Proving that seafood is positively nutritious

Temperature management boosts profitability
Information Network for Seafood Marketers

How effective is your advertising?
What’s the personality of your brand?
Does targeted marketing really work?
What’s the real cost of price promotions?

If you can’t easily answer these questions then professional help is at hand.

Seafood CRC members now have free access to more than 50 marketing reports developed by the Ehrenberg Bass Institute for Marketing Science over the last ten years, as a result of the CRC’s corporate membership of the Institute.

Most reports are a few pages long and contain commercially applicable recommendations which will help you sustain or grow your business. If you would like a full list of the available reports, just send me an email.

In this modern information-rich world there is a lot of data, like these Institute reports, that most seafood marketers will never have the time to read.

Which is why the Seafood CRC is looking at options to speed up the information highway.

One option we are considering is the formation of a seafood marketer’s network. This would enable us to work with you to identify the information you need and link you to the marketing experts that are working with the CRC on a range of projects.

The network might also create a place in which normally competitive marketers could discuss common issues with the CRC, and thereby define our next research projects.

If you interested in the network concept, or have a comment on it, please send me an email.

Len Stephens
Managing Director
Len.stephens@seafoodcrc.com

AUSTRALIAN SEAFOOD CRC CONTACTS

Dr Len Stephens Managing Director
Jayne Gallagher Program Manager, Product & Market Development
Emily Mantilla Program Manager, Communication & Education
Doug McLeod Editor

len.stephens@seafoodcrc.com
jayne.gallagher@seafoodcrc.com
emily.mantilla@seafoodcrc.com
dougmcleod@aol.com.au

08 8201 7651 / 0418 454 726
0438 336 712
08 8201 7652 / 0400 571 201
0451 373 233
Prawn fishers and farmers have joined forces to develop a national prawn marketing strategy.

The Boards of the Australian Prawn Farmers Association (APFA) and the Australian Council of Prawn Fisheries (ACPF) have agreed to work together, with the aim of increasing the value of the Australian prawn segment on the domestic market through higher retail prices and expanded sales volumes.

The national prawn market development strategy is being funded through the Seafood CRC and is supported by the Fisheries Research and Development Corporation (FRDC) and Curtin University.

According to Seafood Project Manager Miles Toomey at the Seafood CRC it will be the first strategic positioning of seafood in the Australian market.

This initiative reflects the major challenges currently facing the industry as a result of rising costs of production, loss of export markets due to the increased value of the Australian dollar and competition from imported product,” Miles said.

Following a tender and assessment process which included an evaluation committee with representatives from both prawn sectors, market development consultants ‘Brand Council’ were appointed to create the market development strategy in April 2012.

After reviewing all previous research on prawn consumption in Australia, conducting interviews with over 40 Australian prawn industry stakeholders and holding several focus group meetings, Brand Council delivered an interim presentation to industry in Cairns on the 31st July.

“The presentation, scheduled to coincide with the annual APFA conference, attracted an audience of over 100, including producers, wholesalers, distributors and retailers and was positively received,” Miles said.

“A series of final presentations have been announced for mid-October 2012, focusing on refining the strategic positioning and presenting recommended marketing activities. These presentations will be held in Brisbane, Adelaide Sydney and Perth.”

The development of the final strategy is expected to be completed by the end of the year.

“While the Seafood CRC project will produce the plan, once it has been developed it will be up to the prawn industry associations to manage and support the establishment of a funding mechanism to implement the promotional activities recommended in the plan,” Miles said.
MARKETING

Proving that seafood is positively nutritious

Seafood product manufacturers, processors, distributors, retailers and marketers now have more specific analytical results from local seafood to promote the nutritional advantages of seafood consumption.

When this project was planned two years ago many processors commented that the nutritional data they use for label claims and marketing is old or from overseas. The Australian Seafood Compositional Profile study measured the nutritional value of 21 species of Australian seafood.

