Travis Larkin

Seafood Exchange
United States

Travis Larkin is president of Seafood Exchange, a seafood-importing and wholesale company based in Raleigh, North Carolina USA. Previously, he handled shrimp procurement for Darden Restaurants until 1997.

Larkin is actively involved in GAA and the National Fisheries Institute, where he currently serves as chairman of its Nominating Committee and previously served on its Executive Committee. He also served as president of the National Shrimp Industry Association.
Closing Remarks

Travis Larkin
President, Seafood Exchange
Raleigh, North Carolina, USA
GOAL 2013
“Join the Journey”

What have we learned on our journey together this week?
First, that this is a beautiful city
Five Major Challenges (+1)

1. Health and Disease Management
2. Feeds
3. Environmental/Social Accountability
4. Investment Capital
5. Market Support
6. Leadership

GOAL 2013
Examples of Leadership in Our Community

• Responsible Aquaculture Foundation
  – Initially focused on Africa
    • Education
    • Training
    • Support

• Seafood Industry Research Foundation (SIRF)

• Seafood Nutrition Partnership
Seafood is Essential Nutrition Solution

- Eating 8 oz. of seafood a week reduces the risk of dying from heart disease by 36%

- Moms-to-be that eat 8 to 12 oz. of seafood a week have better outcome for baby brain and eye health

- Older adults who had the highest blood levels of the fatty acids found in fish lived, on average, 2.2 years longer

Source: JAMA
Source: JAND
Source: Annals of Internal Medicine
Projected seafood consumption by source through 2050

Source: FAO, HighQuest Analysis

HQP estimate based on linear growth rate (1980-2011) of production for wild catch(1.0%) and aquaculture(8.1%):
• 2013 - 2021 at historical growth rate
• 2022 - 2031 at 75% of historical growth rate
• 2032 - 2041 at 50% of historical growth rate
• 2042 - 2050 at 25% of historical growth rate
Insights from Ole-Eirik Lerøy

• By 2030: Additional 40 million MT of aquatic food needed

• We have a great story to tell!
  – Time for transparency and a straight telling of our story…Remember doctors and “internet patients.”
  – Blue is the new green!

EMS takes a bite out of supply

After peaking in 2010 at 203,000 tons, imports from Thailand declined in 2011 and 2012 and are expected to fall even further in 2013 to around 90,000 tons. Ecuador, Indonesia, and India are picking up some of the slack. Imports from Mexico have also fallen.

Source: USDC/NMFS (2013)
* Estimate
Reflecting the difficult economic conditions in the country, the Spanish market contracted substantially in 2012 and is expected to contract even further in 2013 (-20% relative to 2011). Argentina and Ecuador currently supply around 50% of the market.

Source: Eurostat (2013)

* Estimate
Prices Rising Sharply

P. monodon vs. P. vannamei (U.S. Wholesale)

Wholesale shrimp prices have been rising since 2010 but increased sharply during 2013, reflecting the reduced availability of imported shrimp in the U.S. market as a result of EMS/AHPNS.

Source: Urner Barry (2013)
GOAL 2013 Survey
Issues & Challenges in Shrimp Aquaculture
All Countries

Diseases
***Production costs - Feed/Fishmeal
Access to disease-free broodstock
***International market prices
Seed stock quality & availability
Production costs - Others
Environmental management
Feed quality and availability
Product quality control
Production costs - Fuel
Access to Credit
Banned chemicals / antibiotic use
***International trade barriers
Market coordination
Infrastructure
Conflicts with other users
Public Relations Management

Asterisk indicates a Top 3 issue in GOAL 2007 Survey
EMS: “It’s Complicated”
- Robins McIntosh

A Perfect Killer???

