
Photo credit: Martha Stiegman, 2006

Researching Local Direct Marketing Potential for Niche Seafood Products: Interim Report

Prepared by Anchor Consulting
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EXECUTIVE SUMMARY

In June 2009, the Nova Scotia Department of Fisheries and Aquaculture contracted "Anchor Consulting" to conduct market research for small-scale players interested in direct marketing opportunities in the local provincial supply chain. The research, funded by the "Product Quality Development Fund", explores trends affecting seafood direct marketers around the province. It also draws out lessons from more established niche direct marketing enterprises in other sectors and jurisdictions.

Small-scale seafood producers are beginning to explore, and in some cases realize, potential opportunities offered by direct marketing and value-added goods and services in gaining a niche market share. Many of these producers have been motivated to direct market into the local supply chain by poor opportunities on global commodity markets, coupled with the frustrations associated with buyer consolidation and marketing policies that favour larger industry players

Preliminary analysis suggests that Nova Scotian survey participants feel a strong affinity for locally caught seafood. The vast majority of respondents indicated a willingness to pay slightly more for directly marketed seafood products, especially if the premium supported fishermen, coastal communities, or the ocean environment. Consumers, including chefs, expressed keen interest in supporting direct marketing schemes, especially those that can overcome the barriers of inaccessibility and inconvenience.

Research has shown that local direct marketing has the potential to lead to greater stability, local autonomy and opportunities, a fact confirmed by local producers interviewed for this study (Halweil, 2002; Norberg-Hodge et al., 2002). Unfortunately though, these efforts are currently largely unsupported and happening piece meal around the province. Many of the barriers to local direct marketing identified by small-scale producers related to food policy and distribution systems designed for larger scale industrial players. Indeed current marketing support in the province tends to focus on export development benefit larger industrial players.

The direct marketing of small-scale seafood products will not erase all of the challenges facing Nova Scotia's seafood industry. However, preliminary market data analysis illustrates a strong need for policy changes that can facilitate and support local seafood direct marketing enterprises. Taking lessons from CSAs, CSFs, and other direct marketing models, a well-designed pilot project or start-up enterprise could open the door to exciting new prospects for small scale fishers and aquaculture operators in the province, prospects with benefits that extend far beyond the producers themselves, sustaining communities and ocean ecosystems.

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1. INTRODUCTION

1.1 Background

A narrow peninsula jutting into the North Atlantic, Nova Scotia is nearly surrounded by ocean. A healthy and productive marine environment has been the basis of human settlement here for thousands of years, since the Mi 'kmaq first followed the retreat of the glaciers to this narrow peninsula. Explorer John Cabot's infamous report from off the coast of Nova Scotia that *"the sea was swarming with fish, which could be taken not only with the net but in baskets"* lured swathes of European fishers, who eventually built communities along its extensive coast.

Despite massive ecosystem and societal changes, fishing activities remain a cornerstone of Nova Scotia's coastal communities, providing direct and indirect employment in the range of 30,000 people. Aquaculture activities also provide over 1000 jobs, many of them in rural and coastal communities (NS Department of Fisheries and Aquaculture, 1999). These communities produce one quarter of Canada's seafood, the largest proportion of any province.

Healthy, prosperous fishing communities are vital to the economic, cultural and environmental resilience of the province now and into the future. From groundfish to clams, shrimp to swordfish, to lobster and mussels, Nova Scotia's small-scale fisheries and aquaculture operations have much to offer residents and visitors alike. The province has garnered a reputation not just for picture-postcard coastal fishing communities, but also quality seafood caught close to shore. Though much of it is exported, ensuring local access to a sustainable supply of seafood is also an important element of ensuring food security in Nova Scotia's communities.

1.2 Changing Trends

Nova Scotia's seafood industry is rapidly changing. The groundfish collapse of the early 1990s wrought especially big changes, threatening the very existence of many of the province's fishing communities. Like many parts of the developed world, but exacerbated by the groundfish collapse, many parts of rural and coastal Nova Scotia are also experiencing considerable population declines. These communities have also felt the impacts of other external trends from market liberalization and global restructuring, to government downsizing and decentralization (Alasia and Bollman, 2008; Nobuhior and Apedaile, 2008).

Because fisheries in Nova Scotia evolved largely as an export-oriented commodity industry, many of its small-scale fishers are extremely vulnerable to changes in global markets. For example, the rise in value of the Canadian dollar relative to United States (US) currency beginning in the early 2000s has had a serious economic impact. Changing traceability requirements, along with the rise in prominence of seafood ecolabels, particularly in the EU, US and Japan, have put even more pressure on Nova Scotia's seafood sector (Magera and Beaton, 2008).

Despite changes, Nova Scotia remains a relatively rural region, with a higher percentage of rural population than any other Canadian province (Curran, 2005). The small-scale fisheries that make up the backbone of many of these communities face particular challenges as the seafood industry continues to change. Federal and provincial policies have also acted as barriers for small-scale fishers, in their consistent support and subsidization of large-scale export development (PFPP, 2009).

However, the relative size of small-scale fisheries may also be advantageous in these rapidly changing times. These small family businesses, as it were, can be comparatively nimble when it comes to adapting and diversifying

One promising trend in Nova Scotia is a surge in demand for local food products. This stems from environmental and health concerns, along with a desire to invest directly in local communities. In the agricultural sector, direct marketing enterprises such as farmer's markets, farm gate sales/shops, community supported agriculture boxes, and internet sales have been gaining ground over the last 15 years. Such marketing techniques, however, are still in their infancy in the small-scale fisheries sector.

Along with increased push for environmental sustainability, traceability, and resilience in our coastal communities, the current focus on local food marketing provides an excellent opportunity to push, invest in and develop a locally focused direct seafood market. Market research and support for small-scale seafood producers interested in direct marketing can help diversify coastal livelihoods, enhancing resilience in rural communities.

The Six Pillars of Food Sovereignty

1. **Focuses on Food for People:**
* puts people's need for food at the centre of policies
* insists that food is more than just a commodity

2. **Values Food Providers:**
* supports sustainable livelihoods
* respects the work of all food providers

3. **Localises Food Systems**:
* reduces distance between food providers and consumers
* rejects dumping and inappropriate food aid
* resists dependency on remote and unaccountable corporations

4. **Puts Control Locally:**
* places control in the hands of local food providers
* recognizes the need to inhabit and to share territories
* rejects the privatization of 'natural resources'

5. **Builds Knowledge and Skills:**
* builds on traditional knowledge

* uses research to support and pass this knowledge to future generations
* rejects technologies that undermine or contaminate local food systems

6. **Works with Nature**:
* maximizes the contributions of ecosystems
* improves resilience
* rejects energy intensive, monocultural, industrialized, destructive methods

The People's Food Policy Project, 2007

2. PROJECT OVERVIEW

2.1 Project Overview

Starting in the summer of 2009, the Nova Scotia Department of Fisheries and Aquaculture contracted "Anchor Consulting" to conduct market research for small-scale players interested in direct marketing opportunities in the local provincial supply chain. The research has been carried out in partnership with the Ecology Action Centre in Halifax, Nova Scotia.

This report will explore general trends affecting budding seafood direct-marketers in Nova Scotia, while drawing out lessons from more established niche direct-marketing enterprises in other sectors and jurisdictions. The research makes a case that providing support for niche seafood direct marketing enterprises will also benefit local economies and the overall sustainability of the province's seafood industry.

The project has been funded by the Nova Scotia Department of Fisheries and Aquaculture "Product Quality Development Fund", designed to support research and development that can stimulate the growth and value of the province's fisheries, aquaculture, and food sectors through strategic planning, market diversification, and the development of innovative products and technology.

2.2 Project Objective

The overall objective of this study was to gather sound market intelligence for small-scale players interested in direct marketing opportunities in the local provincial supply chain to help build niche markets for local seafood products and small-scale direct marketing enterprises.

2.3 Project Activities

To uncover barriers and opportunities to local seafood direct marketing in Nova Scotia, researchers used a combination of literature review, qualitative interviews, and survey research. The barriers identified by consumers, sellers and fishers may be internal to the individual, such as lack of knowledge regarding how to carry out an activity, or external, as in structural changes that need to be made in order for the behavior to be more convenient.

It may be easy to speculate about barriers to seafood direct marketing, but according to the principles of Community-Based Social Marketing, one should examine the extent of specific barriers and benefits of any community population under study. Community-Based Social Marketing brings a wealth of academic psychological research into the practical field of planners and program designers (McKenzie-Mohr and Smith, 1999). CBSM is "based upon research in the social sciences that demonstrates that behavior change is most effectively achieved through initiatives delivered at the community level which focus on removing barriers to an activity while simultaneously enhancing the activities benefits" (McKenzie-Mohr and Smith, 1999).

The work of this project involved the following activities:

- Literature review
- Qualitative in-person and phone interviews with fishers and marketers
- Quantitative in-person consumer surveys
- Online restaurant survey

2.3.1 Literature Review

The project includes a literature review exploring Nova Scotia's demographic and sustainability issues, traditional seafood supply chains and traceability systems, direct marketing trends and examples, and opportunities for culinary and marine/coastal tourism in the province. A survey of relevant food safety regulations, licensing and policies was also undertaken. This background research framed barriers and opportunities to the direct marketing of seafood on Nova Scotia's local supply chains already identified

A selected bibliography can be found in Section 6.

2.3.2 Interviews

Twenty-one interviews were conducted with small-scale fishers, aquaculturists and sellers throughout the province and along the Eastern Seaboard. Thirteen carried out in person, while eight interviews were conducted over the phone.

Interview questioned aimed to discover why producers have been motivated to market their products directly into local markets. Other questions focused on fleshing out some perceived barriers and benefits associated with direct marketing along with marketing strategies and partnerships. Demographic information was also recorded.

Interview questions and answer highlights can be found in Appendix A.

