

August 20, 2020

Impact of the COVID-19 Pandemic on the Alaska Seafood Industry

Project Overview and Early Findings

Prepared for:
Alaska Seafood Marketing Institute



Purpose

This project will identify and describe impacts of the pandemic on the Alaska seafood industry

Key deliverables

- Monthly briefing papers through April 2021
- Online industry survey, date TBD
- A detailed report by January 2021

Methodology

Interviews

Range of stakeholders

Cohort approach

Shifts with the season

Data

Harvest & production

Export/import

Macroeconomic

Competing proteins

Currency rates

Proprietary

And more

Interviews

Key Themes

Uncertainty

- Economic
- Operational
- Political

Multi-year crisis

Areas of success

Increased cost at all levels

Transportation disruptions

Shifts in consumer spending

Export challenges

Product form changes

Opportunities for innovation

Data Review

Harvest Volume/Value

The pandemic has not *significantly* impacted harvest volume

- YoY groundfish volume is 6% lower than 2019
- Halibut and BSAI pollock possibly impacted

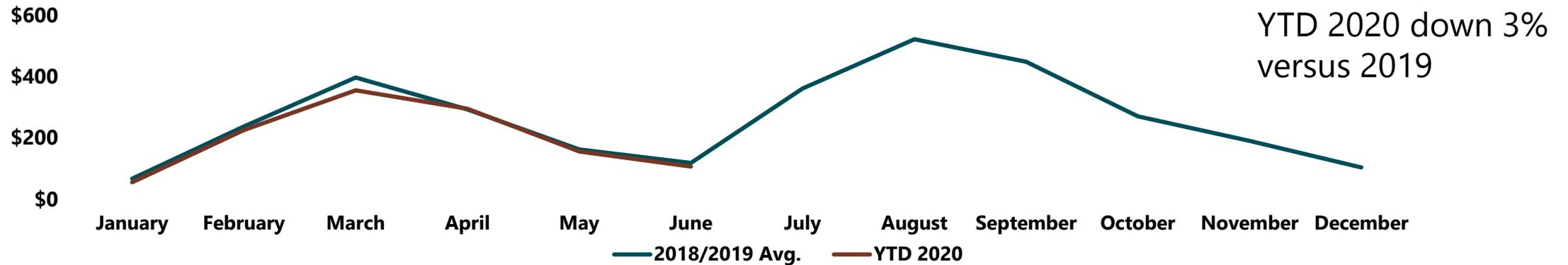
The pandemic has lowered harvest value, with caveats

- Salmon, halibut, flatfish down
- Pacific cod down modestly
- Pollock flat to down slightly

