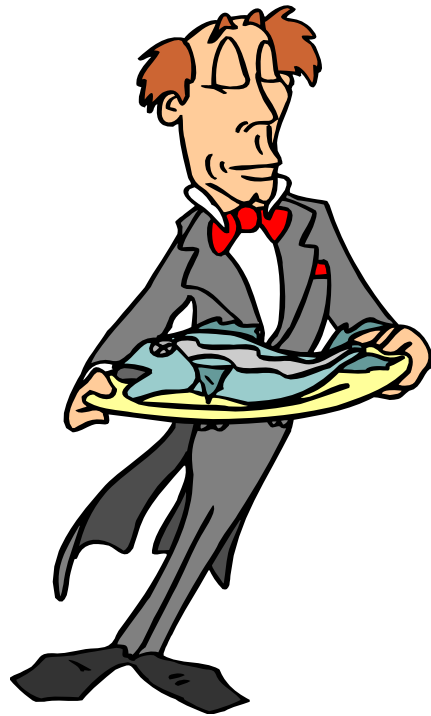


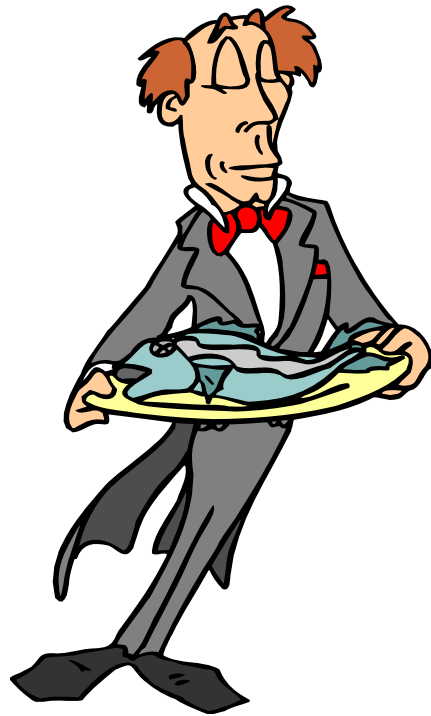
Bord Iascaigh Mhara
Irish Sea Fisheries Board

“Being successful in business is not about producing anything.



**“Being successful in business is not about
producing anything.**

It’s about satisfying customer needs.”



Lucy Watson MSc MBA

BIM

Ireland

A Perspective on
the European Market for Perch

Today's talk.....

- European freshwater fish production.
- Competing species.
- Value chain Analysis.
- Swiss Market for perch.
- €75/kg !

What is Marketing ?

- Effective Marketing: Meeting your customers needs better than your competitors can.
- Knowing how customers decide between alternative offers made by firms?
- Choice is ultimately governed by their needs.
- The product that best satisfies their needs is perceived to have the highest utility and is chosen in preference to competing products.



Perch in the Market

- Properly marketed, perch is a high-value niche product occupying an exclusive slot in the marketplace
- The European market for freshwater fish is competitive.
- Ten species – carp, trout, eel, Nile perch, catfish Pangasius, tilapia, northern pike, sturgeon and pike – perch.
- Perch production is comparatively small and it is consumed in only a handful of countries.
- Quality perch is undersupplied in the high end markets.
- Our farmed perch has the opportunity to fill the supply gap and to achieve the best prices in the marketplace
- *Accurate data is hard to find.*

FACT

‘EU now imports 74% of its seafood requirements from Third countries’

FAO Fish Production (Million Tonnes) Estimate

| | 2000 | 2015 |
|------------------|------|------|
| Total Wild | 95 | 105 |
| Aquaculture | 36 | 74 |
| Total Production | 131 | 179 |

Wild fisheries dropping from 73% to 59% of world production

“16% of fish stocks in the world are over exploited and 52% of stocks are fully exploited” FAO

European finfish aquaculture production all species. FEAP 2007.

