



# Alaska Fisheries Development Foundation, Inc.

## BULLETIN

MARCH - APRIL 1982

1982-83  
SALTONSTALL-  
KENNEDY  
PROPOSALS

The Foundation's most important mission is to assist the development and sponsorship of projects that are designed to accelerate the growth and diversification of Alaska's seafood industry. During the past three months, both the Board of Directors and the staff have been deeply engaged in an exhaustive proposal review and refinement process, evaluating over 40 proposed projects. At press time, eleven selected projects had been assembled into a draft proposal package, outlined below, which will be submitted to the National Marine Fisheries Service (NMFS) for possible funding under the Saltonstall-Kennedy (S-K) program.

In order to be effective with limited funds, the Foundation's program must concentrate efforts on a few issues that represent the most significant areas of need for information and opportunity for growth. The proposals now go through a four-month review process in the federal government. Under Department of Commerce authorization and NMFS direction, the S-K program applies some of the revenues from imported fishery products to fund activities that promote the development of U.S. fisheries. The S-K funds to be made available nationwide for 1982-83 projects are expected to amount to \$8 million.

### AFDF TENTATIVE 1982-83 PROPOSAL PACKAGE:

1. Model White Fish Processing, Year 2.

Continuing demonstration and evaluation of technology and economics of shore-based Alaska groundfish processing.

2. Experimental Reduction Fishery for Alaska Pollock.

Conducting a demonstration fishery for groundfish in the Gulf of Alaska, using reduction processing to produce white fish meal, documenting and evaluating production and economics at all stages.

AFDF  
TENTATIVE  
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PROPOSAL  
PACKAGE  
(Continued)

3. Atka Mackerel Product Evaluation.  
Evaluation of the potential of Atka mackerel products in U.S. markets, processing Atka mackerel on an experimental basis, and initiating development of consumer familiarity with the species.
4. Hydraulic Dredging of Razor Clams.  
Evaluation of economic viability of a newly developed commercial hydraulic clam dredge designed to produce superior quality product and operation in the harsh Alaskan environment.
5. Petroleum Industry and Fishing Industry Interface.  
To facilitate coordinated planning and early resolution of conflicts between the fishing industry and oil industry as development of both proceeds in the Bering Sea.
6. Aleutian Mistress, Demonstration Longliner-Processor, Phase IV.  
Evaluation and refinement of the operational flexibility and efficiency of a longliner-processor to maximize production, fishing time and utilization of vessel.
7. Quality and Preservation of Alaska Groundfish.  
Evaluation of quality, shelf life, and degradation processes in Alaska groundfish that have been preserved, frozen, and stored under experimental and commercial temperature regimes.
8. Sablefish Market Development.  
Expansion of awareness and consumption of Alaska longline-caught sablefish and other underutilized species, primarily in the U.S. retail trade, through cooperative marketing, product development, and consumer education.
9. Canned Pollock Production and Test Marketing.  
Analysis and documentation of long term consumer acceptance of canned Alaska pollock produced under a commercial label and test-marketed in selected U.S. retail outlets.

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PROPOSAL  
PACKAGE  
(Continued)

10. Octopus Fishery Development in the Aleutians.

Exploratory fishing for Octopus dofleini in the Aleutian region, involving gear evaluation, documentation of biological characteristics of the catch and catch per unit effort, and development of methods to maintain quality.

11. Crab Meat Extraction Process Evaluation.

Enhancement of the value of Alaska's dungeness crab stock through the evaluation and introduction of a mechanized process for meat extraction intended to reduce processing costs.

GOVERNMENT  
LISTENS  
TO  
INDUSTRY

Executive Director Sara Hemphill testified before the Senate Committee on Commerce, Science and Transportation at a field hearing in Seattle on February 15, 1982.

She provided a brief overview of the potential and the problems associated with Alaska's groundfish resource. The Committee also heard details concerning the major ongoing development projects in this field. Perhaps the most important information the Senators received was an in-depth analysis of the factors impeding the development of Alaska's groundfish resource.

The Committee learned that progress is being made, and that federal support has played a role in that progress. Ms. Hemphill outlined the Foundation's views concerning the division of responsibilities between the public and private sectors necessary for an effective fisheries development program.

"It is the government's role to provide a business climate that reduces uncertainties, and encourages investment and risk taking by the private sector. During the earlier stages of this developmental period, government may play a larger role than that which will be appropriate as the industry becomes more stable; however, responsive fishery management practices and political support for the industry in the international and regulatory arenas, should remain as essential functions of the federal government."