These include Atlantic Salmon, Sardines, Prawns (Banana, Black Tiger, Brown Tiger, Endeavour, School, Western King), Abalone (Black Lip, Brown Lip, Green Lip) Oysters (Native, Pacific, Sydney Rock), Yellowtail Kingfish, Barramundi, Blackfish (Sea Cucumber), Blue Sprat, Gummy Shark, Lobster and Ocean Trout.

The information from this project can be used by the industry on packaging, labelling and promotional material.

Research team leader Dr Cath McLeod, from the South Australian Research and Development Institute, said the study, which took two years to complete, involved collating and analysing more than 20,000 separate test results from all over Australia. This included DNA profiling for the true identity of the species, fatty acids, water and fat soluble vitamins and key minerals.

The most important outcome of the study is that many of the species tested proved to be a “good source” of Omega 3. Those words “good source” are important in Australia and New Zealand (FSANZ) specifies that for a product to be described as a “good source” of a vitamin or mineral it must contain at least 25% of the recommended dietary intake for that nutrient (products which are simply a source must contain at least 10% of the recommended dietary intake).

Other nutrients for which label claims may be made for some fish include selenium, iron, magnesium and phosphorus.

The Seafood CRC is moving to assist industry to use the compositional profiles for labelling, on packaging and in their marketing.

According to Managing Director Len Stephens the data and easy to use graphics will be loaded onto the Seafood CRC website under a link called SuperSeafood which will feature a series of guides, downloadable images and other useful resources for each of the 21 species.

The guides will provide suggested terminology and data for for processors to include in labelling and packaging claims, although producers will still need to check with local and state government authorities on specific regulations.

For those who can’t wait the report containing the raw data has been provided to all the Seafood CRC participant organizations and is available directly from the Seafood CRC.
Some companies may already be using the AFGC "Front of Pack" symbols shown below. All companies are eligible to use this as long as you sign the AFGC agreement. The AFGC supports this initiative with consumer information in the form of "Front of Pack" symbols available for various food ingredients. The information in this fact sheet can be inserted into nutrition information panels, a Seafood Facts Nutrition Summary Facts Panel, and other useful resources such as the Industry Guidelines for Seafood and Health Nutrition Messages produced by the Centre of Excellence Science Seafood and Health (seafoodcrc/superseafood). The Seafood CRC strongly recommends that you also consult the Nutrition Information Panel Calculator database (NUTTAB) which is located on the FSANZ website, to assist companies to use this new information to support marketing claims based on nutrition and to prepare nutrition information panels required on seafood labels.

If you package your seafood products or make claims about their nutritional value, the product label must include a Nutrition Information Panel. You must also label fish products to clearly identify the species, which may be done using the Family Name where appropriate. The research on which these results are based was conducted by the South Australian Research and Development Institute on behalf of the Seafood CRC. Full copies of the test results for all 21 fish species studied are available from the Seafood CRC.

LABEL GUIDELINES

• A product can only be described as a "source" if it contains at least 10% of the recommended daily intake for the appropriate nutrient.
• A product can only be described as a "low in" claim if it contains at least 10% of the recommended daily intake for the appropriate nutrient.
• For a product to be described as a "good source" of a nutrient, it must contain at least 25% of the recommended daily intake of that nutrient for adults.
• A product can only be described as a "very good source" of a nutrient if it contains at least 50% of the recommended daily intake for the appropriate nutrient.
• These are strict rules which any food must now follow to claim use of the "low in" or "very good source" category. For example, "low fat" and "very fat". Below is a set of guidelines for seafood producers to use as a guide to making claims about nutritional value.

More important outcomes of the study is that many of the species tested proved to be a “good source” of Omega 3.
Scientist Dr Cath McLeod has been excited about looking for the good things in seafood, rather than the bad during the last two years.

“In the past, scientists have tended to look for the negatives associated with food products,” Cath said. “It comes from a regulatory system which seeks to protect the public from risks such as food poisoning.

“However, recently there has been a shift in the food science paradigm from risk assessment to risk/benefit assessment, which seeks to discover the good outcomes as well as the negatives.