| GROUP | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Carp | 75,429 | 79,300 | 77,664 | 72,743 | 73,265 | 73,039 | 73,327 | 72,490 |
| Catfish | 3,359 | 4,490 | 4,071 | 3,756 | 5,458 | 5,510 | 6,434 | 6,295 |
| Eels | 11,109 | 11,094 | 10,282 | 8,993 | 8,679 | 8,268 | 8,805 | 7,790 |
| Flatfish | 3,969 | 5,007 | 5,029 | 5,730 | 6,004 | 7,035 | 7,464 | 8,730 |
| Other Freshwater fish | 619 | 595 | 420 | 496 | 528 | 481 | 539 | 350 |
| Other Marine fish | 4,989 | 6,109 | 10,103 | 9,071 | 9,655 | 15,203 | 16,781 | 18,310 |
| Salmon | 591,068 | 611,013 | 640,825 | 671,695 | 756,770 | 716,994 | 748,978 | 763,395 |
| Sea Basses | 45,957 | 57,811 | 56,162 | 61,093 | 62,060 | 68,679 | 82,706 | 88,531 |
| Sea Breems | 58,831 | 73,232 | 77,003 | 79,767 | 88,340 | 88,922 | 99,265 | 104,065 |
| Sturgeon | 543 | 265 | 195 | 200 | 230 | 275 | 332 | 65 |
| Tilapias | 200 | 150 | 150 | 150 | 450 | 450 | 700 | 750 |
| Trout | 333,509 | 343,243 | 359,513 | 374,350 | 350,863 | 340,453 | 326,808 | 332,361 |
| Grand Total | 1,129,582 | 1,192,308 | 1,241,417 | 1,288,044 | 1,362,302 | 1,325,308 | 1,372,138 | 1,403,132 |



European perch production statistics

- Total perch production from wild capture in Europe (25 member states) in 2005 was 21,492 tonnes (FAO 2007 stats).
- Majority from Finland, Russia and Estonia (Finland 13,102 tonnes).
- Total farmed perch production in 2005 was 315 tonnes (FAO 2007 stats).
- Russian Federation 170t, Italy 55t, Czech Rep 18t, Romania 4t, Ukraine 68t and Macedonia <.5t, Switzerland Xt).

Volume (tonnes) and value (€000) of European perch, *Perca fluviatilis*, produced from aquaculture 2000 – 2005.

| European perch | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| production 2000 -2005 | | | | | | |
| Total tonnage | 133 | 145 | 72 | 138 | 152 | 315 |
| Total value € | 417.1 | 466.1 | 116.7 | 211.1 | 227.8 | 656.2 |
| €/tonne | 3136 | 3215 | 1620 | 1530 | 1499 | 2083 |

Source
FAO statistics 2007.

Volume (tonnes) of European perch, *Perca fluviatilis*, produced from wild capture 2000 - 2005.

