



PUHA NEWSLETTER



Presidents Report Mike Featherstone

This season it has been a challenge to find decent quality sea urchins. The trend started in August when the fleet travelled to Haida Gwaii and was shut out without picking a decent spine. In the north coast, the strong producing area of Banks

Island, had similar results, as did the south coast areas around Campbell River and greater Port McNeil. Coast wide, finding quality sea urchins has been very difficult and as a result the landings are well below recent seasons, inspite of the

high prices. The poor quality is related to environmental conditions that have been prevalent over the past few years. California has experienced a similar challenge since 2015.



PRESIDENTS REPORT



MARKETING REPORT



D&D PACIFIC REPORT



Presidents Report/Continued

“Perfect Storm” Decimates Northern California Kelp Forests

<https://cdfwmarine.wordpress.com/2016/03/30/perfect-storm-decimates-kelp/>



With landings 40% behind last season not only are the fisherman frustrated but also our processors and the Asian importers.

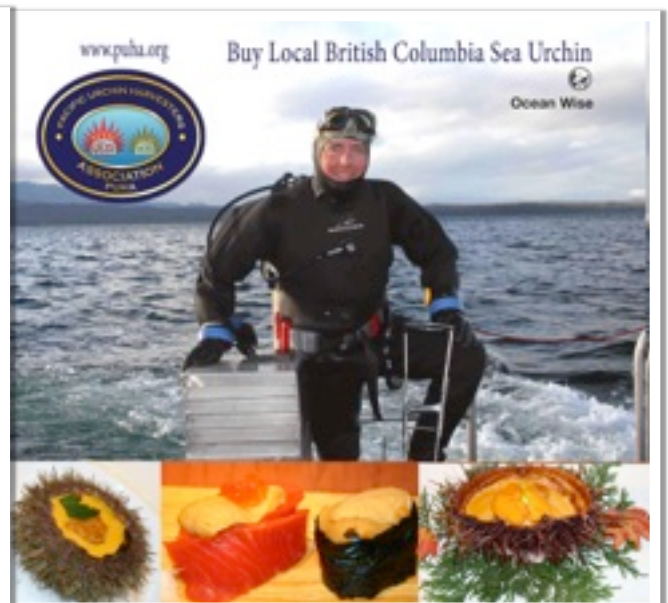
On November 9th, industry representatives met with The Gwaii Haanas, Parks Canada and DFO representatives to review the draft zoning proposal for Gwaii Haanas. This was the first opportunity for industry to review the proposal and the “starting point” indicated a possible reduction of up to 40% of the red sea urchin quota in the Gwaii Haanas area. Other fisheries are facing similar loses.

That being said the Government representatives emphasized this was only a starting and point and the BC Seafood Alliance has put forth a plan where industry can provide meaningful input to the Archipelago Marine Board (AMB) for Gwaii Haanas to minimize these devastating effects to fishing families, while collaborating with the AMB to reach their targets for protection. In this regard dive industry representatives with good knowledge of the Gwaii Haanas area are requested to contact Mike to attend meetings in Nanaimo (Jan 11 or 12th) to review all the maps and boundaries and work to revise some boundaries to make a win –win result.

PUHA now has the new Website and Facebook site up and running. Follow us and please post your diving pictures and any interesting articles/recipes or comments on Facebook and also Share with your friends. (Follow Links Below)

Website: www.puha.org

Facebook: <https://www.facebook.com/>





Marketing Report/Geoff Krause

Things have been pretty busy for the past couple of months and have been feeling even busier. Probably the biggest single event we have participated in since the last edition of this newsletter is the Seafood Show in China in the first week of November. Mike Featherstone, David McRae and Geoff Krause met in Hong Kong on October 30, 2017 en route to the 2017 China Fisheries and Seafood Expo (CFSE) in Qingdao China. There was no Canadian sea urchin available in any of the restaurants and supermarkets we checked there, presumably because Sea cucumber fishing was in full swing. A couple of merchants did express disappointment because it makes it tougher for them to keep customers asking for Canadian product by name satisfied but it is kind of gratifying to hear that.



We were met in China by Thom Liptrot from the PSCHA and by King Chong, Pat Fantillo, Lumin Qian and Paddy Wong representing their processing and exporting companies, We again had a booth shared by PUHA and the PSCHA at which the exporters could meet with new and existing customers. The BC booth was again just across the aisle from us and Nathan Fong again prepared samples using uni generously supplied by Grand Hale Marine Products Ltd. This is the 8th time we have exhibited at this show and probably the best representation from processors we have ever had. We remain confident that we are still on the right side by making the effort to attend this global event.