“For example scientists have focussed in the past on the levels of mercury in fish, which is fair enough because mercury can potentially be dangerous to humans. But new information suggests that fatty acids such as Omega 3 can offset elements like mercury and provide a nutritional balance. This new study provides data on beneficial nutrients which will assist in deriving a more balanced view on the risks and benefits associated with eating seafood”.

Cath said some ad hoc studies had been done in the past on a variety of species but this was the first time one study had looked at the 21 most common commercial species in Australia using consistent and modern sampling and analytical techniques.

“As the industry is trending towards more packaged product – both fresh and frozen – there is a need for more stringent labelling and consumer data,” Cath said.
SARDINES SWIM INTO SUPERMARKETS

An innovative project, supported by Curtin University, WA Fishing Industry Council and the Seafood CRC, is value-adding fish that were once considered only good for bait or feed for farmed tuna.

A raw frozen sardine fillet produced by Western Australian processor La Grande Pty Ltd has been trialled in around 160 Coles supermarkets in WA and SA during August and September 2012, with the product selling from the deli counter at a price point of $25.99/Kilo (consumer reaction to this trial will be reported in a later Issue of ‘Australian seafood’). The company has also developed a frozen crumbed fillet product which will be offered to WA and eastern States seafood distributors this season, as well as Perth restaurants.

The sardine products are from the WA South Coast purse seine fishery and are being produced using an innovative production process, developed jointly by two south coast fishermen, Tim Rowe Managing Director of Cape La Grande and Paul Catalano of Catalano Seafoods.

“Cape La Grande Sardine products started because I was disappointed at the quantity of sardines caught in the South Coast purse seine fishery being directed into the low value fishing bait and tuna feed markets,” Tim said.

“While we owned a processing plant it was not really geared to produce high quality products for supermarkets and restaurants. This new project has enabled us to diversify our product range and to target the higher value seafood markets.”

The novel added value raw sardine fillets have been trialled by Coles in over 160 supermarkets across WA and SA, with the product selling from the deli counters at a price point of $25.99.
factory in Geraldton, we purchased many pallets of IQF and block frozen sardines for our wetline fishing vessels. I used to get my staff to fillet the bait sardines and cook them up to see what they tasted like.

“I was very impressed and developed the idea that one day I was going to value add this low value product.”

In 1998 and 2000 a deadly virus hit the South Coast fishery from Esperance to Albany with most of the industry expecting it would take at least 10 years to recover.

“Nevertheless, during this time our company decided to take the risk and purchase a lot of fishing quota, as I believed the fishery did have a future,” Tim said.

“The virus affected not only the fishery but fishermen, processors and families.

“Fortunately it recovered, so I formed a company La Grande Pty Ltd along with another quota owner to purchase sardine processing machinery from Sweden, which we installed at Catalano Seafoods.”

The current products are a plain frozen fillet on a 500 gram vacuum packed board and a 500 gram frozen Panko Crumbed fillet pack.

According to Tim the support given by Curtin University’s Janet Howieson, the Seafood CRC and the WA Fishing Industry Council has been “invaluable” in enabling the Cape La Grande Australian Sardine to enter the market.

“The university undertook some preliminary market research with chefs to help us target our products to end-user needs, and undertook microbiological and sensory shelf-life studies and compositional analyses,” he said. “They are also planning a range of post launch market research and evaluation on the effectiveness of various marketing strategies such as the use of point of sale resources, sample packs and producer interviews when taking new seafood products to market.”

Tim said the south coast purse seine fishery has been assessed by Coles in their WWF partnership as sustainable and the launch of the products coincides with the publication of a book, developed in association with Oceanwatch Australia, which showcases the history of the South Coast fishery.
Temperature management boosts profitability

Better cold chain management, including the use of simple $50 data loggers, could save fish retailers up to $150,000 a year.

This is the finding of a Curtin University project funded by the Seafood CRC that monitored seafood temperatures and drip loss from catch to retail display. The project monitored temperature and drip loss along a number of supply chains:

- Saddletail Snapper and Painted Sweetlip (trap and trawl harvest), Darwin to Perth;
- Crimson Snapper and Blue Spotted Emperor (trawl), Exmouth Gulf to Perth.
- Yellow tail kingfish from Geraldton to Perth
- Sardines from Esperance to Perth
- Pink snapper from Shark bay to Perth

Following processing the filleted fish were monitored along the supply chain into seafood retailers.