2.3.3 Consumer Surveys

Short consumer-oriented surveys were carried out in November 2009. The purpose of this survey was to discover local seafood consumption habits and preferences. Questions were closely modeled on a recent Gulf of Maine Research Institute survey of seafood buying habits in Maine. Seventy consumers have been approached-outside of the Halifax Farmer's Market as well as outside of a major grocery chain.

Thirty more responses are due to be analyzed for the final report.

A tally chart of responses as of November 30th can be found in Appendix B.

2.3.4 Online Restaurant Surveys

An online restaurant-oriented survey was sent out to the Taste of Nova Scotia in November 2009. Similar to the consumer-oriented surveys, the purpose was to learn about the seafood buying habits and preferences of chefs and restaurateurs. Twenty-one chefs, managers and owners filled out the survey.

Response highlights as of November 30th can be found in Appendix C.

3. EMERGING TRENDS

Interviews with seafood producers and direct marketers from other regions and sectors revealed a number of noteworthy trends. Questions were asked about what motivated producers to begin direct marketing their products along with the perceived barriers and opportunities experienced. We also inquired about marketing strategies and any partnerships or links they may have developed to support their business.

- Interviewees are overwhelmingly motivated to direct market into the local supply chain by poor opportunities on global commodity markets, coupled with the frustrations associated with buyer consolidation and marketing policies that favour larger industry players.

- The perceived benefits of local direct marketing include the ability to command a better price for products, to exert more control over one's livelihood and to interact directly with customers.

- Interviewees described both policy-based and logistical barriers to direct marketing of seafood in Nova Scotia. There is a strong perception that both food distribution systems and fisheries policy are designed for larger corporate players.

- Local direct marketing of seafood in Nova Scotia has tended to lack the business planning, innovative partnerships and policy support enjoyed by direct marketers in other regions and sectors.
- Selling seafood directly on local markets does not require elaborate marketing strategies. Along with word of mouth, a dynamic online presence is often key to success.
- The Community Supported Fisheries (CSF) model may offer unique opportunities for small-scale seafood producers to directly market their seafood products in Nova Scotia.

What is a Community Supported Fishery?

A community-supported fishery - an emerging trend analagous to community-supported agriculture - offers a new and potentially profitable way of doing business for small-scale commercial fishermen.

Similar to community-supported agriculture enterprises, participants pay local producers upfront for a share of their harvest before the season begins, which is then delivered weekly to their community. In Gloucester, Massachusetts, for example, local fishermen are selling their product directly to hundreds of customers every week. Cape Ann fresh Catch, organized by the Gloucester Fishermen's Wives Association, the Northwest Atlantic Marine Alliance and MIT SeaGrant, delivers to about 750 shareholders. The CSF is the largest of seven in the northeast region.

A full share cost $360 and delivers 10 pounds of fish for a 12-week period. A half share is $180 and worth five pounds of fish each week. Shareholders receive a variety of fish, including cod, flounder, haddock, hake, dabs, grey sole, pollock and redfish. Crab, shrimp and lobster are also possible finds in each biodegradable bag.

Forever the Gloucester Fishermen's Wives Association tried to get local people to eat local fish," said Angela Sanfilippo, the organization's president. "This seemed to be a perfect fit at this time."

Adapted from North Shore Sunday News, July 6, 2009.

3.1 Motivation to Directly Market

A significant amount of local seafood direct marketing seafood is already happening in Nova Scotia. Most direct seafood sales seem to be happening via roadside peddling and delivery activities, many of whom sell 100% of their catch directly. As well, more and more seafood is being sold in Farmer Markets, by internet direct-order and home delivery.

Local small-scale seafood direct marketers have overwhelming reported that they are motivated to sell directly into Nova Scotia markets to ensure some control over their livelihoods and command a better price. Interviewees repeatedly invoked buyer consolidation and even monopolies, along with corporate control of quotas as provoking the move from export-oriented commodity sales to local niche markets.

As seafood markets are increasingly globalized, many small-scale producers find difficulty in controlling the price of their products. Low prices on commodity markets often make it uneconomical for small-scale fisherman to fish at all. As one interviewee asked, *"Without a healthy marketplace, how can we get a fair price for our catch?"*

Besides getting a better price, many interviewees also felt that the quality and integrity of their products could be better protected by local direct sales. Some interviewees described how selling into the supermarket distribution system meant product could be poorly handled and not so fresh by the time it was made available for sale. Several also noted their observation that as supermarkets and chain restaurants have come to dominate the local seafood marketplace, Nova Scotians have lost access to fresh, high quality seafood. As one interviewee described, *"One of the biggest comments we used to get was how come your fish doesn't smell when we cook it? See, they don't know because they've never had it so fresh…. and this is a local market!"*

3.2 Perceived Benefits

As previously discussed, fairer prices and more control over livelihoods has motivated many producers to move towards a direct marketing model. This impetus seems to have panned out for many of our interviewees, who also cited both factors as major benefits. As one fisherman described, *"The satisfaction of knowing you got what you deserved for your product."*

Another oft-cited advantage felt by local direct marketing is the opportunity to interact directly with consumers. **Along with the basic social benefit, small-scale fishers and farmers also felt the benefit of feeling support from their communities, and felt encouraged to continue.** As well, producers can receive feedback directly, which allows for adjustment of supply volumes, and the ability to make quick and innovative tweaks.

Direct marketing into the local food system can other advantages, as well. The Community Support Fisheries (CSF) model, for example, provides the distinct benefit of providing the money up front. This model allows fishermen to avoid the yoke of debt that often limits flexibility and increases risk at the beginning of a fishing season. Further, CSF participants were also able to see how a successful program could be leveraged into broader public support for sough-after fisheries management changes.

3.3 Perceived Barriers

Though interviewees were quick to share the benefits they had experienced as a result of direct marketing on the local supply chain, they also found no difficulty in articulating a number of significant barriers. Many described both policy-based and logistical barriers to direct marketing of seafood in Nova Scotia. **There is a very strong message from interviewees that both food distribution systems and fisheries policy increasingly cater to larger corporate players.**

3.3.1 Policy Barriers

Interviewees pointed to a plethora of different policy barriers to local direct marketing, executed by various departments and levels of government. Most repeated that policies around fisheries and aquaculture favoured larger industrial players. As one interviewee described, "*I mean, the squeeze that they got on the little guy, to me that philosophy needs to change*." These concerns have been echoed by the People's Food Policy Project, which has noted, "Federal and Provincial policies consistently support subsidies for large scale industrial export development, while entirely neglecting the development of local and direct market development" (PFSP, 2009).

Several felt that corporate seafood interests have too much pull on government decision-making, while others blamed bureaucrats who had become "*overly invested in particular policies, created in their youth, many decades back*." Some even felt that policies had been developed to actively work against the small-scale seafood seller– the $40 peddler's license was mentioned as an example several times.

The various policies and regulations related to food safety and value-added processing were most often described as barriers for small-scale producers. Regulations were often described as being unclear, as well as being unfeasible and unnecessary for small-scale operations.

As well**, jurisdictional conflicts between various government departments** were mentioned several times. Shellfish producers, both diggers and growers– expressed extreme frustration at the inadequate communication between relevant government departments (including Environment Canada, Fisheries and Oceans Canada, and the Canadian Food Inspection Agency) and with the producers and public around the shellfish ban that happened in the summer of 2009. For example, one clam digger explained that he found out from his wife that the ban had begun, who had found the information accidentally while surfing the internet.

The Individually Transferred Quota (ITQ) system was also cited several times as a barrier, along with the lack of an effective policy to prevent buyer monopolies. A few also mentioned that available government grants and economic development loans had been unhelpful, being set up to help bigger players only.

Other policy barriers mentioned ranged from the perceived need for a gray seal cull, to the need for habitat protection of groundfish spawning grounds, to problems with issuing of annual experimental licenses and the lack of a government local food procurement policy.

3.3.2 Other Barriers

Besides the complex suite of policies that guide fisheries management, food safety, and marketing, a variety other factors also affect small-scale producers' ability to direct market into the Nova Scotia's food system.

Finding processing for small volumes of seafood has been a barrier for many seafood producers. Many interviewees expressed frustration at the inability to find a processor willing to separate their catch from other commodity market-oriented catches. Even finding access to adequate freezing to preserve product quality has been a major issue for some interviewees.

While many interviewees were able to market 100% of their catch on the local markets, others acknowledged difficulty in **arranging to sell excess volumes on export markets**. Similarly, dealing in small volumes of seafood can also make it difficult to access shipping options, especially in Nova Scotia where fishing areas are spread widely in rural areas and population density is quite low outside a few centres. As one fisherman described, "*With the volumes I'm dealing with now, no truck is going to come down this long dirt road to pick it up."*

Several producers also pointed to **a lack of knowledge about seasonality and other aspects of a wild fisher**y among general consumers and more specialized buyers and chefs. More than one interviewee lamented restaurant demands for "just on time deliveries" that are not feasible for small-scale seafood producers. Another interviewee pondered the difficulty consumers must have in understanding how and where local fisheries are located: *"Maybe fishing areas are just less part of our landscape than the family farm – for example who knows really what Brown's Bank looks like?"*

A history of infighting throughout Nova Scotia's fisheries sector was also cited as a considerable barrier. While there are many associations organized by geography or gear type, there is no province-wide association to unite small-scale fishers. Without trust and cooperation, fishermen are unable to work together to leverage for marketing dollars, processing options or policy changes. As CSF enterprises along the Eastern Seaboard have found, keeping a core group of fishermen involved when there is a considerable time commitment can be a major challenge, along with finding fishermen to champion new direct marketing ideas.

Last but not least, **simply finding the time, energy and skills** to actualize a direct market enterprise can be a significant barrier. One interviewee observed, *"You know it is quite a process to go thru to get a small business of any sort set up."* Others underlined the need for computer literacy: "*It is unacceptable at this particular point in time and not be computer savvy or not to hire someone who can be computer savvy for you. Otherwise, it is just not going to work*."

