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PRESIDENT’S REPORT —MIKE FEATHERSTONE

This season has its ups and downs however the market trend is continuing in a positive direction. December has really broke loose with the prices finally getting to a \$1/lb to the fisherman. The industry hasn’t seen these prices for almost 10 years.

There are a few contributing factors to the increase price and the increase market demand.

First is the low Canadian dollar. I remember a quote from one of the processors (after the market crashed due to the Russian IUU fishery and the Canadian dollar reached parity with the US Dollar) “ this fishery used to be a licence to print money.” I believe the same is true now and the fishermen are positioned to receive their fair share this time around.

Secondly, PUHA has worked hard to develop new markets and new product options, such as the fresh, live program. This year is the first time there has been a serious interest in the overseas market in the fresh, live product. The demand for the tray uni is also increasing in demand in the other Asian markets. The live shipments are small relative to the total quota but they are increasing and more buyers are wanting good, fresh product for the live market.

Finally, the US supply has slowed due to the warm water and environmental conditions in California. It seems there are some serious problems developing in California due to the Ocean conditions. As a result there are increasing inquires from the US. With the strong US\$ and the lack of supply it seems the demand for Canadian product will grow south of the border. One buyer is already shipping small but regular shipments to Washington as a result. In 2016 PUHA will attend the Boston Seafood Show and join the BC booth to judge the demand and promote our product.

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MARKETING—GEOFF KRAUSE

We are just coming up on the Christmas rush season and we are hearing encouraging news that sea urchins are again seeing growing demand. I have heard rumours that prices have turned northwards and hope that is the beginning of a trend that will continue to provide better returns for everyone involved in the fishery. It does not sound like it is because of a falloff in the US but is more of a general uptick in demand all over. I'm pretty sure the guys in the US are still hard at work and it does not look like the El Nino has hurt them much yet but I seem to recall that the effects are usually felt more strongly after Christmas. Water temperatures are still pretty high down there, which will weaken the kelp, so it might all come down to what the storm tracks end up doing this year.

We have been busy since the last newsletter back in October. We attended the China show in Qingdao again this year and experienced what is probably the best response we've seen there in the past few years. I just sent out the draft of the trip report out for comments and hope to get it all wrapped up before Christmas. I hope you'll take time to peruse the final on the website once we get it up there. To give you a quick and dirty on the trip, the show was held in a new venue this year that was specifically built to host big shows like this one. It is a lot bigger than the previous expo sites but is kind of in the middle of a resort area, about 90 km from town (city centre) so there were a lot of people spending upwards of 4-5 hours on the road each day. We booked a hotel about 5 km down the road so it wasn't a problem for us but there were still a few activities, most especially a reception and series of seminars by the Canadian diplomatic stations in China, that we had to head in for. The Canadian Pavilion was right at the entrance to International part of the show so our traffic was steady and almost phenomenal.

We are getting a lot of interest out of there but we are really going to have to stay focussed on providing good value to compete- they are a tough crowd over there. There are lots of hard workers over there and there is still a lot of money and they all seem to love haggling, actually if you listen to how they talk with each other it almost sounds like they are arguing most of the time. In my own naive way, I always thought the disappointment I saw in the faces of storekeepers when I decided not to engage in the bargaining process simply reflected their sadness that I did not want to play that particular game. Then one fellow let go with the comment (in English) that he should have asked for more- I should have known better. At any rate, they seem to know what they like and it looks and sounds like they are developing more of an appetite for sea urchin.

We had a couple of young ladies as interpreters for the booth this year, as opposed to just one as in previous years, and it worked out really well. We had full coverage all the time, meaning at least one of them stayed with the booth at all times, and we were all impressed with their enthusiasm and attitude. Even in the face of what could only be aggression by older guys trying to push them and intimidate them- they did not back down when they knew they were right. I suspect that if that is common around China, and it seems to be, the government there, authoritarian as it is, might be in for a spot of trouble down the road once this cohort starts feeling their oats more.

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It was a good trip, although the best part was, as always, getting home. It is always great and interesting visiting foreign lands but these trips always reinforce to me anyways just how much I like it here.

For our future plans, I will be getting started on a new proposal for the next couple of years in the next short while. We are, as well, joining the BC booth at the Boston show this year for the first time. It seems to make sense to work on a diversity of markets so we do not become too dependant on any one of them again. The US market is growing smartly and, if esteem for sea urchin is building as we have heard it is, there should be plenty of room (in at least some parts of the country) for us as suppliers without cutting the grass of the guys from California. I still believe that the limited supply and unique characteristics of the Reds especially will see them emerge as a signature product and that we should be working together on promoting just such a process.

Anyways- Best wishes to you all for a Great Season and Great Fishing. Merry Christmas. Be safe eh.

PREDIDENT'S REPORT—CONTINUED

The downside of the season has been the weather. We are over 20% behind due to reduced fishing days related to weather. Everyone is praying for a break so the fisherman can load up at this crucial market time.

The new Honorable Minister of Fisheries, Minister Tootoo, visited the Pacific region this past week. I represented PUHA at the meeting and it was gratifying to have a new Minister visit so soon in his mandate to acquaint himself with our fisheries and our coast.

On the management front; PUHA, DFO and D&D Pacific have been working together to amend the North Coast Fish protocol to allow more than 2 fleets to operate in the north coast. The new fleets will fish in areas adjacent to the coastal fishing plants in Bella Bella and possibly Masset. The protocol has been accepted by DFO and is out to the PUHA directors for discussion and comments. The fishing will follow all existing requirements of hail in and out, validation, VMS, opening and closing of areas. The fishing areas will be limited to areas adjacent to the fish process plants and the same areas will be open for any other fleets to join and access. This protocol fits with PUHA's goals to fish sustainably, collaborate with Coastal Communities and promote economic development while maximizing the value of the catch.

SEA STAR WASTING DISEASE

DFO is getting reports that some giant red sea cucumbers have been dying of something that seems to closely resemble the sea star wasting disease. The sea cucumbers get white lesions on their skin and eventually break apart and dissolve. There are reports from Howe Sound and Gibsons. Please report any instances of Star fish or sea cucumber showing signs of this wasting disease. On a related front there are reports of this wasting disease effecting sea urchin in California. Your assistance would be greatly appreciated if you observe this disease here in B. C. Please report to DF0, D&D or PUHA



**PRESIDENT MIKE FEATHERSTONE AND
THE ENTIRE EXECUTIVE OF P.U.H.A.
WISH ALL MEMBERS, DIVERS, DECKHANDS
AND THEIR FAMILIES A VERY
MERRY CHRISTMAS
AND WISHING EVERYONE THE VERY
BEST IN THE NEW YEAR 2016**