Temperature monitoring, using Thermachron data loggers placed in the gill chamber or flesh of whole fish samples or in bags of fillets, recorded temperature every 15 minutes from harvest to processing facility.

A second Thermachron logger monitored temperature from the processor to the retail outlets and at the retailer (with the loggers placed under the sample fillets on the display tray) every 5 minutes. From the temperature recordings it was clear that ice slurries worked very effectively in reducing temperature on the boat and that if unloading operations were well managed to keep the fish chilled, temperature spikes were generally limited.

Nevertheless, some management problems were identified. In one case the temperature data revealed that the transport company was loading the fish onto the truck but not turning on the chiller until the truck commenced its journey some three hours later (see Figure 1).

In another case the chiller temperature was set too low...
Thermachron data loggers (or similar brands) are readily available in Australia, and at a unit cost of $25 to $50 (depending on the quantity purchased) they are a small price to pay for better temperature management.

The hardware required (a connecting cable to allow the input of logging parameters from a computer to the logger unit) costs an additional $120, while the software can be downloaded from the Web or from a CD supplied by the manufacturer.

The units are re-usable and can be programmed to record different temperature ranges, preferred maximum and minimum temperatures and period and frequency of measurement. They have a useful life of around a year before the battery expires. One critical consideration is the recovery of the units at the end of the supply chain, either by a representative of the production or processing company initiating the monitoring or by the company receiving the product, and ensuring the unique identity of each logger is recorded.

One retail group, which estimated that worst case drip loss might be costing the company $150,000 pa, has now implemented a policy of covering the fish fillets, significantly reducing loss.

This process of monitoring temperature and weight loss through the supply chain, based on the easy to use data loggers, could be usefully implemented in other fisheries and aquaculture production and processing operations, helping to minimise unnecessary losses from the sector.

All participating companies are now implementing interventions to their cool chains based on these results.

Temperature monitoring, using Thermachron data loggers placed in the gill chamber of whole fish samples or in bags of fillets, recorded temperature every 15 minutes from harvest to processing facility.
PRODUCTIVITY DOUBLED BY LOBSTER WASHER

A new automated lobster “washing machine” has more than doubled productivity in Seafood CRC-funded trials at the Geraldton Fishermen’s Co-operative.

According to Dr Glen Davidson, General Manager - Operations at GFC, although the bulk of the Western Rocklobster catch is sold live to export markets, there are a number of other markets for cooked and frozen product.

“However, after cooking, lobsters are often covered with a white congealed proteinaceous residue, which must be washed off before packing,” he said. “This is normally undertaken by hand, a process which is time consuming and causes appendage loss in some lobsters, leading to downgrading.”

The Seafood CRC project carried out at Geraldton Fishermen’s Co-operative processing sites, researched the potential savings that could be generated from automated washing of cooked lobsters, using a fabricated ‘wash tunnel’.

The trial demonstrated significant improvements in labour efficiency, with the number of lobsters/minute/staff member more than doubling from 4 to 10 using the tunnel compared to manual washing.

“This alone will generate a payback on the $60,000 capital cost of the equipment within three years,” Glen said.

However, one problem identified in the project was that water use increased from an average of 3 litres/lobster to 4.5 litres/lobster.

“As the cost of water (and wastewater disposal) increases, further research may be useful to explore reducing water use in the tunnel,” Glen said. Strategies, such as treatment and recycling of wash water, are obvious refinements that could be incorporated.

“The re-wash rate for the automatic tunnel after fine tuning of spray manifold and nozzle distribution was initially 3% but over the period of the trial, with a throughput of 50 - 55 lobsters/minute, the re-wash rate declined to 1 – 2%.”

The positive news was that of 100 tagged lobsters tested through the new washing tunnel none showed appendage loss.

“However, over the full period of the project there was some evidence of accumulated legs and feelers at the end of the wash tunnel, suggesting that although there was some damage to the lobsters the rate of appendage loss was very low,” Glen said.