This was the 22nd edition of the show and it has again grown. By the numbers, it featured more than 1,500 companies from over 50 nations covering more than 36,000 square metres of exhibit space. At least 30,000 visitors from more than a 100 countries attended. We collected contact information from about 112 of them and, even though they have not yet been processed, we expect something in the neighbourhood of 5-8 of them are solid with a good chance of leading to new business. That is not, of course, our particular patch of grass to cut but by providing the venue and opportunities for our exporters to meet with existing, and potentially new, customers we are doing our bit to diversify our customer base, boost demand for the products and support higher pricing. All in all, a successful trip.



It is kind of hard to tell how things are playing out based on trade statistics at this early point in the game. The data we have thus far from Stats Canada only covers up to September 30 while that from Japan Customs runs to the end of October. I use prices for 100 g trays on Tsukiji as a quick index for prices of RSU uni on the market and from this it looks as though prices are about the same as they were at this time in 2015 but higher by about 25% from last year and years before 2015 for the same time. These are encouraging even though the report from Darin on the lower harvest this year to date compared to the last couple of years is a bit of a worry. Still, it looks like demand is hanging in pretty well and that market limitations are not in the cards and that is a good thing.

Others have also taken note. Based on the Japan Customs data, shipments in October from Russia into Hanasaki are also up by about 20% from the same time last year, and actually all years back to 2006. Their unit prices are also looking stronger by about 20%, suggesting the quality is still good. We will see what happens throughout the rest of the winter but suffice it to say that it is still too soon to write them off.



Marketing Report/Continued

Also based on the Japan Customs data, the reduced harvest in Canada translated into lower import volumes into Japan by about 30%. Values were down by about 23% compared to last year which suggests prices are a bit better although it is still unclear how the price estimates are determined. Another reason to avoid getting complacent: the US is apparently shipping a bit more this year than last and their prices just cracked ¥10,000 per kg compared to about ¥ 9,200 for Canadian product. A few months does not a market make, especially when those numbers are almost a couple of months out of date, but it is something to keep an eye on. In the case of the US, one would also expect their market to be picking up substantially but we do not have any information on that yet. We will however be attending the Seafood Expo North America in Boston in March so hope to get a better idea of how things are shaping up for them at that point.

Just so you know, we will be putting together a new proposal over the next couple of months as we have had confirmation that a new Federal International Marketing funding program will be announced in January. Our program will probably continue along the same vein as we have been following for the past several years - Hong Kong, China, Boston, EU with some extension into South Korea and more looks at other parts of Asia and maybe even Eastern Canada. Any comments, ideas or suggestions would be appreciated.

Good Fishing eh.





D&D Pacific Report

RED & GREEN SEA URCHIN FISHERY SEASON UPDATES

2017-18 RSU FISHERY

North Coast Fleet

- Weather has proven to be an issue for the fleets coastwide
- Dive vessels were active in September, but a slow start to the season compared to the last two
- Fleets were small, and worked through October matching the historical landings typical during the Sea Cucumber fishery
- November came with weather and small fleets that were unable to make daily packers trips to Prince Rupert. Three day packer loads seem to be the new trend until more vessels show up
- Requests for QMA openings increased dramatically in the north coast. One fleet only had one vessel most of the time and was moving constantly. DFO finally questioned the need
- December we have more vessels active and weather although still a pain, the fleets are working through it
- Daily packer loads and 2-day trips are the norm again, and expect heavy fishing to the 21st of December
- North Coast Protocol established years ago is experiencing difficulties. PUHA is to have representatives for each fleet equipped with a VMS and following the protocol established in order to have a fishery. Industry representatives will have to improve the adherence to the protocol or may face a shutdown
- It also must be noted that not all vessel master are cleared by PUHA to be Coordinators. Vessels that have a VMS may have a Vessel Master who has not been approved as a Coordinator by PUHA and D&D. Fishery related offences, poor fishing practice, not a team player are just a few reasons why some are refused. PUHA offers a credit to Coordinators in efforts to offset the cost of the satellite phone costs
- Conditions of Licence for Red Sea urchin need to be on board the vessel. It is believed that infractions to the Conditions of Licence can be reduced significantly if vessel masters have access to them. As most vessel masters are not owners, this document sometimes does not reach the boat
- New participants to the industry need to review the Conditions of Licence to understand what they are responsible for
- Thirty-Six North Coast tabs have been active to date
- Currently, We have achieved 21.2% of our total quota in the North Coast to Date (Dec12,2017)

