

Seafood Choices Alliance

**The U.S. Marketplace
for Sustainable Seafood:
ARE WE HOOKED YET?**

Advancing the market for sustainable seafood



The U.S. Marketplace for Sustainable Seafood: Are We Hooked Yet?

Executive Summary

On a global scale, the production and value of seafood are at record levels. Worldwide demand for seafood is on the rise, with predictions that by 2030 more than 40 million additional tons of seafood will be required to meet demand. With more than 75 percent of fish populations now fully or over exploited, world resources are in a tenuous position and the reliance on aquaculture is growing. Close to half the world's edible seafood is now produced through aquaculture, yet there is reason to question the sustainability of aquaculture given the rise in production systems that rely on resources from the wild or cause harm to the environment.

The United States plays a significant role in both the production and consumption of world seafood resources. The United States ranks sixth in the world in terms of overall seafood production, second only to Japan in imports of fish and fishery products, and fourth in the world for exports. U.S. demand for seafood has steadily increased over the past 10 years and is projected to grow even faster in the future. Although Americans eat less than half of the global per capita average – 16.5 pounds in 2006 – overall U.S. seafood demand ranks behind only China and Japan. Imports comprise more than 80 percent of U.S. consumption and will account for the majority of mounting demand. As a result, the U.S. market plays a significant role in the health of fisheries across the globe.

Seafood Choices Alliance presents *The U.S. Marketplace for Sustainable Seafood* as a reference for those in the seafood industry working towards sustainability. This report includes groundbreaking benchmark research on two segments of the seafood value chain – chain restaurants and seafood wholesalers and distributors – and an update to previous research of the retail segment. With this information, stakeholders in the U.S. seafood industry will be better equipped to develop strategies that enable consumers to make informed seafood choices – choices that ensure a healthy ocean and lasting seafood supply for years to come.

Nationwide surveys were conducted with retailers, chain restaurant decision-makers and wholesalers to uncover the influences and concerns of those buying seafood for resale to consumers. The objectives of this research were to understand:

- Where sustainable seafood sits vis-à-vis other food trends;
- Current challenges associated with sourcing and selling seafood;
- Awareness of, and action taken, on seafood sustainability issues; and
- Receptivity to programs and information on sustainable seafood.

Key Findings

The results of the surveys provide positive evidence that seafood buyers across the United States have a growing awareness of sustainable seafood and the environmental impacts of commercial fishing and aquaculture.

- Sustainable seafood appears to be a rising trend among chain restaurants, retailers and wholesalers and each sector sees significant growth in the percentage of their seafood that will be sustainable in five years.
- All three sectors are increasingly open to dialogue and are interested in obtaining information that can help them make informed and responsible choices for themselves, their customers and the ocean.
- Majorities in each sector are concerned about the health of the ocean and the its impact on their businesses, and respondents believed their personal concern about the ocean was often greater than that of their customers.

- Quality, variety and obtaining local and regional items are named as key challenges across all three sectors. Sector concerns include verification of sources and chain of custody as well as securing adequate supplies of popular seafood.
- Overfishing is seen as a top threat to seafood sustainability by all sectors, and wholesalers are additionally concerned about the impacts of aquaculture.
- The perceived importance and value-add of seafood labeling is mixed across the sectors. Retailers believe that USDA organic labeling for farmed seafood will have a significant impact whereas seafood wholesalers are the most aware of sustainability labeling for wild fish such as the Marine Stewardship Council label.
- All sectors have taken action to remove seafood items from their product list due to environmental considerations, and in greater numbers than a few years ago.
- Seafood professionals are looking for more information about sustainable seafood, particularly information on specific species.

Chain restaurants, retailers and seafood wholesalers are aware of, and becoming responsive to, trends toward local, organic and sustainable food. While it is clear that these larger food trends have yet to transform the seafood industry, the good news is that these three sectors are increasingly open to dialogue and are interested in obtaining further information.

The seafood industry faces a number of challenges and considerations in sourcing and selling seafood. All three sectors identify as key challenges quality, variety and obtaining local and regional items. Sector concerns include verification of sources and chain of custody as well as securing adequate supplies of popular seafood. Retailers in particular are also finding it a challenge to ensure that seafood is safe for consumers. While quality remains the top factor in making seafood-purchasing decisions, environmental considerations are weighing more heavily than ever before, particularly among retail and chain restaurant buyers. Above all other concerns, when making purchasing decisions these two sectors are most likely to consider whether the species is caught in a way that causes damage to the marine environment.

Where the three sectors agree almost uniformly is that overfishing has become an important consideration; half or more in each sector say this is an extremely important factor in deciding what fish to sell. In addition, majorities in each sector are concerned about the health of the oceans and the impact that has on their businesses, and respondents felt their personal concern about the ocean was often greater than that of their consumers. Large majorities in each of the three sectors say that the current condition of the oceans is very or somewhat concerning for their business. While they are still more likely to have taken action to remove seafood items because of health concerns, significant numbers of retailers and wholesalers have decided not to sell certain seafood because of environmental considerations. Compared to the Seafood Choices Alliance survey of retailers conducted in 2001, there was a 17-point increase in the number of retailers who had taken action on an environmental concern about seafood (20 percent in 2001 compared to 37 percent in 2007).

The issue of seafood sustainability has been on the radar screen of the U.S. seafood supply chain for a relatively short period of time. Despite this, and as documented throughout this report, there is movement from a number of places throughout the supply chain, most notably the retail and foodservice sectors. While eco-labeling and sustainability are not yet top of mind for many in the industry, the commitments to sustainable sourcing by large buyers in particular demonstrates the traction this issue is gaining in the marketplace.

All seafood buyers can influence this outcome through their buying choices – and many already are. All those involved in the seafood value chain – from fishermen to retailer to consumer – have a responsibility to ensure a lasting and diverse supply of seafood for generations to come. Together we can make more responsible choices and advance actions that reflect our shared concern for the long-term supply of seafood and the long-term health of the ocean environment.