| | 2000 | 2000 | 2001 | 2001 | 2002 | 2002 | 2003 | 2003 | 2004 | 2004 | 2005 | 2005 | 2000-2005 |
|---------------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|----------------|
| | sea | inland | sea | inland | sea | inland | sea | inland | sea | inland | sea | inland | total prod |
| Country | Volume | Volume | Volume | Volume | Volume | Volume | Volume | Volume | Volume | Volume | Volume | Volume | vol by country |
| Belgium | | 25 | | 25 | | 25 | | 25 | | 25 | | 25 | 150 |
| Bulgaria | | 26 | | 6 | | 23 | | 42 | | 20 | | 13 | 130 |
| Czech Rep | | 34 | | 34 | | 30 | | 30 | | 30 | | 26 | 184 |
| Denmark | 76 | 24 | 60 | 13 | 72 | 7 | 74 | 3 | 57 | 5 | 43 | 12 | 446 |
| Estonia | 280 | 561 | 386 | 300 | 578 | 246 | 824 | 621 | 666 | 408 | 689 | 411 | 5970 |
| Finland | 3775 | 9599 | 3796 | 9599 | 3592 | 9389 | 3691 | 9389 | 3312 | 9687 | 3415 | 9687 | 78931 |
| Germany | 286 | 215 | 326 | 215 | 263 | 215 | 289 | 215 | 196 | 215 | 276 | 120 | 2831 |
| Greece | | 15 | | 23 | | 20 | | 35 | | 30 | | 30 | 153 |
| Lithuania | | 115 | 1 | 114 | 48 | 84 | | 112 | 1 | 87 | | 64 | 626 |
| Netherlands | | 170 | | 150 | | 131 | | 140 | | 140 | | 140 | 871 |
| Poland | 625 | 297 | 874 | 245 | 790 | 267 | 757 | 224 | 719 | 218 | 654 | 175 | 5845 |
| Romania | | 28 | | 42 | | 32 | | 87 | | 50 | | 28 | 267 |
| Russian Fed | | 4026 | 162 | 3824 | 70 | 6649 | 242 | 7702 | 123 | 6370 | 248 | 4913 | 34329 |
| Slovakia | | 13 | | 14 | | 13 | | 10 | | 8 | | 6 | 64 |
| Slovenia | | <.5 | | 1 | | 1 | | <.5 | | 1 | | 1 | 4 |
| Sweden | 81 | 150 | 66 | 135 | 81 | 169 | 93 | 172 | 103 | 118 | 96 | 114 | 1378 |
| Switzerland | | 395 | | 262 | | 288 | | 485 | | 359 | | 281 | 2070 |
| Ukraine | | 155 | | 74 | | 64 | | 40 | | 6 | | 25 | 364 |
| Total annual | 5123 | 15848 | 5671 | 15076 | 5494 | 17653 | 5970 | 19332 | 5177 | 17777 | 5421 | 16071 | 134613 |
| production | | | | | | | | | | | | | |
| all countries | | | | | | | | | | | | | |

Source
FAO statistics 2007.

