

Industry Outlook for Greater Utilization of Hake Products

LEE J. WEDDIG

All indications point to greater utilization of hake products in the U.S. market, provided quality requirements at competitive prices are met.

The continued growth of fish stick and portion production as well as the growth in use of fillets of all types, especially groundfish, provides a solid base for hake.

Fish Sticks and Portions

In 1978, production of fish sticks and portions reached 480 million pounds, with the major growth occurring in fish portions. Portion production used for both the food service and retail market places has grown from 217 million pounds to 386 million pounds in the 1969-78 period. Gains were registered in each year except 1974. Fish stick production has fallen since reaching a peak in 1973, even though 1978 showed a healthy jump from 1977.

Fish blocks used to manufacture these portions and sticks are 99.5 percent imported. In 1978, record

supplies of 406 million pounds were brought into the country with a declared value of \$325 million. Block usage rose from 378 million pounds to 406 million pounds last year.

The increase last year (1978) was entirely in the whiting and "other" category with Argentina showing up as a major supplier of whiting products. Other new sources are also being developed. Total whiting block imports were almost 40 million pounds.

The acceptance of whiting as an ingredient in the stick and portion business is a good indicator for those interested in developing the hake resources. Major manufacturers of sticks and portions maintain rigid quality standards which would have to be met to enable a trial of domestic hake blocks.

Fillets

The use of groundfish fillets has paralleled stick and portion growth. In 1978, record consumption of 295 million pounds was achieved, up from 277 million the year before. While imports constituted 79 percent, it is significant to note that the percentage of imports to the total supply is down from several years ago. United States domestic groundfish fillet production has been moving upwards steadily since 1975.

The steady expansion of the groundfish fillet market offers ready opportunity for white-fleshed fillets of all types such as can be produced under proper conditions from hake. The market is expanding for both fresh and frozen forms.

Other Product Forms

While existing product forms are the most logical target for hake products in the United States, the industry should anticipate and work toward innovative alternates. Such items as seafood patties and stuffing presently use white-fleshed fish as ingredients. Hake could be an attractively priced alternate.

A most promising application could be combination meat-fish products such as sausages and patties. Presently, Department of Agriculture regulations are barriers to such development. A combined industry effort could ease these restrictions, opening the door to an exciting potential.

In addition to the opportunities for domestic use of hake, one has to assume potential for export, given the concentration of foreign fishing on the resource.

Overall, it would appear that a definite market potential exists, a potential that can be met by the U.S. industry.

Lee J. Weddig is Executive Vice President of National Fisheries Institute, Inc., 1101 Connecticut Ave. NW, Washington, DC 20036. Views or opinions expressed or implied do not necessarily reflect the position of the National Marine Fisheries Service, NOAA.