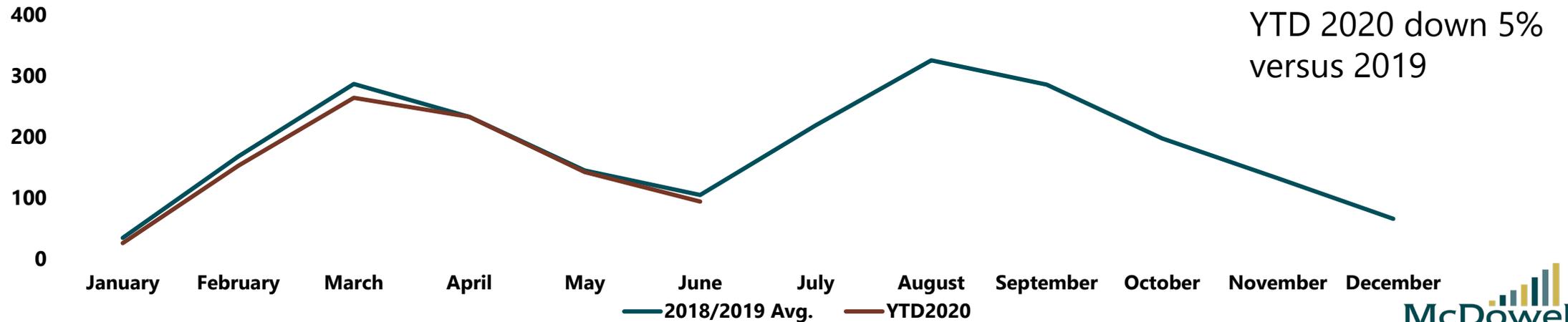
Data Review

Export

Alaska Seafood Export Value (\$million), Average 2018/19 & YTD 2020



Alaska Seafood Export Volume (Million Pounds), Average 2018/19 & YTD 2020



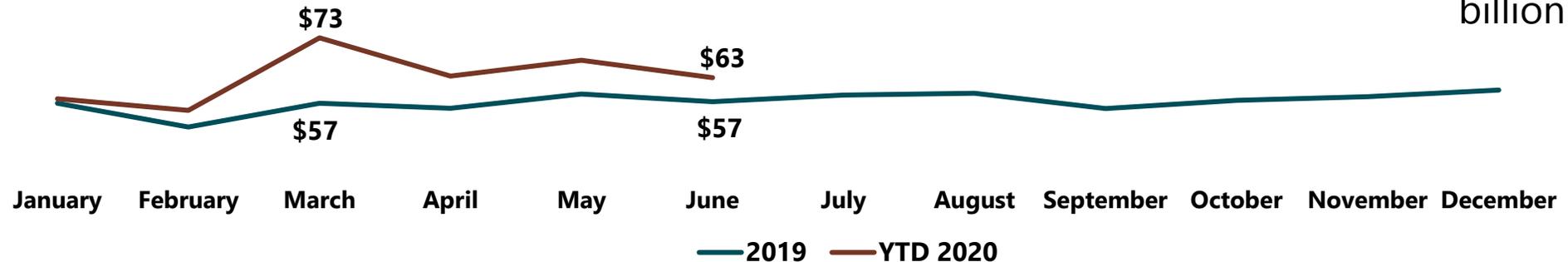
Source: US Census Bureau; NMFS; McDowell Group.

Data Review

Retail/Food Service Spending

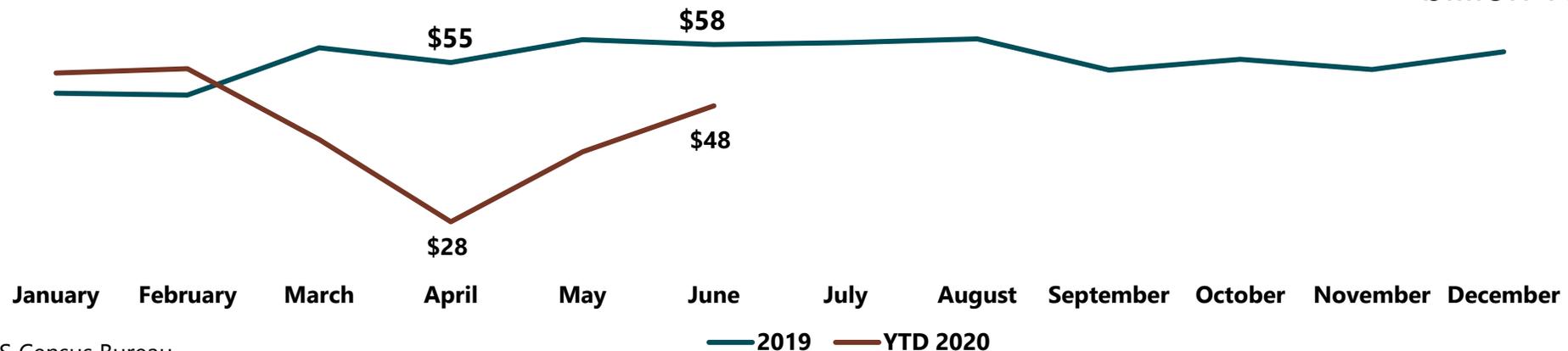
U.S. Grocery Store Sales (\$billion), 2019 & 2020 YTD

YTD 2020 up \$43 billion versus 2019



U.S. Restaurant Sales (\$billion), 2019 & 2020 YTD

YTD 2020 down \$65 billion versus 2019



Source: US Census Bureau.

Data Review

Paycheck Protection Program

A \$659 billion program

About 1,000 organizations in the AK seafood industry have received at least \$40 million

- ~950 fishing businesses in AK and WA
- ~20 processors
- ~10 hatcheries and cold storage operators

Largest seafood processors do not qualify

Participation and funding amounts will increase

Does not include support businesses

Thank you

Please reach out to us with any questions or feedback.
We'd also love to interview you if interested.

Garrett Evridge, garrette@mcdowellgroup.net

Dan Lesh, dani@mcdowellgroup.net