3.4 Marketing

Most interviewees used a very simple **"word of mouth" marketing model** to sell their products. Many felt that the quality of the product and experience would and should speak for itself. Because traceability has become such a public concern, interviewees felt consumers were simply attracted to the trust that can be afforded from person contact with producers.

While most admitted they had no particular target buyer in mind, some did mention that more highly educated/ well-off clientele have been easier sells. Peddlers often target commuters on their way home from work. One shrimp fisherman described his clientele as *"local independent people who don't mind getting their hands a little dirty with food."*

Direct marketers in other regions or sectors underlined the critical importance of an online presence that can "go viral," the electronic equivalent of "word of mouth**."** **A dynamic online presence** that includes the use of social media such as Facebook and Twitter has been reported as a key element of success for many direct marketers. As a Nova Scotian farmer who runs a Community Supported Agriculture (CSA) program noted, *"Only 2 of 200 subscribers used a telephone to sign up, while the other 198 all emailed*."

Direct marketing projects in other sectors and regions tended to highlight the importance of **forging partnerships with diverse groups**, especially NGOs, to provide energy, funding and marketing expertise. As one interviewee noted, *"Partnering with environmental organizations has been hugely instrumental, both in helping to advance awareness for our customers of the work we are doing, also to solidify our presence in the community."* Several ventures were also able to capitalize on the free exposure that media afforded them, especially Community Supported Fishery (CSF) projects.

Most seafood producers selling seafood directly onto the local market in Nova Scotia are not employing sophisticated market strategies. In fact, **most lack a written business plan of any kind.** Nor have most explored innovative partnerships, for example with "Buy Local" programs or non-governmental organizations, which have been key components of direct marketing success in other sectors and regions.

4. CONSUMER TRENDS

4.1 General Consumer Trends

Canadian seafood consumers eat an average of 23 kilograms (50 lbs) of seafood every year (Fisheries and Oceans Canada). What and how we eat seafood has changed dramatically over the past few decades, owing to ecosystem changes, market shifts and evolving consumer demands. Today's consumers are more educated and informed about environmental, health and food safety issues, and **public scrutiny has intensified significantly in recent years around how and where seafood is grown, captured, processed, and transported.**

The purpose of this survey was to discover local seafood consumption habits and preferences in Halifax, Nova Scotia. Questions were closely modeled on a recent Gulf of Maine Research Institute survey of seafood buying habits in Maine. At the time of print, survey results were still being analyzed. However, even under preliminary scrutiny strong consumer trends could be identified.

Similar to the GMRI results, **Nova Scotian survey participants revealed a strong affinity for locally caught seafood**. The vast majority of respondents indicated a willingness to pay slightly more for directly marketed seafood products, especially if the premium supported fishermen, coastal communities, or the ocean environment. These trends bode well for seafood direct marketers in Nova Scotia, and reveal a significant willingness to participate in direct marketing schemes that relate to Farmer's Markets or weekly home delivery.

Preliminary analysis of the data has revealed a number of interesting consumer attitudes and preferences:

- Knowing the seafood was harvested locally was the factor most likely to encourage participants to purchase a particular seafood product.

- Participants expressed their strong willingness to pay slightly more for seafood if the premium went to supporting fishermen, coastal communities, or the ocean environment. Local and sustainable harvesting was also strongly agreed upon as worth paying more for.

- Participants were most likely to participate in a seafood direct marketing scheme where weekly boxes of seafood are dropped off at a Farmer's Market, or direclty purchased from a fisher or fishing co-op at a Farmer's Market stall. Weekly delivery to the door was also popular.

- Some seafood direct marketers sell products in a relatively unprocessed form. Participants overwhelmingly indicated they were most likely to purchase filleted fish, but were also receptive to whole groundfish, gutted and peeled and de-headed shrimp.

- Participants strongly agreed that there were several benefits to purchasing seafood directly from a fisher or fishing co-op. Supporting the local economy was the most agreed upon benefit, closely followed by encouraging a fair price for the producer/seller and building a relationship with the producer. Preserving small owner-operator fisheries was also seen as an important benefit.

- Participants saw inaccessibility and inconvenience as the top barriers to purchasing seafood directly from a fisher or a fishing co-op currently. Price, on the other hand was not seen as a much of a barrier at all.

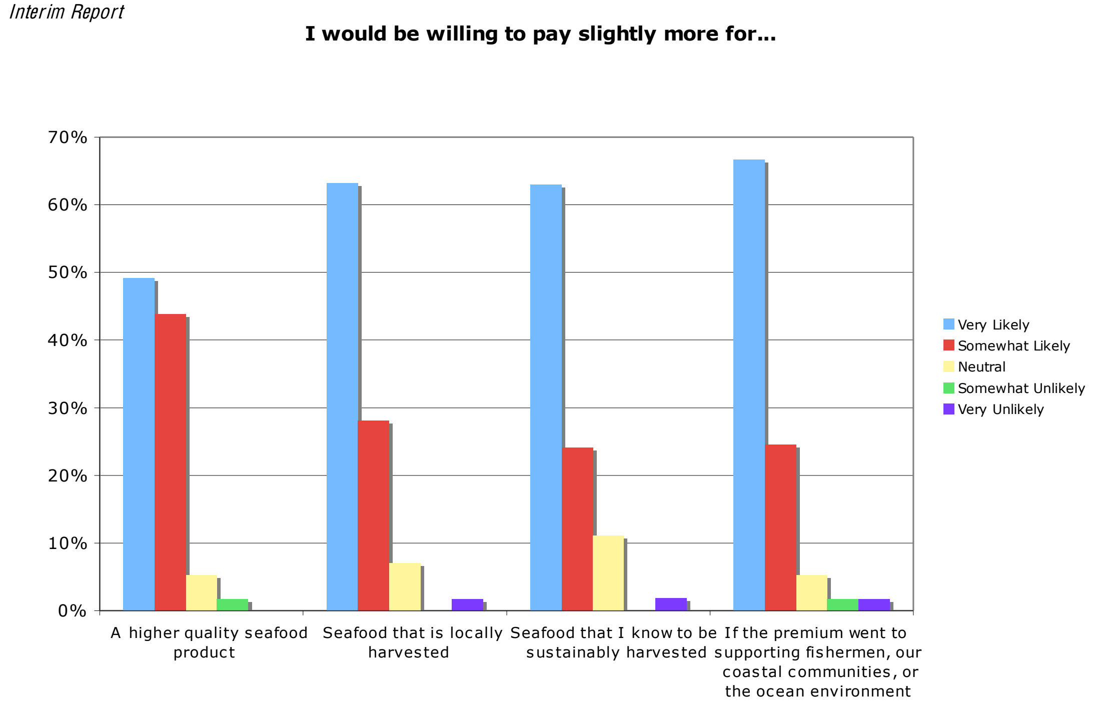


Figure 4.1: Anchor Consulting Consumer Seafood Survey- Willingness to pay slightly more.

