such an initiative however would require legislation. We have included a document which can give more details on how a National Seafood Marketing Coalition would work and how it could be funded using existing available seafood import monies. Why not help our own U.S. seafood industry?

We want to join our Pacific and Alaska fishing brethren in support of this Coalition.

We are encouraging you, our New England Congressional delegations, to join with other Senators and Representatives from other parts of our country and work with them to make this Coalition initiative a reality.

Please remember that the fishing industry in our great nation needs this help and that it can benefit everyone at no extra cost to our government. We know as one sector, our New England lobster industry could sure use some help here!

We would be very willing to meet with you to discuss this initiative further *and we'll supply the lobster*.

Respectfully yours,

William A Adler
Executive Director
Massachusetts Lobstermen's Association

South Carolina Seafood Alliance

815 Savannah Hwy., Suite 204
Charleston, SC 29407
Phone: 843.556.2520
FAX: 843.556.2521

April 9, 2010

To Whom It May Concern,

The South Carolina Seafood Alliance (SCSA) is a non-profit organization representing the state's aquaculture and wild-caught fisheries. The SCSA recently held a South Carolina Seafood Summit and one of the main concerns of the participants was the lack of sufficient marketing for local products. After considering a battery of suggestions and the cost/benefit ratio a consensus was reached that the Alliance could not fund a marketing program for one year much less for the follow on required for an effective campaign.

The SCSA learned about the National Marketing Coalition and after careful study and consideration the Board of Directors voted unanimously to join this coalition. Seafood and aquaculture, needs and deserves, this program to compete in an economy dominated by cheap and many times subsidized imports. Over 80% of all seafood consumed in this country is imported and there is absolutely no way to compete with these imports in price.

Consumers of local high quality, healthy seafood and aquaculture products are many but widely dispersed throughout the country. A consistent marketing program can reach these discriminating consumers and the money they spend will stay and multiply in this country.

Frank Blum
Executive Director
(843) 437-0008 (c)

SOUTHEASTERN FISHERIES ASSOCIATION, INC.

ALABAMA • FLORIDA • GEORGIA • MISSISSIPPI • NORTH CAROLINA • SOUTH CAROLINA

ROBERT P. JONES, Executive Director
Phone (850) 224-0612
Fax (850) 222-3663
E MAIL: Bobfish@aol.com

Mount Vernon Square
1118-B Thomasville Road
Tallahassee, Florida 32303-6287
WEBSITE: www.southeasternfish.org

April 5, 2010

Julie Decker
P.O. Box 2138
Wrangle, AK 99929
Fax 907-874-3110

Dear Julie:

Southeastern Fisheries Association supports the formation of a National Seafood Marketing Program (NSMP) to enhance and protect the seafood industry.

The NSMP must adopt a clear set of principles on consumer fraud to which all participants must adhere. We recommend a strong, enforceable protocol to guarantee the seafood products NSMP promotes are accurately identified, HACCP compliant and adhere to federal/state net weight regulations. Without such predetermined requirements for participation in the NSMP the hard work of many can be ruined by a few.

Please let us know how we can help in the formation of a much needed National Seafood Marketing Program.

Sincerely yours,

Bob Jones
Executive Director
www.seafoodsustainability.us

Serving the Southeastern Seafood Industry proudly since 1952

Southern Shrimp Alliance, Inc

P.O. Box 1577
Tarpon Springs, FL 34688
Ph. 727.934.5090
Fx. 727.934.5362
john@shrimpalliance.com

April 1, 2010

Bruce Schactler
Chair, Marketing Committee, United Fishermen of Alaska
P.O. Box 2254
Kodiak, Alaska - 99615

Dear Bruce:

Thank you for your extraordinary initiative to form a National Seafood Marketing Coalition for the purposes of establishing a National Seafood Marketing Fund.

Please be advised that the Southern Shrimp Alliance strongly supports the goals of this initiative and looks forward to actively participating in this effort through the Coalition's Steering Committee and its legislative efforts in Washington, DC.

For the past decade, the domestic shrimp producing industry has been hammered by a number of external forces that have had the net effect of drastically reducing our fishing fleet. For example, fishing effort in our Gulf offshore fleet has been reduced by 70% since 2002.

Principal among these factors has been the price depressing impacts of shrimp imports which now supply 90 percent of the US market. Notwithstanding our successful antidumping case against six of the major shrimp producing nations, dockside prices paid to US fishermen continue to be insufficient to sustain our fishery.