South Coast Fleet

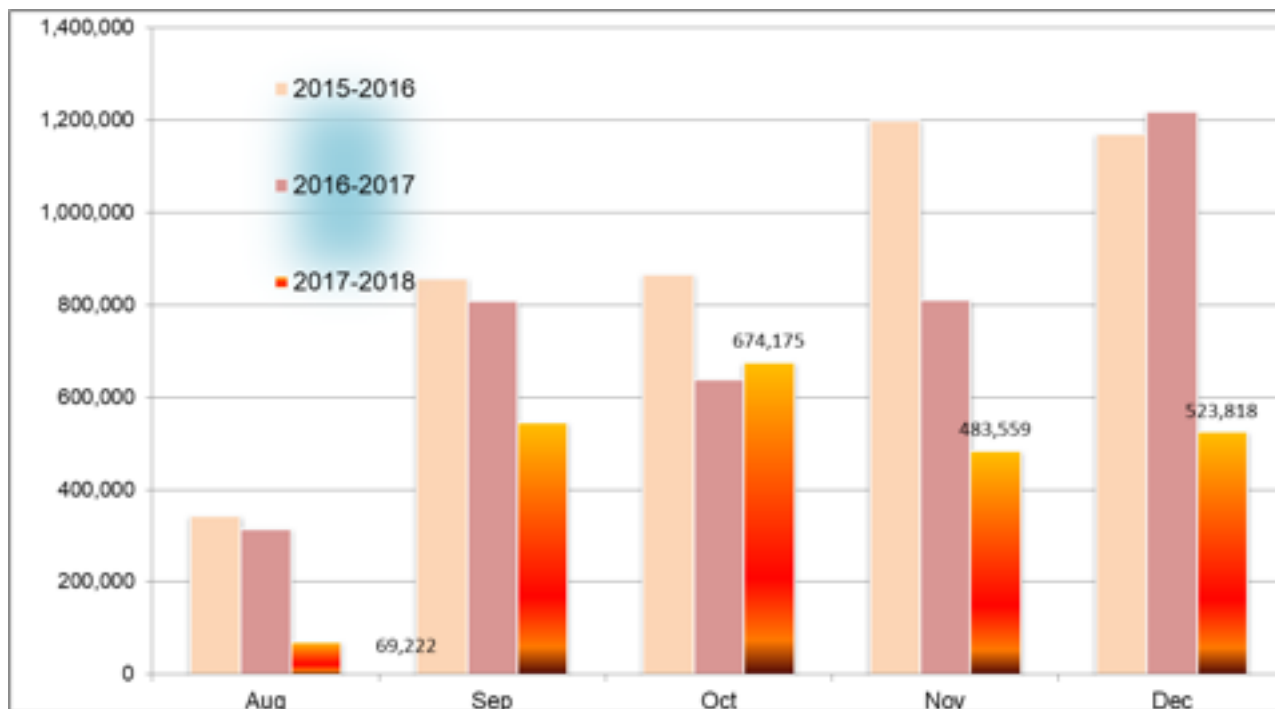
- Fifteen South Coast tabs have been active to date
- October suffered the same problem as September, quality
- Dive vessels surveyed for quality from Campbell River to Kelsey Bay. The majority of the vessels ended up in Port McNeill
- Quality in Port McNeill QMAs was difficult to find in October and industry requested PUHA to open access to QMA 12K – Port McNeill for 75k in efforts to maintain supply to the market. PUHA agreed to the 75k opening and the vessels were active in 12K form October 25th to Nov 11th when the fleet moved back to the other QMAs – Quality improved in 12E and 12H and the fleet is active to date in these QMAs until the 15th of December when 12K re-opens for the balance for the quota



D&D Pacific Report/Continued

- Vessel Masters are reminded to hail their harvest daily to D&D if they are on a multi-day trips in the south coast
- Conditions of Licence infractions are on the rise. Lack of communication, hail notifications, product not tagged properly for transshipment and so on
- Currently, The fleet has achieved 32 % of the total Quota in the South Coast

Figure 1 – RSU 3-year Comparison by Month



Red Sea Urchin Coastwide

- Overall, 21.2% of the Total Allowable Catch (TAC) has been landed
- On average, Product landed by month is approximately 250,000 lbs behind previous seasons
- Quality and weather seems to be an issue this season

Conditions of Licence - Red Sea Urchin

- Conditions of Licence infractions are still on the rise
- Vessel Master's and the crew's knowledge of the Conditions has decreased since DFO's licence program went electronic
- Lack of communication, hail notifications, product not tagged properly for transshipment and so on
- Some Vessels have reported having no conditions on their vessel at all