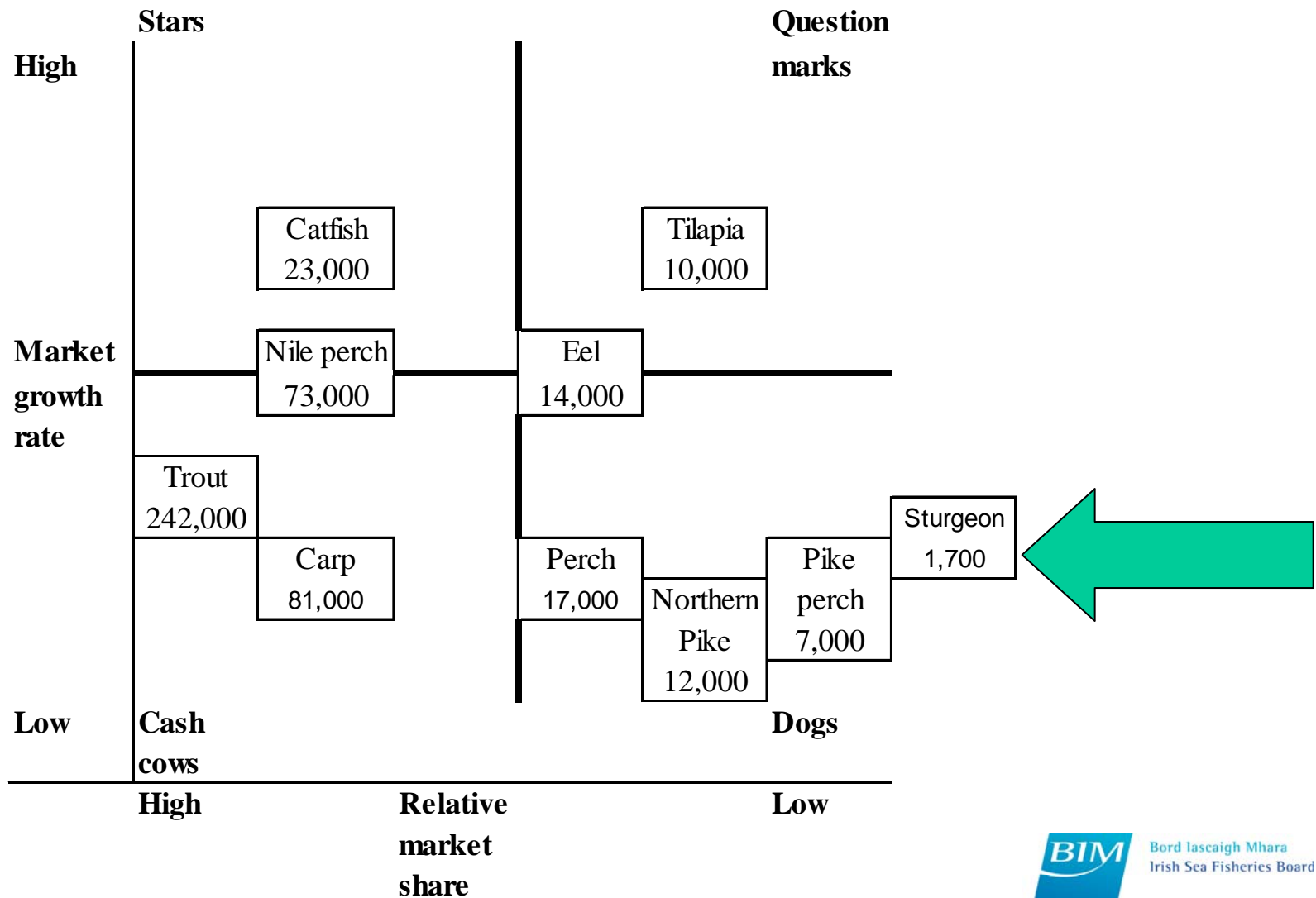
Competitors



Study the Competition

- ❑ Who are they / What are they ?
- ❑ What are their strengths?
- ❑ What are their weaknesses?
- ❑ Collect information on their products, facilities and marketing activities.

BCG Matrix applied to the freshwater fish species (2003 volume figures given in tonnes) on the EU market.



The Perch Market

- Exclusive
- Traditional
- Established
- Suffers from irregular supply
- Overriding production from landings
- Opportunity for farmers !

Which Market !

- Switzerland – fillet market now 6,000t ; Germany 2,000t ; France 1,500t ; Austria 500t.
- Markets stable due to supply constraints.
- Swiss take 485 t from Lake Geneva
- Russia, Estonia, Poland and other E. European countries making up the shortfall.
- No official statistics on perch imports are available !
- Perch is imported mostly as fillets
- Small amounts imported whole and cut.
- Small fillets (15g) skin on eaten in French speaking area
- Medium sized (40g) preferred in German speaking area.

Prices & Margins

50%
Fresh Cod
Fillets

Superquinn
Fresh Irish
Salmon
Fillets
Skinless & Boneless
€15 **€7.50**
Special Offer

HALF PRICE

Superquinn
Fresh
Cod
Fillets
€16.40 **€8.20** per kg
Special Offer
HALF PRICE
SUPERQUINN