The vast majority of shrimp imports are produced on farms that generally do not meet a range of US production standards. For example, these imports are often found to be contaminated with FDA-banned antibiotics and pesticides used by foreign shrimp farms to increase production volume and efficiency. Such illegal and anticompetitive practices further reduce prices paid to US fishermen.

We believe a National Seafood Marketing Fund can provide an effective mechanism to educate US consumers about the many superior qualities of domestic wild shrimp including taste and food safety. We further believe an educated consumer will be willing to pay a higher price for those qualities.

The Southern Shrimp Alliance greatly appreciates the opportunity to work with you and many domestic seafood producing industries across the nation on this critical initiative.

Sincerely,

John Williams,
Executive Director

UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

February 15, 2010

The Honorable Lisa Murkowski
United States Senate
709 Hart Senate Building
Washington, DC 20510
By Fax: (202) 224-5301

RE: Support for National Seafood Marketing Fund

Dear Senator Murkowski,

In these difficult economic times, promotion of America's domestic seafood production offers some clear benefits for the country. The national unemployment rate is over 10% and imported seafood represents over 80% of the seafood consumed in the U.S. As consolidation and imports drive prices down, America's fishing families and coastal communities face difficult economic times. ***Broad and sustained investment in marketing of American seafood adds value to the seafood industry and creates jobs domestically.***

United Fishermen of Alaska (UFA) represents many seafood producers in Alaska and the Pacific Northwest. These producers recently saw the dramatic impact of a well-funded marketing campaign. During a five year period, approximately $100 million was invested in the marketing of Alaska salmon. Marketing projects included quality improvements, infrastructure, product development, and advertising. As a result, the value of Alaska's salmon resource immediately began to rise. Ex-vessel values rose 177%, first wholesale values rose 83%, and the value increases have been sustained over time. As the industry began to be profitable again, economic activity and tax revenues also increased across local, regional, state and federal levels.

As the Alaska salmon example demonstrates, investment in marketing of domestic seafood creates economic development and jobs in U.S. communities and energizes the U.S. seafood industry which is based on a healthy and renewable resource.

UFA is now working with seafood producers from around the country to form a National Seafood Marketing Coalition (Coalition). The goal of this Coalition is to create, through federal legislation, a National Seafood Marketing Fund, through a portion of the import duties and antidumping/countervailing duties collected on fish and fish products. The

legislation would also create nine regional seafood marketing boards to manage and direct marketing activities. Attached is a general outline of the proposal to create a National Seafood Marketing Fund.

UFA requests your support for the Coalition's efforts to secure federal funding for domestic marketing of U.S. seafood which will grow the economy, create jobs and energize the U.S. seafood industry.

Very truly yours,

Mark Vinsel
Executive Director

Attachment

COMMONWEALTH of VIRGINIA

MIKE HUTT
EXECUTIVE DIRECTOR

Virginia Marine Products Board
554 DENBIGH BOULEVARD, SUITE B
NEWPORT NEWS, VIRGINIA - USA 23608
TELEPHONE: (757) 874-3474
TELEFAX: (757) 886-0671
www.virginiaseafood.org

April 28, 2010

The Honorable Mark R. Warner
459A Russell Senate Office Building
Washington, DC 20510

Dear Senator Warner,

RE: Support for the National Seafood Marketing Fund

I am writing on the behalf of the Virginia Marine Products Board and the Virginia seafood industry to let you know about an exciting new program to help seafood producers. The Virginia Marine Products Board is participating in a group recently formed called the National Seafood Marketing Coalition (MSMC), whose primary purpose is to market and promote United States seafood. A national seafood marketing initiative will help increase demand for domestic seafood products which in turn will create jobs and stimulate economic growth.

The Virginia seafood industry is one of the oldest industries in the United States and one of the Commonwealth's most economically important. The Virginia Institute of Marine Science reported the annual economic impact of the industry to be over one half of a billion dollars. Virginia is the nation's fourth largest producer of marine products, behind Alaska, Louisiana and Washington. With total landings of greater than 354.2 million pounds in 2008, the dockside value to watermen alone was $95 million.

Virginia is home to more than 200 seafood companies. Approximately 6,000 Virginians work on the water, including 2,897 licensed watermen, their mates and helpers. The total industry provided approximately 11,000 full and part-time jobs for Virginians.