As a result of Ms. Hemphill's testimony, the Committee now has a local perspective on the fisheries development question, and will therefore be more able to make informed decisions concerning this subject.

NEW  
BOARD  
OF  
DIRECTORS  
TAKES  
THE  
REINS

Members of AFDF elected a new Board of Directors and Executive Committee in December, to whom we wish to extend this belated welcome.

The Executive Committee members are: President, John Enge (Icicle Seafoods, Inc.); First Vice President, William P. Woods (Pan-Alaska Fisheries, Inc.); Second Vice President, Dan Flynn (North Pacific Fisheries Association); Secretary, Hank Eaton (Koniag, Inc.); and Treasurer, Dick Pace (Universal Sea- foods).

Other members of the Board are: Bob Andersen (Chugach Alaska Fisheries, Inc.); Al Burch (Alaska Draggers Association); Greg Cushing (Alaska Longline Fishermen's Association); Greg Favretto (FAVCO, Inc.); Jesse Foster (Bering Sea Fishermen's Association).

BEGINNINGS  
AND  
ENDINGS  
AT  
AFDF

The Foundation office has seen a few faces change in recent months, (and they haven't all been expressions of despair, either). Charlene Wilson left the Foundation in January, and took with her much appreciation and respect for her dedication. Charlene's job had become so large that two people were needed to fill her place. A smooth transition was accomplished, thanks to Anita Murphy, secretary to the Program staff since October. Anita's expertise with word processing has significantly improved our productivity and eased the pain of report production. She also handles all the "front desk" tasks that keep our communication lines functioning.

One of our new staff members is Executive Assistant Sharon Tyone, who comes from Bette Cato's office in Valdez. As Sharon Gwinn says, "Her organizational skills and pure fearlessness are exactly what's needed to keep the office running smoothly. She's good at keeping up with the pace."

Linda Allen joined AFDF in January as Bookkeeper/Secretary, and has worked wonders with the accounting system, which is a crucial area in an operation with so many overlapping and closely-related projects. Linda has helped ease an ever-increasing workload in the office; we welcome both her and Sharon.

On March 1st, AFDF greeted the newest staff addition, Project Manager Chris Riley. An economist and purse seine fisherman, Chris will be instrumental in project oversight alongside Sharon Gwinn and Michael Broili, as well as helping absorb some of the in-house analysis and reporting work.

AFDF  
WELCOMES  
NEW  
MEMBER

Alaska Shell, a long-established Alaskan seafood processing firm with operations in Seattle and Alaska, has become a member of the Foundation. Alaska Shell was among the first to become involved in the rebirth of the salt cod industry and has been a pioneer in developing export markets for Alaska seafood products. The Foundation is pleased to have Alaska Shell on "our team".

Membership is vital to the life of AFDF and its direction and goals for the future. We encourage any person or organization involved in fisheries in Alaska to become a member. Simply contact the AFDF office in Anchorage at (907) 276-7315.

NEW  
PROJECTS:  
TRIDENT  
SEAFOODS  
LAUNCHES  
GROUND FISH  
PROCESSING  
PROJECT

Trident Seafoods Corporation has begun work on a contract with AFDF to operate an on-shore groundfish processing facility in Akutan -- the first of its kind in the state.

This project will be devoted to demonstrating the economic feasibility of processing groundfish in a modern, on-shore facility. Specifically, the Trident project will involve the commercial production of groundfish products, including Pacific cod, walleye pollock, and possibly other underutilized species that indicate commercial viability.

Over 700 miles southwest of Anchorage on the Aleutian Chain, Akutan is an isolated place for humans, but for Pacific cod and walleye pollock it is "downtown". The "world's worst weather" that is characteristic of the Aleutian region, together with the great distance from the nearest building supply and the requirement for self-sufficiency in such a place, have intensified the complexity of the construction effort and caused some delays. However, trawlers fishing just outside the bay are reporting very healthy stocks of Pacific cod, ready to be brought to Trident's new dock as soon as the plant opens.

The project as planned will involve three years of development, planning, set-up, operation, and evaluation. Production of split salted cod will begin in April, with experimental processing of other cod products as well as pollock to follow later in the year.

Because of the large scope of the project, AFDF has engaged seafood technologist Ken Hilderbrand to act as observer/analyst during its first year. Hilderbrand has considerable experience in private industry as well as a record of academic accomplishments. Formerly Program Leader of Extension Services' Marine Advisory Program at Oregon State University, he will be taking sabbatical leave to participate in the project, and is, he says, "excited about being part of the development of bottom fisheries in Alaska."