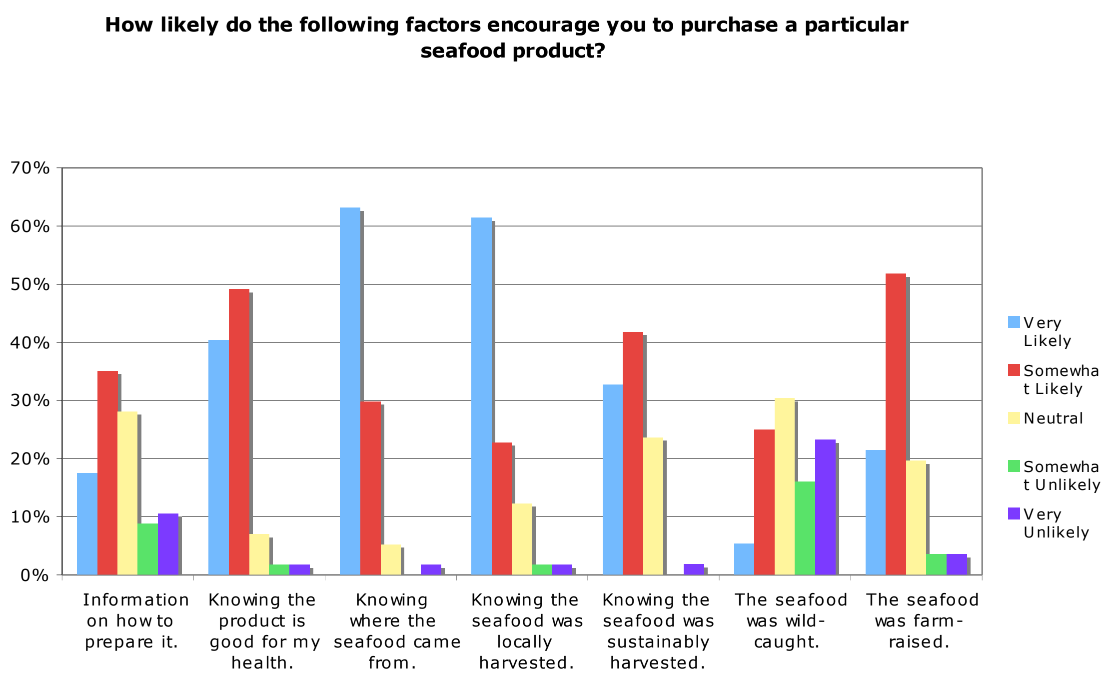


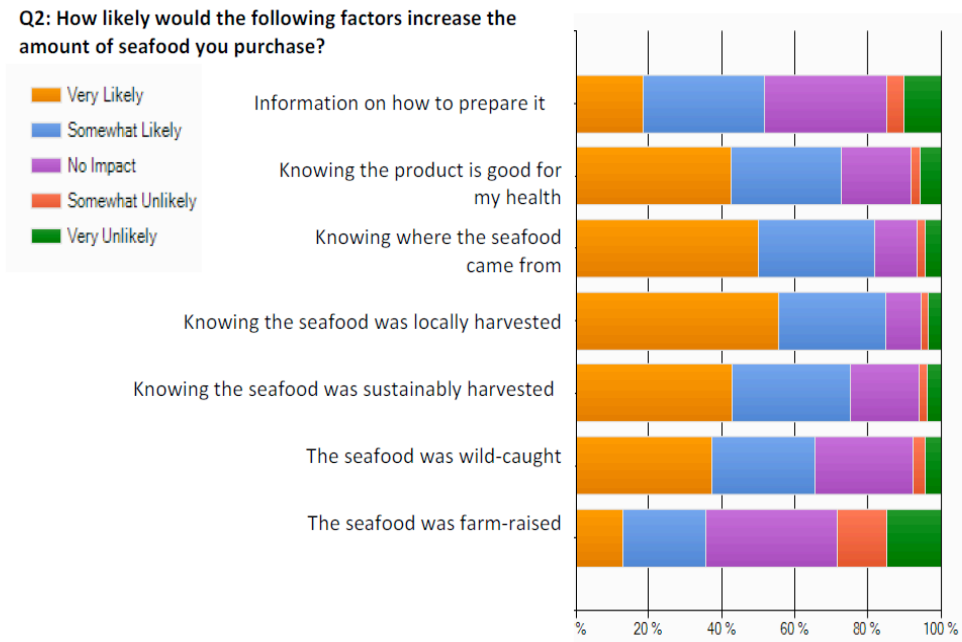
Figure 4.2: Anchor Consulting Consumer Seafood Survey- Purchasing factors.

Consumers on Local and Sustainably Harvested Seafood – South of the Border

The Gulf of Maine Research Institute (GMRI) recently announced the results of a survey conducted in May regarding consumer attitudes about the importance of sustainably harvested local seafood.

More than 40 percent of respondents indicated that they would increase their seafood consumption if they knew it was sustainably harvested, while almost 60 percent said knowing that the seafood was caught locally would increase the amount of seafood they purchased. More than half of those who took the survey said they would pay slightly more for these products, particularly if they knew it would support fishermen, coastal communities or the ocean environment. Respondents cited supporting the local economy as the biggest motivator for buying regionally harvested seafood.

As one respondent commented, "Buying local supports the uniqueness of all communities, reduces impacts on the environment and provides consumers with higher quality products."



Source: Keller Willams Realty Red Day Consumer Seafood Survey; www.gmri.org/mini/index.asp?ID=33&p=91

Figure 4.3: Gulf of Maine Consumer Seafood Survey highlight

4.2 Restaurant Trends

Canadians eat over 30% of their annual seafood meals in restaurants Most Nova Scotian restaurants feature several seafood selections, with a significant number specializing in seafood fare (Strategic Information Services, 2007). Though visitors to the province may assume seafood options are locally procured, that is often not the case.

As many chefs and restaurateurs already know, **menu choices at restaurants have a huge impact on local fisheries as well as consumer taste preferences**. Current consumer awareness of environmental and social issues means that more and more people are looking for restaurants with local and sustainable sourcing policies. Several Halifax restaurants are advertising local seafood choices from small-scale fisheries or aquaculture operations. Others are featured on a new consumer oriented website that features Halifax restaurants with sustainable seafood options. (http://www.yourchoicehalifax.ca)

Similar to the consumer survey, **chefs described an overwhelming desire to support the local food system and economy**. Most also recognized the marketing value of local food and local producer stories. All respondents expressing interest in a local seafood direct marketing delivery enterprise.

- While 100 % of respondents currently source seafood from a supplier/ processor, over half also sourced some of their seafood directly from a fisher.
- Over 90 % of chefs felt that supporting the local food system and the local economy was an important factor (and benefit) when seeking local food for their menu.
- 80 % of chefs felt environmental sustainability was also an important consideration when seeking local food for their menu.
- Over 80 % of respondents were interested in sourcing local seafood because of the marketing benefits of local food and local producer stories.
- Nearly 75 % felt that helping to preserve traditional owner-operator fisheries was a very important benefit of directly purchasing local seafood.
- Price was cited as the least important factor, out of eight options, when asked to rate considerations when sourcing local menu options.
- 95 % felt that the inaccessibility of directly marketed seafood was a barrier to purchasing it, while only 15 % saw a lack of processing to be an issue.
- Chefs overwhelmingly felt they would be most likely to participate in a local seafood direct marketing enterprise that consisted of weekly deliveries (100 %).
- 100% of chefs surveyed felt they would likely use local filleted fish from a seafood direct marketing business, with nearly 90 % feeling likely to use local peeled and de-headed shrimp.

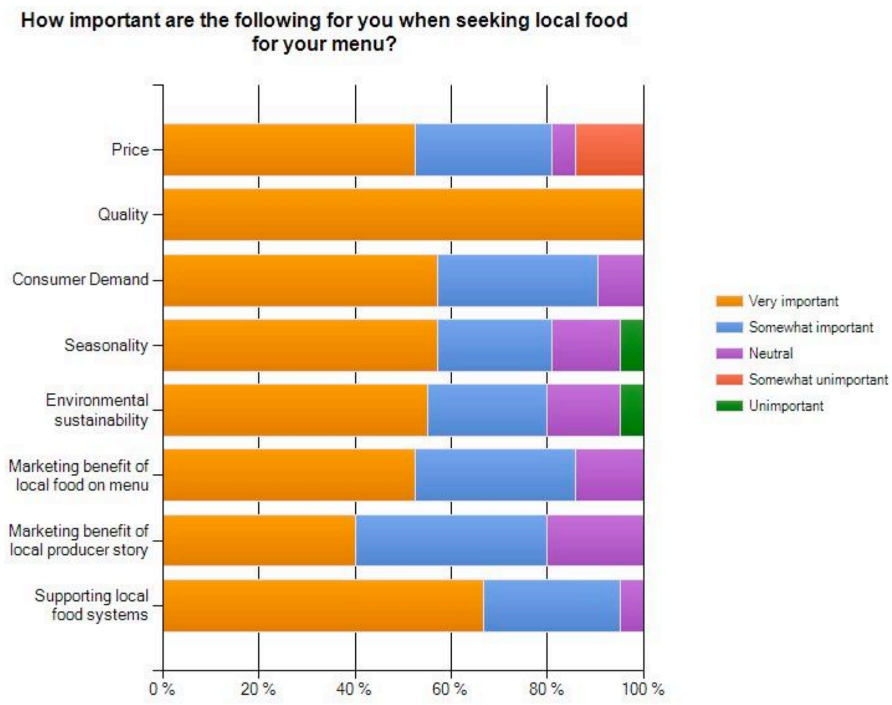


Figure 4.4: Anchor Consulting Chef Survey – Local Food Priorities

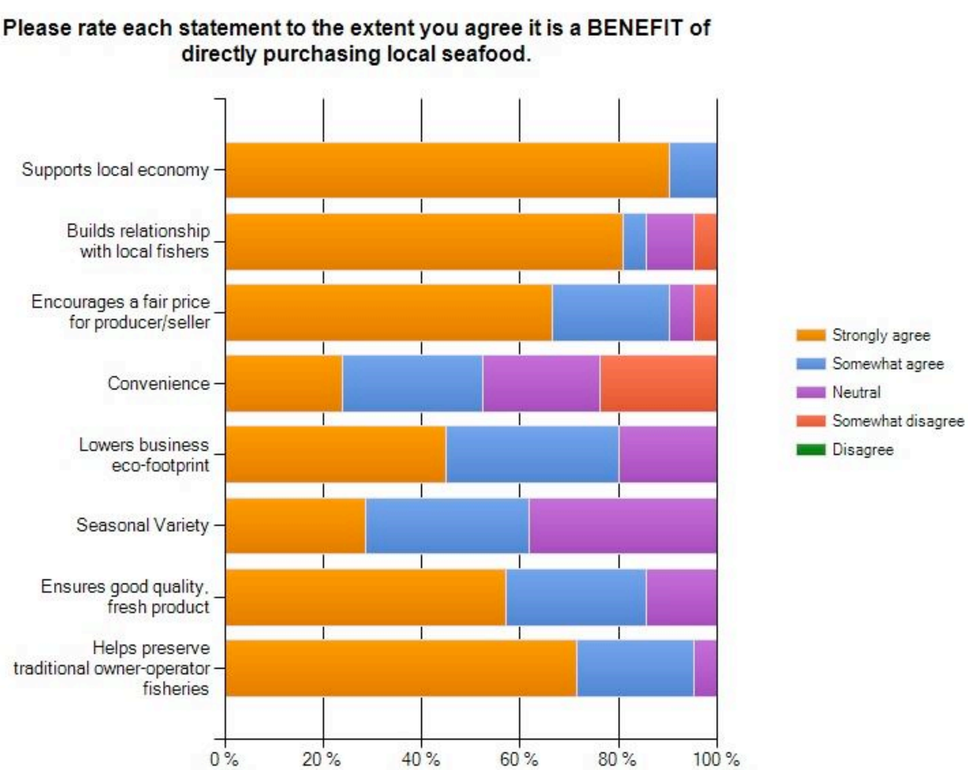


Figure 4.5: Anchor Consulting Chef Survey – Direct Purchasing Benefits

5. LOOKING AHEAD

Pursuing market diversification for local seafood products is an important economic strategy as the industry shifts and changes. Direct market enterprises may be an excellent diversification tool for small-scale fishers and aquaculturists. Further, research has shown that **local direct marketing has the potential to lead to greater stability, local autonomy and opportunities**, a fact confirmed by local producers interviewed for this study (Halweil, 2002; Norberg-Hodge et al., 2002).

