Fishermen’s Direct Market Workshop
Ketchikan - January 8, 2002

Sponsored by
University of Alaska Southeast - Ketchikan Campus
with
State of Alaska, Dept. of Community & Economic Development
&
University of Alaska, Marine Advisory Program
What is direct marketing?

Direct Marketing means selling to a user at a point farther downstream in the distribution chain than a primary processor. It can include:

☆ retailing direct to the end consumer;
☆ processing your catch for sale to a secondary processor, retail outlet, or restaurant;
☆ having your catch custom processed for resale.
What does a Direct Marketer Do?

Direct Marketers don’t eliminate the middleman - they become the middleman! You’re still a fisherman but now you also have to:

• process or otherwise prepare your fish for sale;
• package, ship or otherwise deliver your fish;
• arrange sales or attract retail customers;
• collect payment on your sales; and
• deal with all the bureaucratic hassles like fish tickets, licenses, permits, and fisheries taxes.
Is Direct Marketing for Me?

Do you really want to be in the fish business, or are you just frustrated by processor prices?

Are you psychologically suited for this kind of work?

What are the strengths and weaknesses of your fishing operation?
Some typical SE examples

- Winter king troller selling to local supermarket
- Dungeness crabber selling retail off his boat
- Gillnetter selling roe & fish as separate products
- Pot shrimper freezing & boxing prawns for the sushi trade
- Freezer troller producing FAS cohos for export to South ‘48 or European smokers

Different levels of complexity - but all Direct Market
Catcher Seller

-the most basic direct market operation
-no cost ADF&G permit
-allows sales of your own catch direct to retail customers
-sales only allowed from the vessel to the customer

**Advantages**
- retail prices
- no processing permit needed

**Disadvantages**
- markets usually quite limited
- lost fishing time
Local “Non-Processor” Buyers

- Local supermarkets & even some restaurants may be permitted to buy direct from fishermen
- Allows you to sell your catch at a higher level with no additional permitting hassles

**Advantages**
- better prices
- no processing permit needed
- fits existing fishing operations

**Disadvantages**
- limited local markets
- don’t take all species & grades
- conflict with processor relationship
Selling Value Added Products without Being a Processor

-Having some or all of your catch custom processed for resale can be a cost & time effective option.
-Custom processing means you don’t have expense and permitting issues of being a processor yourself.

**Advantages**
- better prices
- allows expansion beyond local markets
- no processing permit needed
- low upfront start-up costs

**Disadvantages**
- you start off with a bill - not a paycheck
- your dependent on someone else’s skills and standards
OK! OK! So You Still Really Wanna be a Processor!

It's a matter of scale.
Catcher / Processor - big or small, you’re “vertically integrated” now!

Advantages
- higher prices
- wide market opportunities
- independence

Disadvantages
- high production costs
- big capital investment in processing equipment
- costly & complicated vessel systems - waste management, refrigeration, auxiliary power, etc. etc.
- hours
- quality control
- inventory control
- slow with customers

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You are guaranteed to feel surrounded! This definitely gets complicated!