SALMON
FILLETS
WAS
15.00
NOW
7.50
Special Offer

COD
FILLETS
WAS
15.40
NOW
8.20
Special Offer

COD
FILLETS
HALF PRICE
Special Offer

SALMON
FILLETS
HALF PRICE
Special Offer



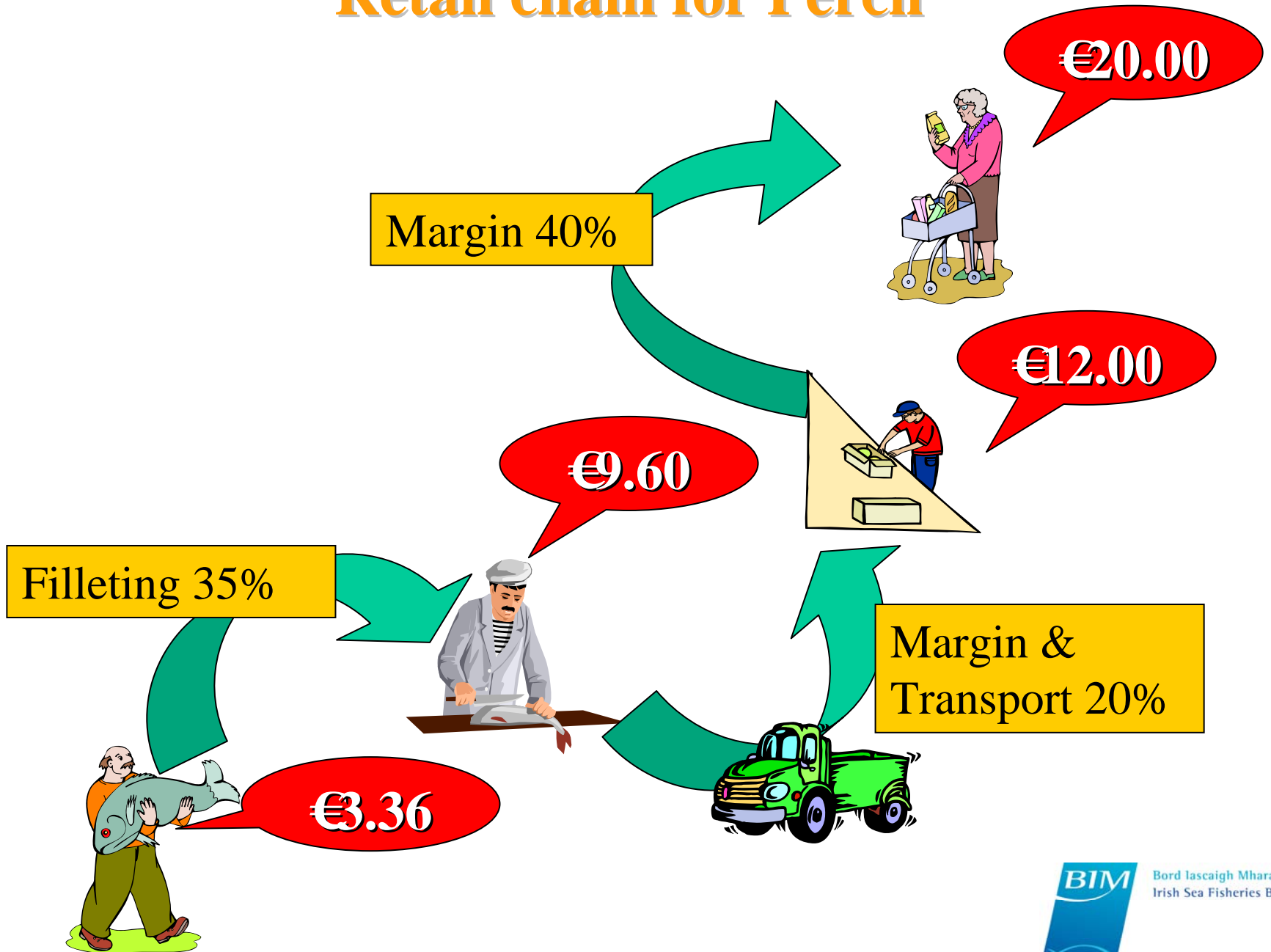
Supply chain for fresh fish

| Species | Farm Gate Price | Yield* | Fillet /Whole | Margin & Transport | Wholesale** | Margin | Retail |
|--------------|-----------------|------------|---------------|--------------------|---------------|---------------|---------------|
| Char | €5.29 | 85% | €6.24 | 20.00% | €7.80 | 40.00% | €13.00 |
| Salmon | € 3.44 | 65% | €5.29 | 20.00% | € 6.62 | 40.00% | €11.03 |
| Trout | € 2.82 | 65% | €4.34 | 20.00% | € 5.43 | 40.00% | €9.05 |
| Perch | €3.36 | 35% | €9.60 | 20.00% | €12.00 | 40.00% | €20.00 |
| Plaice | € 2.44 | 35% | €6.99 | 20.00% | € 8.74 | 40.00% | €14.56 |
| Sole | € 3.64 | 35% | €10.42 | 20.00% | € 13.02 | 40.00% | €21.70 |