Direct market enterprises can also help to address supply chain gaps by encouraging consumers to seek out local food and by creating a demand producers can then respond to. They create employment opportunities in rural areas and generate economic activity throughout the supply chain from rural/coastal producer to urban restaurateur or retailer. Research has also shown that local food sales generate increased recirculation of capital in the local economy (Halweil, 2002).

Our preliminary survey research has demonstrated a strong affinity among consumers for local seafood options, and a strong willingness to pay slightly more for directly marketed seafood if the premium went to supporting fishermen, coastal communities, or the ocean environment. There was also overwhelming agreement that local direct marketing of seafood supports the local economy, encourages a fair price for the producer/seller, and preserves small owner-operator fisheries.

There is also substantial evidence that increasingly the availability of local foods can enhance health, food-security and well being for persons, communities, and ecological systems (Guptill & Wilkins, 2002).

Small-scale seafood producers are beginning to explore, and in some cases realize, potential opportunities offered by direct marketing and value-added goods and services in gaining a niche market share. Unfortunately though, these efforts are currently largely unsupported and happening piece meal around the province.

Many of the barriers to local direct marketing identified by small-scale producers related to food policy and distribution systems designed for larger scale industrial players. Indeed current marketing support in the province tends to focus on export development benefit larger industrial players. At the same time consumers, including chefs, have expressed keen interest in supporting direct marketing schemes, especially those that can overcome the barriers of inaccessibility and inconvenience.

Seafood direct marketing via Community Supported Fishery (CSF) enterprises along the US Eastern Seaboard have enjoyed immense popularity in the past three years, with more CSFs beginning up all the time. Fishers in these regions have enjoyed the coveted benefits of better prices and increased sense of control over their livelihoods, while local consumers have responded enthusiastically to the renewed access and convenience of local seafood drop-off and delivery points. Small-scale farmers in Nova Scotia are enjoying similar success with a variety of Community Supported Agriculture (CSA) enterprises that allow for cost and risk sharing at the beginning of the season.

The direct marketing of small-scale seafood products will not erase all of the challenges facing Nova Scotia's seafood industry. However, based on the available literature and on the market research gathered in this study, **a variety of policy changes are needed to facilitate and support local seafood direct marketing enterprises.** The Nova Scotia Department of Fisheries and Aquaculture is uniquely positioned to create and maintain policies that help small-scale fishers and aquaculturists diversify their businesses and add to the resilience of our province's coastal communities.

The current groundswell of support for local food in Nova Scotia may offer unique opportunities to invest in and develop seafood direct marketing enterprises. Taking lessons from CSAs, CSFs, and other direct marketing models, a well-designed pilot project or start-up enterprise could open the door to exciting new prospects for small scale fishers and aquaculture operators in the province, prospects with benefits that extend far beyond the producers themselves, sustaining communities and ocean ecosystems.

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APPENDIX A: INTERVIEW HIGHLIGHTS

A. GENERAL/ LOGISTICS

-Do you sell local seafood directly to consumers, restaurants, specialty retailers? Anywhere else?

SDMS04: Home delivery to consumers and a few restaurants.
SDMS05: Consumers and taverns, a few fish markets.
SDMS06: Consumers, .
SDMS07: Consumers,. Some home delivery.
SDMS08: Consumers, lobster.
SDMS10: Planning stage so far. Co-op.
SDMS14: Consumers direct.
SDMS19: Consumers and restaurant. Retailers not good for consistency and quality rep.
-
SDMS16: Consumers
SDMS17: Consumers
-
SDMS06: Farmgate and direct to restaurants and small retailers. (Wine).
SDMS12: Consumers direct. Farm products.
-
SDMS03. Consumers – a few chefs also participate.
SDMS11: Consumers and restaurants. Restaurants "good for the bottom line, being steady." .

-What percentage of your seafood business is direct marketing?

SDMS2: 10-15% two trucks on the road.
SDMS05: Almost 100%
SDMS07: 100%
SDMS08: Not sure, maybe 25%.
SDMS10: Would love 100%, but even 30% would be great start.
SDMS14: 100%
SDMS19: 100% most in NS, some outside.

SDMS06: 100% in Nova Scotia.
SDMS12: 20%, rest goes wholesale.

SDMS03: Almost 100% boats are oriented for consumer direct marketing
SDMS11: 100%. CSF.

-What forms of direct seafood marketing are you interested in? Which are you presently engaged in, if any?

SDMS01- Coops. Home delivery. Farmer's Markets.
SDMS02- Home delivery.
SDMS05: Delievery. Interested in "wharfgate" and roadside too.
SDMS06: Has done roadside lobsters, interested in various direct marketing ideas for harpooned swordfish, from wharfgate to restaurant direct marketing, to CSFs.
SDMS07: Roadside and home delivery- but would love to find PROCESSING.
SDMS08: Roadside.
SDMS10: Co-op mediated sales, to skip buyer.
SDMS14: Home delivery and roadside peddling.
SDMS19: Internet, farmer's market and some "wharfgate".

SDMS06: Farmgate.
SDMS12: CSA and farmgate.

SDMS03: Facilitating direct marketing wharfside through phone service.
SDMS11: CSF

-Do you have a direct marketing business plan?

SDMS01- yes, though simple. Needed for a funding application.
SDMS10- Not yet, but planning one.
SMDS14: Not large enough scale to need one. "Learn as I go."

SDMS19: Yes, a few. (Wife does marketing for a living!)

SDMS16: Yes.
SDMS17: Yes – because was involved with an ACOA grant application.

SDMS06: Yes, elaborate, complete.
SDMS12: Yes, "quite a business plan." Took 40 hours work, focusing on details thinking.

SDMS11: Yes, for CSF, developed with NGO, other partners.

B. REASONING/ MOTIVES

-What made you interested in pursuing direct marketing of seafood in the local supply chain (reasons/ motive)?

SDMS01: "Trying to promote local fishing, sustainable fishing through consumerism, as a political non-profit."
SDMS02: Local demand, looking to expand business.
SDMS04: Price- bypassing the middle man.
SDMS05: Having a diverse set of customers = more control over livelihood. Ie, used to depend wholly on Fishermen's Market, who were really inconsistent.
SDMS06: $$. Trying to get a more reasonable price. Very little competition – ie because ITQs mostly owned by buyers, vertical integration.
SDMS07: Price. Commodity market for shrimp is very low priced, not worth fishing for that.
SDMS08: Monopoly buyer, terrible prices, can't live that way, but worth fight for pride alone.
SDMS10: Price for lobsters going down last three years. Also a monopoly in the area makes for unfair pricing and treatment.
SDMS14: Control and independence. Can control quality and set own price. Cutting out the middle man.
SDMS19: Quality Control. In NS, plants are quite far apart, when the shellfish is out of your hands, you lose control of consistency and can't control cost either.

SDMS16: Both environmental and social reasons. A way to consolidate shopping excursions for people. With seafood particularly, it was spurned by consumer demand, groundfish sells out immediately.
SDMS17: Something wrong – a disconnection between our local food culture and dietary health/ environment. Seafood is an important source of protein – and part of our "maritime fabric." Wanted to prove that consistent sustainable seafood IS available in NS.// "Because we are a have not province, we have a need for a solid local business network."

SDMS06: Crazy markup by the near-monopoly buyer – not good for sales. Also crazy beaurocracy and no repect for local quality.
SDMS12: Wanted to bring people back into the food system equation, which had removed people and made us lose our faith in people. "Asked, What do we need to do to sustain our family, and worked backwards to see what could work to let us make that connection."

SDMS03: Consumer demand – getting calls all the time to find out when boats in, what's in them. Fishers get to fish less this way- but better prices make it worth it.
SDMS11: Poor economic conditions for groundfishermen. Needing better price. Marketing as a way to leverage for regulatory change around gear restrictions, area management, etc. Wanting to create a new marketing mould that could be learned from.

-Are you/ did you transitioning from another type of business model? If so, what?

SDMS06: Used to sell to one company, but found inconsistent, dangerous to put all eggs in one basket.
SDMS10: Always sold to an established buyer, but no longer happy with pricing, etc.
SDMS14: Used to sell all clams to one company. Started getting ripped off.

SDMS17: Yes.. Saw need for local-oriented food business. Seafood "part of our Maritime Food fabric."

SDMS12: Grew up on a farm doing wholesales and Farmer's Markets. Bought a small organic farm, went to a conference about Community Supported Agriculture and wanted to get into it.

SDMS03: Former harbourmaster was against direct marketing and didn't allow it…. Friendly with buyer monopoly. New harboumaster has brought this change.
SDMS11: Sold to buyer. Bad prices.

-What is the overall goal or vision for your business? A mission statement? Has it shifted over time?

SDMS01: Co-op project to support local fishers with sustainable gear.
SDMS05: Survival!
SDMS08: Fighting for fishing to keep happening in his community.
SDMS14: Quality and freshness. You can trust me – my reputation.
SDMS19: Qulaity – also connecting the product with the family history, story.

SDMS16: Dedicated to satisfying the growing demand for healthy, locally grown, affordable and ecologically sustainable food.
SDMS17: Vote with your dollars, take control back. Don't bastardize food's integrity, which comes with nutrition, taste and a story.

SDMS06: Quality first, the rest will follow.
SDMS12: "A viable sustainable business where people are part of the food community and where people can know where their food has come from."

SDMS03: "Our harbour, our community." Also a mandate to encourage tourism.
SDMS11: A sustainable fishery. However, over time this has shifted the focus more on income generation as economic crisis worsens, groundfish prices continue to plummet.

-Do you feel your business is sustainable?

SDMS01 – No it wasn't. too much responsibility on one person (all volunteer, she had a baby, stopped). Also- no contract and depending on one plant or source, not secure, only got leftovers.