“Overall the research project has shown that there are significant economic benefits from automation of the lobster washing process, depending on specific site conditions, in particular product throughput and cost of water supply and disposal.

The Seafood CRC believe that other species and products could similarly gain from analysis of automation of specific processes.
The positive news was that of 100 tagged lobsters tested through the new washing tunnel none showed appendage loss.
ACCESSING CHINESE MARKETS

Two consultancy companies have been appointed by the Seafood CRC to work with abalone and lobster exporters to assist in better understanding the Chinese market.

The CRC found that many exporters have been challenged by the market disruption resulting from recent corruption investigations by Chinese authorities.

The first firm, China Policy, has been appointed to work with exporters who want to open new, direct trade arrangements into China. The consultant will prepare a research report covering:

- Protocols, forms, customs clearance processes and costs for direct import into various cities within China.
- The legal and regulatory requirements, appropriate business structures and import quotas required for direct trade.
- Identification of the risks and benefits of direct trade for individual companies.

China Policy will also be available to work with exporters to facilitate development of new trading arrangements, particularly where there are pre-competitive and collaborative issues to be resolved.

The second consultancy firm, Kreab Gavin Anderson, has been appointed to conduct research into policy on inter-government negotiations between Australia and China. Their work will involve:

- Examination of the current trade policy instruments and procedures applicable to lobster and abalone imports to China, including regional differences if any.
- Defining issues identified by Australian exporters that might be resolved through trade negotiations. For example, tariff rates, consistency in application of declared values, delays in customs clearances and port to port inconsistencies.
- Analysis of the status of inter-government negotiations to change Australia – China trade conditions and recommendations for short, medium and long term opportunities for improvement in these arrangements. This will include the long delayed Free Trade Agreement and any other potential trade agreements for Seafood.

It is important to note that the CRC does not get involved any commercial trading activity but is supporting these projects as part of its knowledge development role to improve industry competitiveness.

The research into Chinese export policy and practices will also be supported by the Abalone Council of Australia, Southern Rocklobster Ltd and WAFIC.

Australian companies that export seafood to China are welcome to become involved in this research.
Australian companies that export seafood to China are welcome to become involved in this research.
Keeping the playing field level

Achieving a level playing field for Australian seafood producers is just one of the achievements of Australian participation in the Codex Committee for Fish and Fishery Products (CCFFP). SafeFish’s contribution to the CCFFP plays an important role in allowing Australia to contribute to international regulations for the seafood industry as they are being developed or revised.

Recent success stories include:

• Ensuring developing regulations are flexible enough to allow safe Australian practices to continue e.g. removal of the requirement not to use eucalyptus wood for smoking in the proposed smoked fish standard;
• Negotiating testing requirements commensurate with risk e.g. removal of the need to test smoked fish for biotoxins, removing the requirement for microbiological testing of abalone and promoting the use of a risk assessment approach for marine biotoxins in fisheries, rather than an “all in” approach;
• Promoting a level playing field internationally for seafood e.g. ensuring appropriate labelling requirements for scallops with added water or food additives;
• Advocating consistency between standards of seafood e.g. that definitions and labelling requirements across standards should align and that regulations around food additives and processing water quality are consistent between commodities;
• Ensuring appropriate modern test methods and criteria are used in regulations e.g. for the determination of marine biotoxins in bi-valve shellfish.

SafeFish is pivotal in Australian input to Codex as it provides the high level technical advice around food safety issues that underpins the diplomatic efforts in this field.

The next CCFFP meeting is being held in Indonesia in October 2012 and SafeFish is supporting the participation of Ms Alison Turnbull, Manager of the Tasmanian Shellfish Quality Assurance Programme, in order to provide technical advice to the Australian government delegation.

Alison has significant expertise in the management of the key hazards of potential concern to the seafood industry.

SafeFish is currently drafting technical briefs for input to CodexAustralia, including the industry position on the various issues.

Anyone who wishes to participate in this process of development of technical advice to Codex should contact Natalie Dowsett at SARDI.
Let’s celebrate seafood

As the FV Margiris makes its way towards Australia to undertake the legal fishing of what many observers claim is an under-utilised resource, debate rages.