*FAO FISHERIES TECHNICAL PAPER 309

Retail prices BIM Market Watch

Retail chain for Perch



Switzerland. A value chain for perch fillets (€/kg)

| | chilled | Frozen |
|---------------------------------------|----------------|------------------------|
| Importer prices. | 11 – 13.50 | 9 – 11 8.80 – 10.90 |
| Wholesale/retail group buying prices. | 12 - 15 | 9.50 – 11.50 |
| Wholesale selling prices. | 18.50 | |
| Retail selling prices. | 23 - 44 | 29 - 74 |

Current price Analysis

- Swiss Company Analysis.
- Main imports from Poland and Russia, fish imported in frozen fillets, size 50-80 pieces/kg and 80-110 pieces/kg.
- Fresh fillets from Lake Geneva sold directly by the fishermen to the restaurants are making 40-45 Swiss francs/kg (€25/kg)
- This is the equivalent to a wholesale price of €25/kg (x2 the example in the supply chain analysis given, = ex farm €7/kg).
- The Restaurants generally treble the price - €75/kg
- According to the companies asked, demand is growing.
- However, prices for frozen perch from Poland and Russia are extremely competitive.

BIM Services



BIM Client Services

Consumer Support

- Retail / Foodservice Promotions
- Consumer Education
- Media Liaison
- Information / Promotional Materials
- Schools Resources
- Retail / Foodservice Staff Development

Trade & Market Development

- Seafood Showcases
- Trade Fairs
- Inward Buyer Missions
- Trade Receptions
- Seminars
- Marketing Investment



Overseas Development

- Market Investigation
- Buyer Meetings
- Relationship Building
- Media Monitoring
- Promotional Campaigns