SDMS02 – difficult economic times, drop off in demand. Unsure.
SDMS07: Fishing method sustainable – business model needs input of processing to be more sustainable though.
SDMS08: Worried what will happen the way the lobster business is going. Too many fishing for it. Too much buyer control.

SDMS03: Yes, though demand currently outstrips supply.

SDMS12: not yet. The business is new, it needs more cashflow coming through. Wants to be able to pay farm workers better as well – a living wage to keep good skilled staff, and doesn't feel she is there yet.

C. BENEFITS

-What do you see as the main benefits of direct marketing in the local supply chain? What about for others - ie community, individuals, economy, etc.?

SDMS02: Introducing Nova Scotians, even ones in fishing communities, to their own local fish – how good it can be when fresh and well handled.
SDMS04: Price- there is a satisfaction that comes from getting the price you actually deserve for your fish.
SDMS05: Meeting community. 7:40. Also providing local employment in the immediate area.
SDMS06: Opportunity to experience the quality, support "greenness". With lobsters people were sympathetic to harvester situation, wanted to support him. There is also a price point for customers associated with skipping the middle man.
SDMS07: More control over the price. Better price.
SDMS08: More control over the price, more price in the livelihood by interacting with customers directly, teaching them the value of what you do.
SDMS10: Feeling the support of local people. Better price possibilities, and more control.
SDMS14: Interacting with community.
SDMS19: The opportunity to have relationships, feedback, pats on the back, but also have the time out in nature during harvest. The balance. Possible benefit is that he may inspire other young people to provide local food.

SDMS26: Seeing progress in the local, alternative food system. For example, finally seeing growth in the supply base, and meeting young farmers, making contact with local fish suppliers.
SDMS17: Providing the link for people to know and trust where food has come from. On a bigger scale – helping build a network that can fortify small-businesses and increase the futue supply of local foods.

SDMS12: With a CSF, you get the money up front, which is helpful for budgeting – for example to arrange an operating line at the start of the season. // More generally the shared learning that comes from engaging with your community.

SDMS03: Better price for fishermen, better awareness about local and sustainable seafood products, "a more fair marketplace without a buyer monopoly is just healthier for everyone."
SDMS11: Allowing for prices that groundfisherman can survive on. Finding that the message about supporting your local fisherman really resonates within the community, is good for morale, also helps to leverage for regulatory changes in the fisheries management.

-Are there others who might lose out as a result?

SDMS14: Not really - His small business a drop in the bucket – not a threat to bigger businesses or processors.

SDMS17: Bigger food businesses are not really good for anyone, and arguably especially not for poor people… whereas local food systems benefit everyone except big business.

SDMS03: "Nearby proessors and storefront fish sellers have squawked about this some, and to tell the trueth, they probably did lose some business. But they have also benefited increased foot traffic close to their selling areas- and for processors, because the fishermen are only allowed to sell whole, many customers are stopping off at processors to get filleting done."

-Have you experienced more control over your livelihood? Better market access?

SDMS04: yes- prices more stable allow for more control.
SDMS08: It is a start, yes. Worried the government will find a way to stop it though.
SDMS14: Yes, this was the whole point of switching to direct marketing.

-*Have you seen (other) positive outcomes for yourself or your business? Can you elaborate?*

SDMS03: There's been great free publicity for the whole area, including syndicated network coverage of the fish phone service, which has led to more foot traffic – good for all of the businesses in the area.

D. MARKETING/ BRANDING

-Who is your target buyer? Locals, certain income brackets, etc? Restaurants, retailers?

SMDS01: Everything from poor folk musicians to even 1 millionaire customer.
SDMS06: Father's day great time for direct marketing lobster.
SDMS07: Roadside in the winter – targeting rush hour traffic, morning and evening. Dusk interferes at certain times though.
SDMS14: Community connections, long established relationships.

SDMS16: Anyone interested in organic food. But educated and well-off clientele do dominate.
SDMS17: Grabbing the foodies and enviros first, but then trying to bring the "local food" cache down to the masses as an end goal. Foodies are too few and enviros are too poor, we need the masses. "We'd like to de-businify real food."

SDMS06: Farmgate sales – 65% maritimers, 20,000 a year. Target people who seek quality and locality – "not your cheap walmart customer."
SDMS12: Wasn't really thought through, no particular demographic, just people committed to good food.

SDMS03: Different ethnic markets for different fish products. Also tourists.
SDMS11: Locals who are interested in supporting local fishermen, coastal economies. Which seems to resonate widely in his community, which is tight knit.

-How have you/ do you plan to engage your target audience?

SDMS01: Word of mouth
SDMS02: Knocked on doors initially, then word of mouth.
SDMS05: Word of mouth and business cards. Have called cooks in restaurants. But after 50 years in the business – people know you by name.
SDMS07: Have signs on power poles, signs on the truck. Sits in a visible place. Has also used a phone list to do initial contacts.
SDMS08: Word of mouth and a well-place truck all you need.
SDMS10: Co-op pooling money to hire a marketer – logos, contacts, etc.
SDMS14: Word of mouth, long established relationships. Has used facebook sometimes too.
SDMS19: Word of mouth, using the internet, engaging display at the market, reputation.

SDMS16: Being visible, online and at events. Raising awareness about food issues at festivals and other venues.
SDMS17: Word of mouth. Good dishes, good ingredients in a form that are amenable to the "regular joe", ie not "gourmet". Also working with various groups and in a small-bisiness network, being visible.

SDMS06: Quality speaks for itself.
SDMS12: Online presence key for establishing and spreading word of mouth. Blog, emails, enewsletters. (Only 2 of 200 subscribers used the phone, rest signed up by email.)Also made printed materials with a graphic designer, was visible and active in local community. Let it go "viral."

SDMS03: Had no plan and have spent no marketing dollars – but media has spontaneously taken care of the need to spread the word. The media "framed it in the beginning as a fishermen's fight against a price monopoly, and this to Americans at least, is apple pie stuff, and the networks went with it." / Some individual boats have emails lists too, or cards they send in mailouts.
SDMS11: Working with an ENGO to develop marketing side- fully electronic social media based things, along with community events.

-How have you/ do you plan to adapt to customer feedback?

SDMS12: Planning a survey at end of season, in accordance with business plan.

SDMS16: Always on the look out for new suppliers, keeping a good list.

-How do you plan to communicate your seafood product's chain of custody? Ie tagging, traceability software, ecolabelling, website info, etc?

SDMS01: Trust – as a non-profit model, there is no reason to mistrust.
SDMS05: no website, no email, only use a computer for bookwork – his mom and dad do it.
SDMS08: Hearing about MSC, but sounds like a waste of money? Not sure you need it if people can see yer face and talk to you.
SDMS10: Hoping new marketer will work on this—probably website, logo, etc.
SDMS14: His reputation and personal relationship. Also – facebook sometimes.
SDMS19: Website is pretty key. Also being visible and telling personal story of the operation.

SDMS16: Webpage is "extremely important." Feels it is not the certifications but the stories of the producers that ismost important, would like to communicate that better on the website and in the store.
SDMS17: Website. Signage, working on getting a nutritionist intern to help explain and educate people about products.

SDMS06: his website is extremely important. Would like it to express more about the personal and family behind his vineyard though. 12:40.
SDMS12: Website important, personal contact with customers, and through email, etc, to establish trust, tell story.

SDMS03: No need for expensive labeling systems when you can talk to the fishermen themselves on the wharf.
SDMS11: CSF model allows for direct link back to fishermen. Lots of info communicated via website, acebook, community events.

-Do you feel you have enough access to marketing information? What kind of market research/information do you think could help?

SDMS17: Feel he has enough access, lots of data, but TIME is the barrier, no time to absorb it all.

-Have you explored value-added products?

SDMS05: Breading clams -before the days of certified kitchens. Too much start up cost now to get a cert preparation place.
SDMS08: Wife tried to find HACCP certified kitchen, do lobster sandwiches for sale at bake sales, difficult though.
SDMS19: Too much red tape involved in value-added for shellfish. Also feels that it can encourage waste of less desirable parts of seafood- ie the organs of bay scallop.

SDMS12: Exploring the idea of having a certified kitchen in future.

SDMS11: First year only whole groundfish. This year, fishermen in the coop are taking turns actually making fillets. Adds complexity but is good money in the end.

E. BUMPS IN THE ROAD / BARRIERS

-Do you feel that government policies/regulations are currently helpful to direct seafood marketers? Can you elaborate?

SDMS01: Not really, because at the time of the coop it was operating in a direct marketing vacuum. If she did it now, she feels that policy support for MSC would be a barrier.

SDMS02: Seal cull needed. Also the quota system: puts a squeeze on the little guy. Seems it is the small guys who are penalized by this system. Day boats aren't the ones harming the fishery.

SDMS05: Economic development loans can be problematic – they want you to ask for lots of money, if you ask for too little they say it is "small potatoes" and don't give the loan – but if you want to stay out of debt you don't want a big loan! Also grant money for improving operations seems to favour bigger players, and penalize small independent businesses.

SDMS06: Peddling liscence a bit absurd, he feels designed to appease big buyers. ITQs a bigger deal – they concentrate owndership and reduce competition, squeeze out smaller players. No longer a competitive fishery for swordfish.

SDMS07: Experimental trap-shrimp license has sat in this stage for too long – why not make it a commercial fishery? Every year they must wait for details of the years experiment to be announced – once waited until March!

SDMES08: Red tape on value-added products. Most DFO policies, even province and municipality favour large corporate players.

SDMS10: No government policy in place to properly prevent buyer monopolies. Peddling bylaws and licenses is government working to make things difficult for small players.

SDMS14: Shellfish ban process- Government gave no notice to harvesters – he found out because his wife read about it on the internet. // Also food safety regulations are important but could be made easier to understand.