Despite the mostly emotional, inaccurate and sometimes misleading claims, the real issue is that once again, the Australian seafood industry finds itself hunkered down in the negative corner of yet another debate.

As any seasoned debater will testify – from Third Form schoolboy to Queens Council Silk or Federal Parliamentarian – mounting a successful negative case most often focuses on the rebuttal of the affirmative team’s claims.

Whilst a winning debating technique requires logic, clarity and a compelling case, it also demands synchronicity between the team members and a commitment to playing the ball and not the man.

Whatever the level of skill of the participants and the topicality of the subject, a debate is essentially an argument.

As an industry, we seem to be perennially involved in such arguments – be it with ourselves, our customers, consumers or the media.

But from a marketing standpoint, argument is the most negative means to promote a product, as the residue of negativity is a lack of trust.

Instead, the best marketers use celebration as the primary driver in creating consumer demand.

They focus on how their product or service will improve not damage people’s lives?

Their communications use emotional language – words that are thrilling, fascinating, motivating, captivating – never defensive, accusatory or negative.

The best marketers develop brands to support their ideals and ensure these brands excel at delivering the benefits of the product that customers truly desire.

Smart marketers engage all of their stakeholders in building the business, from idea creation though delivery.

Ideas don’t just come from the top – in a smart, market driven company everyone feels that they own a piece of the action and are accountable for how the company performs and it is good leadership which drives that inspiration.

So if great marketing is as much about delivering inspiration as it is about delivering the product where does the Australian seafood industry sit?

As a first world country, with first world governance, a limited resource and high cost of production, surely it is time to stop debating and start celebrating about who we are and what we do.

Let’s accept that as a 70+% net importer of seafood, what is caught or grown here is special.

Although our industry is disparate and highly fragmented, its core product is incredible, its core values amazing and the story a great one.

Let’s encourage our industry to get on the front foot and tell the world how good we are – how delicious, safe and sustainable our seafood is.

Let’s join the world’s best marketers, pull our head out of the seaweed, stop the debating and start the celebration that is Australian Seafood.
CALENDAR 2012/13
UPCOMING INDUSTRY EVENTS

INTERNATIONAL NONTHERMAL FOOD PROCESSING WORKSHOP – CSIRO – FIESTA 2012
16 – 17 October; Melbourne, Victoria

CHINA FISHERIES & SEAFOOD EXPOSITION
6 – 8 November 2012; Dalian, China

INTERFOOD INDONESIA
21 – 24 November; Kemoyoran, Indonesia

OYSTER WORLD CONGRESS
28 November – 2 December; Arcachon, France

SHANGHAI INTERNATIONAL FISHERIES & SEAFOOD EXPOSITION
7 – 9 December 2012; Shanghai, China

SEAFOOD & TECHNOLOGY EXPOSITION
21 – 23 February 2013; Osaka, Japan

AQUACULTURE AMERICA 2013
21 – 25 February 2013; Nashville, Tennessee, USA

FOODEX JAPAN 2013
5 – 8 March 2013; Tokyo, Japan

INTERNATIONAL BOSTON SEAFOOD SHOW.
10 – 12 March 2013; Boston, Mass., USA

FINE FISH WA
17 – 19 March, 2013; Perth, WA

INTERNATIONAL CONFERENCE ON MOLLUSCAN SHELLFISH SAFETY
17 – 22 March 2013; Sydney, NSW

EUROPEAN SEAFOOD EXPOSITION
23 – 25 April 2013; Brussels, Belgium

EASTFISH/EAST FOOD INDONESIA
5 – 8 June 2013; Surabaya, Indonesia;

ASIAN SEAFOOD EXPO (INCORPORATING ‘FROZEN FOOD ASIA’)
3 – 5 September, Hong Kong

SEAFOOD EXPO 2013 – DUBAI
24 – 26 September 2013; Dubai, UAE

SEAFOOD BARCELONA
15 – 17 October 2013; Barcelona, Spain