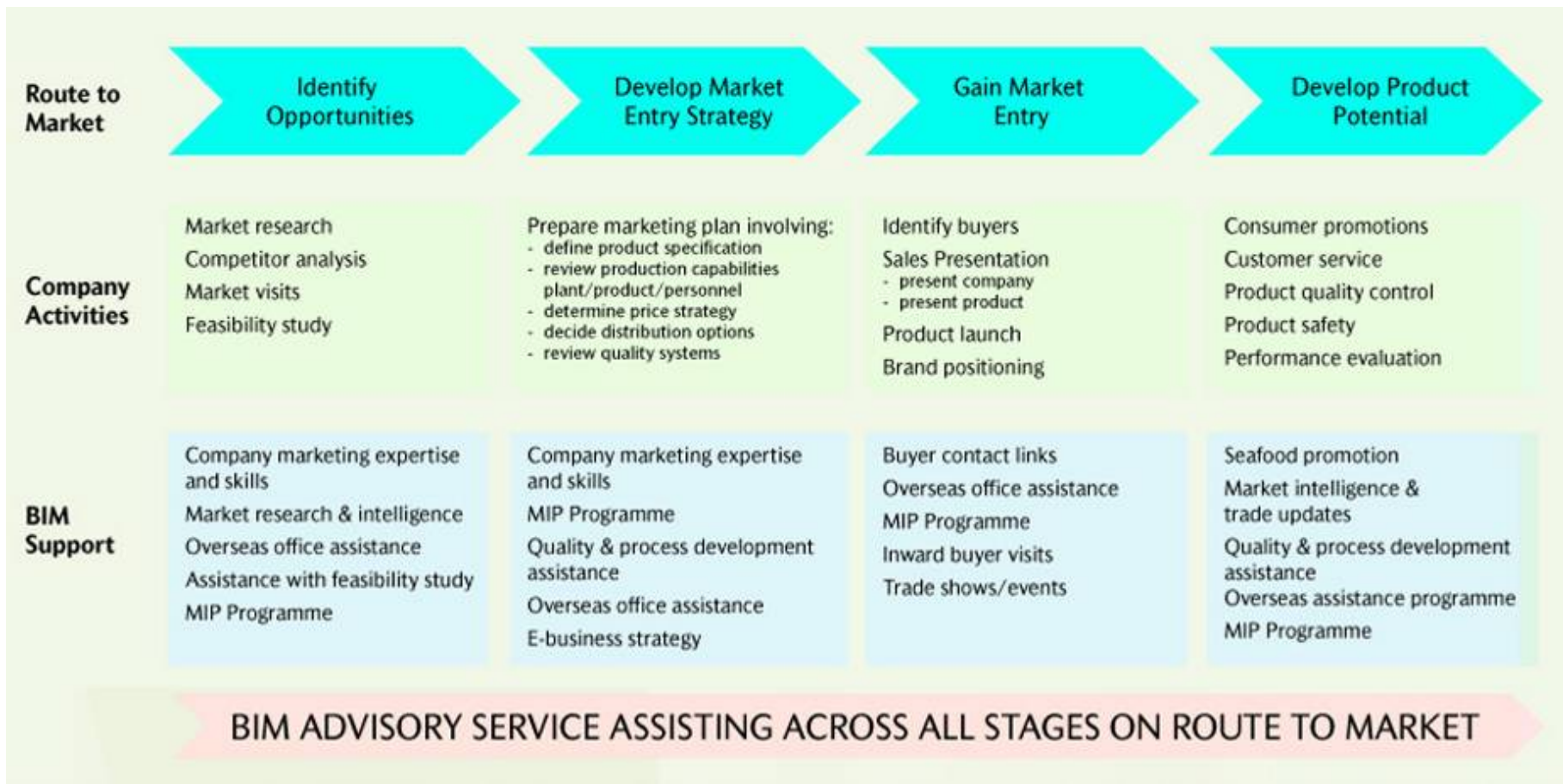
Market Research & Intelligence

- Trade & Market Research
- Consumer Research
- Competitor Analysis
- Forecasting
- Trade Surveys
- Buyer Enquiries
- E-commerce

Product & Process Quality

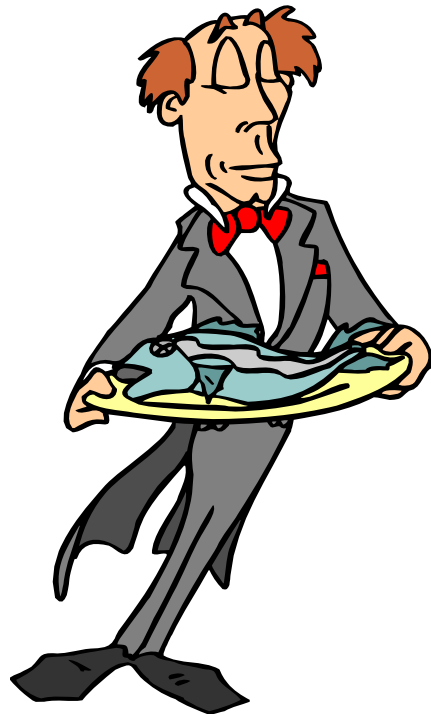
- Microbiological Laboratory
- Technical Advice
- Quality Standards
- Product Testing
- Quality Development Training





“To be successful in our business”

We need to....



Bord Iascaigh Mhara
Irish Sea Fisheries Board

Conclusion

- Access the Swiss market for perch.
- Understand the product specification required and exceed it.
- Satisfy the needs of the ‘high end’ market.
- Establish supplier/buyer relationships
- Displace or compliment rival products.
- Target that market only and other high end opportunity markets.

- Anything else is a waste of time !