SDMS16: Food safety regulations can be unclear, especially as they vary from product to product. Some things you don't know about until you get caught for it.
SDMS17: Green procurement plan could be really great. But it's a case of the bean counters in gov versus those into the green side. / Also, support needed to simplfy distribution channels when working with multiple products, etc., maybe using the internet.

SDMS19: Every small business will complain about time consuming paperwork and regulations. Shellfish aqua regs, esp though, a jurisdictional mess. New protocols come down, but are not consistent. Closures not communicated well, no warning to growers. Need more coordination and communication between various departments.

SDMS06: Government departments not communicating – especially between tourism and agriculture, economic development.
SDMS12: Policies have been mostly pretty helpful. Got two grants – one an Innovative voucher, and another from Direct Market Trust Fund.

SDMS03: Worked in collaboration with Health Department and an Insurance company to make it work, to ride through some of the confusing policies.
SDMS11: USA context, management measures that are working to eliminate the small day-boat fishery, continuing to destroy habitat, lack of spatial management.

-In your opinion what are the biggest obstacles facing small-scale producers like yourself? Can you see any solutions to those issues? How have you overcome roadblocks along the way?

SDMS01: MSC is too crude, doesn't consider spatial management and habitat properly, supports the big industry at expense of smaller sustainable fishers. Also more generally the corporate, vertically integrated fishery is a barrier, in the way that it is given political priority over smaller community players.

SDMS02: Consistent supply.. We need to leave little fish in the water and let them grow – habitat protection could help, especially on spawning grounds..

SDMS06: ITQ system, which among other things has eroded trust between fishers and buyers and "consolidates wealth into the hands of fish buyers." Fish buyers own fish before they are even caught. / More generally, "the government prefers to deal with a handful of power players." Fish being perishable also makes logistics difficult when it comes to direct marketing – dependence on processing. Chefs and buyers looking for "just on time delivery, call us next Wednesday" when fishery doesn't allow for that regimented schedule… need something in writing so they don't renig at last minute. /

SDMS08: Government policies that favour the big players. Also, when it comes to shipping, much easier to find for large volumes of seafood.

SDMS10: Corporate players have too much pull on government, both provincially and federally. These big guys can also lower their prices to gouge the little guy at key times.

SDMS14: Quite a long process to set a small business- are their some regs that could be loosened to help small-scale? /Need more open clamming areas. What if communities were able to do some of their own water quality testing?

SDMS19: Beaurocrats invested in particular policies, created in their youth, many decades back. Younger, more enlightened visions are hard to realize, like butting heads. He's tried to overcome this through direct and open communication with these people, putting head down but picking battles carefully.

SDMS17: Jiggling the many aspects of small business- cashflow, PR, HR. Looking for a business MBA person to help Cutting the red tape ("the bulldozer commission") for local food businesses is essential, make less confusing, less small print, let's look at how to make it easier for a small-producer and work form the ground up.

SDMS06: A history of infighting in the fishery. Strong associations can help address issues and make it easier for political officials to understand. Need younger guys to take hold of new ideas.. Need to find opportunities to draw tourists to region for culinary experiences.
SDMS12: Most barriers have been logistical, related to find the time, energy and skills to carry out the plan. Lack of computer literacy in the producer-market sector is a big barrier.

SDMS03: "A monopoly of big buyers depressing what could be a very healthy marketplace."
SDMS11: Fisheries management policy that works against the small-scale fisher.

-How about some of the (other) barriers? Do you forsee technological barriers? Logistical barriers? Food safety issues?

SDMS01: Lack of information is a barrier. "Fishing areas are just less part of our landscape than the family farm – for example who knows really what Brown's Bank looks like?" People don't know their options and things are labeled well.

SDMS02- Time. 19:00. Ie, trying to sit at Farmer's Market's etc.

SDMS04: The logistical barrier of arranging for shipment of low volumes- ie is it worth driving down a 17 mile dirt road to pick up a small lot of fish.. Also, the low population density of this province compare to Maine, say 22:00.

SDMS05: "The price of gas is the price of doing business."

SDMS06: Lack of market knowledge among harvesters makes it hard to know when getting ripped off. Finding a processor to work with that won't own the fish.

SDMS07: Finding processing for trap shrimp that will keep it separate.

SDMS08: Food safety rules make it hard to do value-added seafood products.

SDMS14: Food safety regulations could be explained better and made easier for small-scale businesses/ harvesters to follow.

SDMS16: Supply is an issue when it comes to seafood. It can be limited, and it is oten seasonal, which confuses customers. People will horde-buy seafood when it comes into the store.
SDMS17: Food safety red tape: mostly a problem for off-site events and food prep.

SDMS19: Food safety red tape a major nightmare for shellfish aquaculture, needs consistency, see above.

SDMS12: Finding enough money in the business to pay workers fairly, so they can stay and skill-share, etc.

SDMS11: In a CSF model, difficult to avoid much of the work going back to fishermen – ie filleting, transport, etc--- they have to be really engaged in and dedicated to the idea of the eventual outcome- the broader goal of policy change. // Sees processing arrangement as key to any scale-up of this operation.

-Do you have ideas about how to get around food distribution systems that were built for larger scales and longer supply chains?

SDMS01: Niche marketing
SDMS05: If only people could work together…. But "fishers are a funny bunch".
SDMS06: Get rid of ITQs.

SDMS16: Notes that sometimes the alternative local food system has advantages. For example, working with the grassroots helps tune into seasons,the levels of supply and such, helps keep ear to the ground for new, innovative products. Don't have to arrange for long supply-shipping.
SDMS17: Building local relationships, understanding and being tuned into the seasons, and working this into local business planning.// 25:00, this task rests on the younger generation's interest and focus.

SDMS12: Connecting people to their food communities, putting them back in the equation.

SDMS03: Creating personal relationships and shorter supply chains while getting rid of monopolies.

-What could be done to encourage people to go into direct marketing of seafood on the local supply chain? Or should people not be encouraged?

SDMS01 fishers should be encouraged – but not at the expense of their day to day operations.

SDMS17: Local food has great potential marketing value on the local supply chain, along with the money making, it has potential to cause happy customers and producer/ consumer pride.

F. PARTNERSHIPS/ LINKS

-*What interesting partnerships have you sought out to make your business work? Gov, NGOs, industry, etc? Do tourists/ summer residents play a role?*

SDMS05: Proud of being independent- not interested in working with others! (Should have phrased this question better maybe…)
SDMS06: Negotiations with folks in fisheries management is based on personal relationships, he's seen it when working in shellfish world. /// Partnering with ENGOs is an easy sell and also really compatible with some fisheries, like harpoon swordfish, to work on fisheries reform and also marketing.

SDMS14: No – independent- this is a condition of my licence. Tourists play a big role in summer – When one finds him it is "like, bang, merry Christmas!" Sometimes yacht people are good market.

SDMS16: Very active with community partners, more in the past. Ie, ENGOs. And organic certification bodies. Also interested in government partnerships, particularly to pursue food security program, around using food allowance $$ to arrange delivery of food from his business, fresh healthy.
SDMS17: With ENGOs on events and for research and "ethical advice" Schools to get links to interns (business, nutritionists), and government for entrepreneurial support "if you are willing to jump through all of the hoops".

SDMS06: ACOA, Taste of NS, Select NS, Come to Life, Slow Food NS, Economuseum,
SDMS12: Worked with Provincial department, help with various grants.

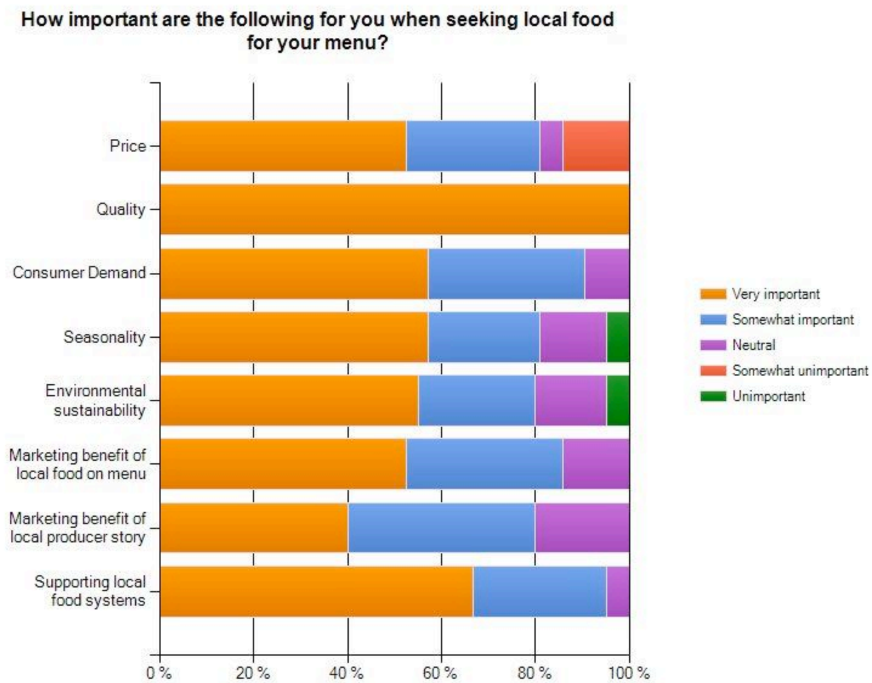
SDMS03: The Culinary Institute of America takes students out to talk about the importance of building relationships between restaurants and fishermen, show them how the gear works and how to shop. Have also worked with the local Chamber of Commerce, A Tourist Bureau, and a Farm Bureau that promotes local food.
SDMS11: Works in a coop model, closely with an NGO and a wharf authority. NGO helps with bookwork, marketing, and fundraising.

