

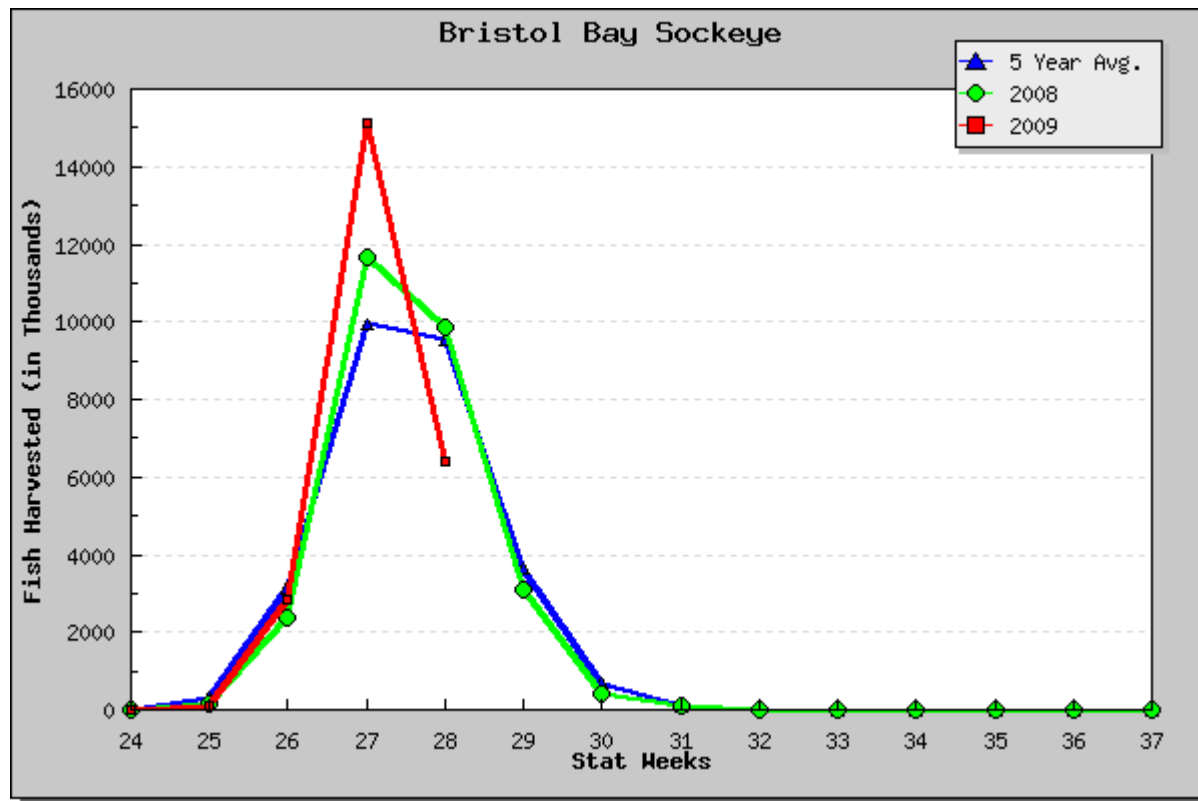
BRISTOL BAY SOCKEYE RUN ARRIVES EARLY AND IN STRENGTH

An unexpectedly strong run of sockeye salmon in Bristol Bay has pushed harvests well above preseason forecasts and has left processors in the area struggling with a glut of supply.

An early return

The Bristol Bay sockeye run typically reaches its peak in the 10 days following June 29-30. This year the run arrived early and in greater strength than expected. By June 29 the cumulative harvest was eight million sockeye, more than double the 3.6 million caught at the same point last year.

Runs across the bay's many rivers then surged simultaneously to their peak during the next week, spiking to approximately 15 million fish, well above the 2008 run and the most recent five-year average. The following chart from ADF&G shows the extreme surge at the peak of the 2009 run.



Exceeding expectations

Prior to the 2009 season, Alaska's Department of Fisheries and Game (ADF&G) predicted a Bristol Bay sockeye harvest of 24 million fish. Although still a large number, this forecast was a 15-20% drop from the annual harvests of 28-30 million fish since 2006.

Nonetheless as of July 11, ADF&G reports a cumulative 2009 sockeye harvest of 27.6 million fish in Bristol Bay, already well above the preseason forecast. The 2009 harvest will now likely finish higher than the 2008 catch.

Mixed feelings among fishermen

Especially during the bumper harvests in Bristol Bay over the last few years, fishermen have complained of insufficient processing capacity in the area. Every year during the peak of the run, processors reach capacity and begin limiting the supply they will buy from fishermen. This means, complain the fishermen, that valuable fish swim uncaught upriver. The Anchorage Daily News quotes a study by the McDowell Group that estimates the foregone potential harvest over the past five years at 37 million fish and \$131 million.

Fishermen's were once again frustrated this year. Processors did not receive the supply they had expected in 2008 so were left with hardware inventory. Coupled with the lower forecasts for 2009, processors were likely left unprepared when the earlier and stronger 2009 run arrived. They imposed catch limits (or stopped buying altogether) on July 5, the earliest clampdown in recent years.

Thus fishermen will celebrate the larger than expects 2009 sockeye run in Bristol Bay, but will once again rue the many fish that escaped their inactive nets.

Sources: Anchorage Daily News, Alaska Journal of Commerce, FIS, ADF&G, Urner Barry

Implications for frozen seafood buyers:

- Buyers of Bristol Bay sockeye will enjoy another year of copious available supply.
- Along with the global recession, the unexpected increase in supply will likely push prices downward.
- Although the Bristol Bay fishery generally produces cost-conscious products (e.g. canned salmon), the huge volume of this fishery affects prices in all categories, so a bumper harvest of inexpensive Bristol Bay sockeye will drag on prices for more expensive sockeye products.
- This year will have lower than average harvests in important Alaskan groundfish fisheries such as Pacific cod, pollock and halibut, so the bumper Bristol Bay sockeye harvest will be a welcome boost to Alaska's fishing industry.

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