The Value of FIPs for Industry: Brand, Quality, Market Access & Assured Supply
Fortune Fish & Gourmet

- Formed in June of 2001
- Seafood Importer, Processor and Distributor
- Gourmet Food Importer and Distributor
- Located in Chicago
- Servicing 7 States and Nationally through “Flying Fish”
Founding Member

- Founded in 2013
- 9 North American Seafood Companies
- Publicly state sustainability goals and commitments
- Engage peers and supply chain in continuous sustainability improvements
- Financial fund AIPs and FIPs through a formal grant process.
- 9 Projects & $137,000 in Grants
Sea Pact Members
A group of leading North American Seafood Companies dedicated to driving stewardship and continuous improvement of social, economic, and environmental responsibility throughout the global seafood supply chain.

A.C. Covert
Albion Fisheries Ltd.
Fortune Fish & Gourmet
Ipswich Shellfish Group
J.J. McDonnell
Santa Monica Seafood
Seacore Seafood Inc.
Seattle Fish Company
Stavis Seafoods

*Advisors – FishWise, Sustainable Fisheries Partnership, Dick Jones
An examination of the use of kelp perch and pile perch to control sea lice infections in farmed Atlantic salmon in British Columbia.
• Developing pre-assessments, gap analyses and work plans to credibly transition salmon production towards meeting the ASC standard for sites involved.
Brazilian Lobster FIP

- Getting trap fishermen solidly organized and working together to create a legal, verified, branded product.
- CeDePesca would like to create market distinction for lobsters from this FIP, therefore creating an incentive to other fishermen to participate.
- This could recover the health of the stock, thus ensuring long term revenues for thousands of fishermen and their families.
Maine Soft Shell Clam FIP

• The presence of green crabs at high levels is complicating traditional clam management.
• Downeast Institute will work with to conduct large-scale, manipulative experiments involving predator exclusion and habitat modification to enhance locally the number of both wild and cultured “spat”.
• Funded twice
UNT Probiotics

• Conducting research to compare the effectiveness of probiotics to antibiotics, in order to increase growth rates and reduce mortality in commercially important marine fish.

• Presently being conducted for yellowtail amberjack and red drum, but applicable to other species of marine finfish important to aquaculture.

• Funded Twice at 100%

<table>
<thead>
<tr>
<th>Treatment</th>
<th>Description</th>
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<tbody>
<tr>
<td>Control</td>
<td>5 g of probiotic/ kg body wt.</td>
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<tr>
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<td>10 g of probiotic/ kg body wt.</td>
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Sea Delight Mexican Grouper FIP

- Facilitated an MSC pre-assessment.
- Coordinated a local workshop with fishermen to discuss the pre-assessment results, as well as developed an improvement plan.
Pelagic Trawl Gear

- Fathom Consulting conducted trials with modified trawl gear that significantly reduces the points of contact of traditional trawl gear through the use of pelagic trawl doors, elevated sweeps, spaced discs and electronic sensors.

- Less drag than traditional trawl nets, meaning shorter fishing times and reduced fuel usage.
CeDePesca Mahi Mahi FIP

• The Panama FIP will provide a fishery monitoring plan, training to fishermen and observers, and maintain the monitoring program.
• Result is a more secure and reliable income for the roughly 300 fishermen and their families.
• Sea Pact’s grant to this project will help to provide a long-term sustainable supply of Mahi to the U.S. marketplace.
Why FIPs?

- Core Value for the companies involved
- Reputation
- Market Access
- Assured Future Supply
- Sustainability

“Dedicated to driving stewardship and continuous improvement of social, economic, and environmental responsibility throughout the global seafood supply chain.”
Sustainability Initiative

- In partnership with The Sustainable Fisheries Partnership
- Celebrate a Fishery Improvement Project every two months
- Donation to that FIP
- Partners
  - Conservation
  - Producers/Growers
  - Distributor
  - Restaurants
Why FIPs for Fortune

Communities
Local
Gourmet
Seafood

“We don’t want to be a spectator, we want to be active participants in the solution.”

- NFI
  - SIRF
  - Crab Council
  - Seafood Nutrition Partnership
- Third Party Certification
  - MSC
  - ASC
  - BAP
- Traceability
Customer Advantage

Customer “Class” Dictates our Behavior

- **Passionate** – Menu or Retail Case is centered around it, a small % of our customers
  - We can influence their decisions, they are flexible, influential Chefs
    - Purchase on Sustainability and Quality, price is last.
    - Local = Sustainable
  - Education is wanted or desired / or they feel they know more than we do
    - This is where we do events
    - Can be stuck in their ways with outdated information and hard to influence.

- **A Burden** – Corporate office has made a commitment, it is a burden for them to comply
  - Very detailed plan with rules, no flexibility
  - Education is needed and wanted
  - Purchase based on the rules of the plan, with price and quality often equal
  - Growing percentage of our customers

- **Not Interested or Uneducated**
  - Sustainability isn’t a part of their decision process
  - Education is needed
  - Best Opportunity for us to influence change in buying habits
  - Purchase on price and then quality
  - Largest % of our business
Competitive Advantage?

Minimal if Any

- Our competitors are NOT
  - MSC or ACS certified
  - NFI Members
  - Actively involved in FIPs and AIPs
  - Here or Actively Involved
- We have to compete with them on price, often on the same product
- We have to have/be
  - Better service
  - Better quality
  - Better Marketing / Story Tellers
  - Better buyers

- Third Party Certification can lead to additional business and an ROI
- Need Chain of Custody
FIPs Influence Purchases?

- Yes, it is considered
  - Sustainability Initiative
- FIP isn’t always enough
  - The Market
  - Quality
  - Price
  - Logistics

Producers
- Don’t always understand this
- An investment in the Future
- Just like Customers
  - Passionate
  - Burden (Government)
  - Not Interested/Uneducated
Assured Supply?

Good Question…
That is the Ultimate goal
and the core reason for
Participation