FOUNDATION  
ISSUES  
ANNUAL  
REPORT

The first AFDF Annual Report on Alaska's evolving seafood industry entitled "Fisheries of Alaska 1981," is due to hit the printing press in April. Compiled by Natural Resources Consultants, the document is aimed at providing timely information on the status of the principal fisheries of Alaska, with emphasis on new fishery developments and development opportunities.

The report itself, first in a planned series, describes briefly the geographic settings, major fishing resources and landing centers for fish and shellfish products, and discusses the importance of Alaska fisheries to the state, the nation, and the world.

Copies of the Annual Report can be obtained by written request through the AFDF office. A publication order form is included below.

PUBLICATIONS  
IN PRINT

(A regular section to keep you alerted as to all reports, proceedings, and publications available through AFDF.)

All publications are free with the exception of those noted. Use this page as an order form, checking those publications requested, and send to the AFDF office.

*	Alaska Pollock: Is it a Red Herring? -- Proceedings from November, 1981 conference (\$15 charge)	_____
*	Pacific Pollock: Resources, Fisheries, Products and Markets	_____
*	Proceedings from the Salt Fish Workshop (\$5 charge)	_____
*	Salt Fish Workshop - Technical Workbook (\$10 charge)	_____
*	Longline Demonstration Project Interim Report -- including First and Second Trip Reports and Preliminary Financial Analysis	_____
*	Conversion of a Crabber to an Auto-Longlining Catcher/Processor	_____
*	Executive Summary, Conversion of a Crabber....	_____
*	The Joint Venture Fishery for Yellowfin Sole	_____
*	Exploratory Fishing in Southcentral Alaska Using Jigging Machines	_____
*	Operations of a European Factory Trawler in the Alaska Bering Sea Groundfish Fishery	_____
*	Fisheries of Alaska 1981, Annual Report	_____

Byline: George M. Pigott

Continued from November 1981

## ALASKA AND THE PACIFIC NORTHWEST - PARTNERS OR COMPETITORS?

We were considering the trends taking place in the Alaskan fisheries and the resulting effects on future operations. Of particular interest is the relationship between Alaska and the Pacific Northwest.

### 1. Present Fishery - High Cost, Seasonal Species

Since shortly after the turn of the century, salmon has been the dominant seafood in the Northwest and Alaska. This much sought after fish has also dominated the thinking of the fishing industry, the state, federal and local bureaucracies, educational institutions and the public. In fact, I sometimes wonder if our heritage has not left us so brainwashed with the high priced seasonal products that we don't have the mental acuity to comprehend the wave of the future. In Alaska, king crab became a major industry during the 1960's and was followed by tanner crab and shrimp. The current situation involving crab stocks reinforces the doubt about our living for anything but the present. Remember when the young biologist was laughed out of Kodiak in the '60's when he said there would be no crab by the 1980's?

Halibut, of course, has been the major long-line fishery in Alaska and in the past has been regulated by the international agreements between Canada and the U.S. Dungeness crab, oysters, clams and relatively small volumes of bottomfish round out the list of seafood that has been supporting the industry in the past. It should be noted that most of these raw materials are processed into high-quality, high-priced products. In fact, the cost of many of these products has risen so high that consumer opposition is beginning to be felt by the industry. This is particularly noted in the U.S., a beef eating nation where many seafood products are priced well above beef.

Another factor is that the salmon market particularly has been reacting to the prices established by Japan, the dominant factor in both production and markets. Without some concentrated efforts to alter this relationship, a wildly fluctuating market for both the raw materials and the finished products will continue.

200  
MILES  
OF FISH  
(Continued)

## 2. Trend Toward Frozen Products

The demand for frozen salmon, crab, shrimp and other seafoods is growing at a much faster rate than that for canned products. This has been reflected in the rapid increase in freezing operations in Alaska. Since the seasonal aspect of these fisheries greatly limits the locations where permanent shore-based freezing and cold storage operations are economical, there has been a tremendous increase in the number of vessels (all sizes) with freezing facilities that can follow the fishery. Thus, the Alaskan processing industry is becoming more mobile. Also, since the frozen products are in a pre-processed condition or in the final form for marketing, a greater share of the present seafood is being shipped to the Northwest for final processing and storage. This trend is particularly important to the future of both Alaska and the Northwest and to the relationship between these two geographic areas.

EDITOR'S  
BOX

The Alaska Fisheries Development Foundation BULLETIN is produced by the AFDF office on a bi-monthly basis. The BULLETIN welcomes all contributions and comments from readers, and will gladly respond to any suggestions or questions. Address all material concerning the BULLETIN to Editor Krys Holmes c/o the AFDF office, or through Michael Broili.

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