• It grows extremely fast (competitive).
• It is a colonizer (very sticky).
• It produces a potent toxin.
• Quorum Sensing (coordination of activity).
Market Impacts of EMS

1. Trade flow shift from West to East (China a key new net importer)

2. Demand contraction to accelerate in the west

3. Lack of quality information available to the public
Thailand's Recovery Scenarios

![Graph showing recovery scenarios for Thailand, with three scenarios indicated: U recovery, V recovery, and a pessimistic scenario. The graph plots the years 2010 to 2018 on the x-axis and a scale from 0 to 700,000 on the y-axis, with three colored lines representing the different scenarios.]
Aquaculture Fish

• Production expected stable or down for 2013 and 2014

• Double in a decade? Yes for some species from 2003 to 2013, but slower growth rates now

• Growth trend declining in general
## Production of Surveyed Species

**Excl. Carp in China 2002-2014**

<table>
<thead>
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<th>Year</th>
<th>Mill. Metric Tons</th>
<th>Marine</th>
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<tr>
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<td>0.4</td>
<td>2.5</td>
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<tr>
<td>2014</td>
<td>0.4</td>
<td>3.0</td>
<td>0.4</td>
<td>9.1</td>
</tr>
</tbody>
</table>
Growth Rates by Species Groups excl. Carp in China
(2003-2013 average growth rate in parenthesis)
New Opportunities: Arabian Peninsula

• Ample coastline and superb waters, governments beginning to offer support

• Opportunities for partners with technical expertise and capital to invest

• Jim Greenberg: “Don’t lump all these countries together.”
New Opportunities: Africa

• Positives: Favorable conditions, thousands of km of coastline, growing domestic markets

• Constraints: Limited growth capital and lack of political will/systematic approach for aquaculture

• Intl. Finance Corp: Looking for sponsors with “deep experience and strong track record”
Feed Sustainability: Where to get protein for feed?

• 70-80% of global supplies of fish meal and fish oil currently used in aqua feeds

• Alternatives to fish protein needed: Soy protein forecast to supply one-half of global aqua feed requirements by 2020
Emerging Protein Sources…
Time to Get Creative!

Insects

Algae

Krill
Fish Meal Challenge: Standards

Example (from Sustainable Fisheries Partnership):

• Standards established in western countries to suit known production systems may not work elsewhere.

• Asia is the engine room of world aquaculture production with a huge demand for fish meal. It needs systems that work there.
Tropical Asian purse seine catch: 40+ species, including benthic species lured by FADs and/or lights (not all species may go to fish meal). Trawl is even more diverse.

Purse seine catch in Panama
Standards Challenges (cont.)

• In this case traceability is very difficult—if not impossible—and further complicated by species diversity.

• Solution:
  – Accept that “one size does not fit all” in standards development.
  – Diverse stakeholders must work together for improvements that work for that producer community.
Wrapping Up: Today’s Issues

• Carl-Christian Schmidt: “Green Growth and Implications for Fisheries and Aquaculture”

• Health and Nutrition: Seafood Nutrition Partnership

• Retail and Foodservice Panels
Health and Nutrition: Addressing Public Health Crisis through Public-Private Partnerships

Seafood Industry

Healthcare Industry

Nonprofits & Foundations

Gov’t Agencies

Corporations

Media

Local Communities

Percent of Obese (BMI > 30) in U.S. Adults

<previous next> play stop

2010

CDC

No Data

<10% 10%-14% 15%-19% 20%-24% 25%-29% ≥30%
Doubling Consumption: Seafood Nutrition Partnership

Year 1

- Feb. Heart Health Month

A. Provide Seafood Nutrition Education. Strategy: Partner w/ Health Influencers

Year 2

- Feb. Heart Health Month

B. Shape the American Palate. Strategy: Partner w/ Tastemakers

Year 3

- Feb. Heart Health Month

C. Inspire a Healthier America
In Summary: We have work to do

1. Health and Disease Management
2. Feeds
3. Environmental/Social Accountability
4. Investment Capital
5. Market Support
6. Leadership
See you in Vietnam for GOAL 2014!