Specifically the proposal for the creation of a National Seafood Marketing Coalition would instruct the United States Treasury to insure that funds collected from duties on imported seafood products be used to actively market and increase promotion of American seafood products from either those that are farm raised or wild caught. This was the original intention of the Saltonstall-Kennedy Seafood Tariff Program enacted by Congress in the early 1960's.

– an equal opportunity employer –

MAY-17-2010 07:49 FROM:VMPB 7578860671 TO:9078744270 P.2/6

The Virginia Marine Products Board supports the use of a portion of federally generated fishery product import revenues for the domestic marketing of the Virginia seafood industry. The Virginia Marine Products Board would appreciate your support in this effort. Please feel free to contact me if you have any questions.

Sincerely,

Mike Hutt

Mike Hutt
Executive Director

MAY-17-2010 07:49 FROM:VMPB 7578860671 TO:9078744270 P.3/6

WESTERN FISHBOAT OWNERS ASSOCIATION©

P.O. Box 992723 Ph. (530) 229-1097
Redding, CA 96099 Fax (530) 229-0973

e-mail <wfoa@charter.net>
website: wfoa-tuna.org & PacificAlbacore.com

National Seafood Marketing Coalition April 29, 2010
c/o Julie Decker
P.O. Box 2138
Wrangell, AK 99929

Via E-mail juliedecker@gci.net

Re: Support for establishment of National Seafood Marketing Coalition

Dear Ms. Decker:

Western Fishboat Owners Association (WFOA) supports the establishment of the National Seafood Marketing Coalition. WFOA has been in existence since 1967 supporting the U.S. west coast hook and line (troll/baitboat) albacore fleet. We have about 400 vessel owners and coastal supporting businesses based in AK, WA, OR, CA, HI, and a small membership in BC and New Zealand.

WFOA recently received Marine Stewardship Council (MSC) certification for the U.S. troll and baitboat albacore fishery. WFOA also has spent considerable funds in the past few years promoting local wild albacore to the U.S. consumer, chefs, retailers, and processors. In this effort we have retained the services of a public relations firm based in Hollywood, CA.

WFOA is concerned that over zealous one size fits all regulation of the U.S. fleet and seafood industry overall will lead to the consumer having limited supply of U.S. caught seafood at home. Our fleet exports nearly 80% of our 30 million pound annual catch to Europe and Asia and feel that needs to be reversed through outreach and education.

WFOA has through our research arm, American Fishermen's Research Foundation (AFRF) contributed over 6 million dollars since 1971 of industry generated funding to cooperative research and data collection with NOAA/NMFS and others on albacore tuna. We are very troubled that funding for such research is being redirected at issues such as catch shares in a time when international assessments on stacks and possible quotas may come into play.

WFOA and AFRF both strongly support securing funding that can help in all above areas and help the U.S. seafood industry thrive once again.

Sincerely,

Wayne Heikkila

Wayne Heikkila
Executive Director

cc: WFOA Board of Directors

S T A T E O F A L A S K A
THE LEGISLATURE

2010

Source	**Legislative Resolve No.**
CSSJR 27(RES)	37

Urging the federal government to provide funding for domestic seafood marketing and promotional activities.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS Alaska seafood products face ever-increasing domestic competition from imported seafood products, with more than 80 percent of the total fish and seafood consumed annually in the United States currently originating in foreign countries; and

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BE IT RESOLVED that the Alaska State Legislature strongly supports the allocation of money generated from federal marine and fishery product import tariffs for the domestic marketing of Alaska seafood; and be it

FURTHER RESOLVED that the Alaska State Legislature respectfully urges the United States Congress to pass legislation dedicating a significant portion of marine and fishery product import tariffs to a national seafood marketing fund to promote domestic seafood products that face competition from foreign imports; and be it

FURTHER RESOLVED that the Alaska State Legislature respectfully urges the Alaska delegation in Congress to work with representatives of other seafood and fish-producing states to secure adequate funding for effective and sustained domestic marketing of American seafood.

COPIES of this resolution shall be sent to the Honorable Barack Obama, President of the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Robert C. Byrd, President Pro Tempore of the U.S. Senate; the Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives; the Honorable Timothy F. Geithner, United States Secretary of the Treasury; the Honorable Tom Vilsack, United States Secretary of Agriculture; and the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative,

members of the Alaska delegation in Congress.