APPENDIX B: CONSUMER SURVEY TALLY AND HIGHLIGHTS

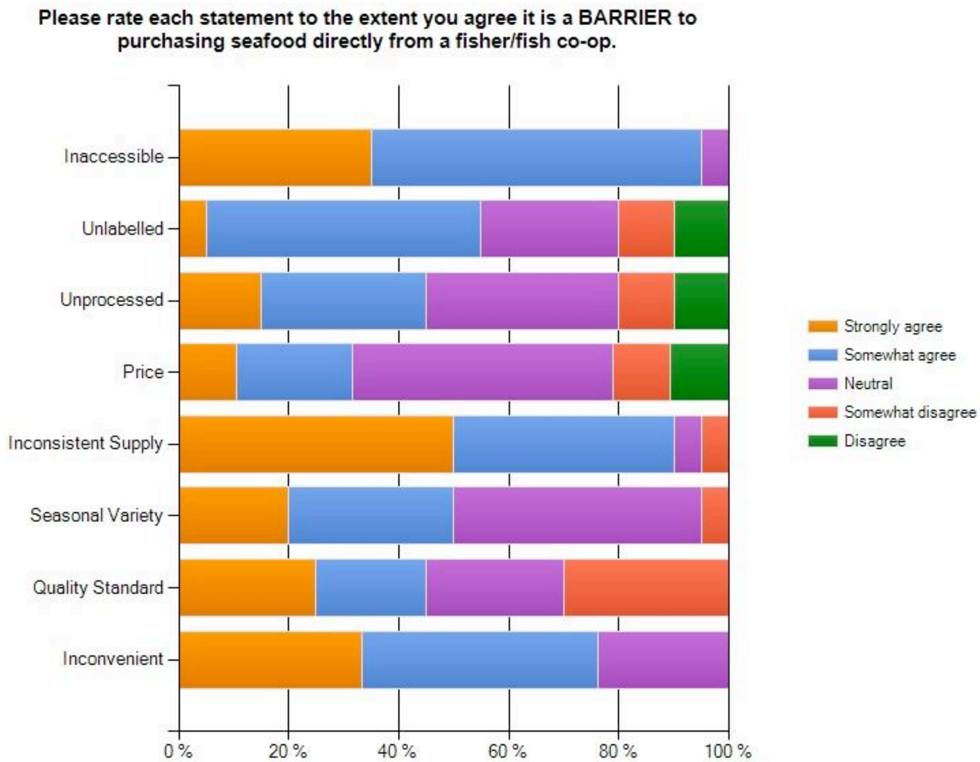
PQD CONSUMER SURVEY TALLY

How often does your household consume seafood products?		One or more/week	Three or fewer/month	Few/Year	Never		
	1	21	29	7	0	0	
		Specialty Grocer	Supermarket	Restaurant	Farmer's Market	Peddler	Wharfside
	2	17	33	26	34	12	
		Very/Strongly Agree/Likely	Somewhat Agree/Likely	Neutral/no impact	Somewhat Disagree/I	Very/Strongly Disagee/Unlikely	
How likely do the following factors encourage you to purchase a particular seafood product?	3A: Information on how to prepare it.	10	20	16	5	6	
	3B: Knowing the product is good for my health.	23	28	4	1	1	
	3C: Knowing where the seafood came from.	36	17	3	0	1	
	3D: Knowing the seafood was locally harvested.	35	13	7	1	1	
	3E: Knowing the seafood was sustainably harvested.	18	23	13	0	1	
	3F: The seafood was wild-caught.	3	14	17	9	13	
	3G: The seafood was farm-raised.	12	29	11	2	2	
I would pay slightly more for....	4A: A higher quality seafood product.	28	25	3	1	0	
	4B: Seafood that is locally harvested.	36	16	4	0	1	
	4C: Seafood that I know to be sustainably harvested.	34	13	6	0	1	
	4D: If the premium went to supporting fishermen, our coastal communities, or the ocean environment.	38	14	3	1	1	
Please rate the likelihood that you or your household might participate in the following direct marketing schemes.	5A: Weekly box of seafood dropped off at Farmer's Market.	4	31	5	10	6	
	5B: Weekly box of seafood delivered to you door.	10	21	9	8	7	
	5C: Direct purchase from a fisher or fishing co-op at a Farmer's Market Stall.	22	25	5	2	2	
	5D: Direct purchase from a fisher or fishing co-op in roadside pedler's van.	7	22	16	8	4	
	5E: Direct purchase from boat at nearby wharf.	9	17	11	10	9	
Some seafood direct marketers sell products in a relatively unprocessed form. Please rate your likelihood of purchasing....	6A: Whole fish, gutted.	14	18	3	16	3	
	6B: Filleted fish.	33	19	0	2	2	
	6C: Whole clams.	12	12	9	13	9	
	6D: Shucked clams.	10	18	10	8	10	
	6E: Whole shrimp.	13	18	8	9	7	
	6F: Peeled de-headed shrimp.	20	15	9	4	6	
	6G: Live lobster	19	15	6	5	11	
	6H: Cooked lobster.	4	18	7	10	17	
Please rate each statement to the exter you agree it is a BENEFIT of purchasing seafood directly from a fisher or fishing co-op.	7A: Supports local economy.	41	10	6	0	0	
	7B: Builds relationship with the producer.	32	17	7	0	0	
	7C: Encourages a fair price for the producer seller.	34	18	4	0	0	
	7D: Ensures a good quality product.	27	22	8	0	0	
	7E: Convenience.	13	23	13	3	0	
	7F: Benefits health.	18	25	15	3	0	
	7G: Benefits the ocean environment.	28	18	6	3	1	
	7H: Helps preseve traditional owner-operator fisheries.	34	16	4	1	0	
	7I: Price.	15	23	15	2	0	
Please rate each statement to the exter you agree it is a BARRIER of purchasing seafood directly from a fisher or fishing co-op.	8A: Inaccessible.	18	21	8	7	2	
	8B: Unlabelled.	7	19	9	9	11	
	8C: Unprocessed.	5	13	22	8	7	
	8D: Price.	6	17	17	9	5	
	8E: Inconvenience.	4	25	15	8	4	
	8F: Quality.	6	9	12	11	17	
Please rate each statement to the exter you agree it would be an INFLUENCE IN FAVOUR of purchasing seafood directly from a fisher or fishing co-op.	9A: Better country of origin labelling.	21	18	15	1	1	
	9B: Better eco-labelling.	24	12	17	2	1	
	9C: Better labelling.	21	16	17	1	1	
	9D: More recipes and preparation information.	4	15	26	7	2	
	9E: More processing (ie peeled, spiced, cooked).	2	15	21	11	4	
	9F: More availability.	20	19	13	0	0	
	9G: More chance to meet/interact with producers.	21	17	13	3	0	
Are you....		Male	Female				
	D1	19	36				
to Which age group do you belong?		Under 18	18-24	25-34	35-54	55-64	65 and Older
	D2	1	13	22	13	5	
		Place - fill in horizontally, tally matches?					
Place of residence.	D3 Halifax, NS	46					
	Other	5					
What is the highest level of education you've acheived?		Some High School or less	Grad High School/Equiv	Vocational/Technical	Some University	Graduated University	Post-grad degree
	D4	2		1	8	13	
Annual Income level.]		Under $18,000	$18,000-22,000	$22,000-35,000	$35,000-50,000	$50,000-80,000	$80,000-100,000
	D5	13	5	4	1	3	

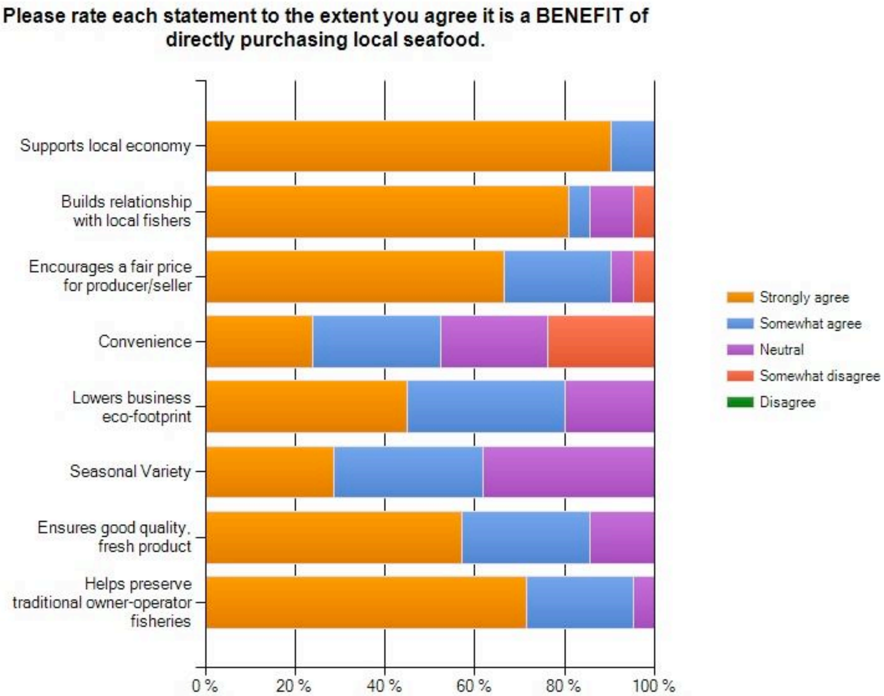
APPENDIX C: DIRECT MARKETING TO RESTAURANTS- SURVEY HIGHLIGHTS



How important are the following for you when seeking local food for your menu?						
	Very important	**Somewhat important**	**Neutral**	**Somewhat unimportant**	**Unimportant**	**Rating Average**
Price	**50.0% (11)**	31.8% (7)	4.5% (1)	13.6% (3)	0.0% (0)	1.55
Quality	**100.0% (22)**	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	1.00
Consumer Demand	**54.5% (12)**	36.4% (8)	9.1% (2)	0.0% (0)	0.0% (0)	1.27
Seasonality	**59.1% (13)**	22.7% (5)	13.6% (3)	0.0% (0)	4.5% (1)	1.23
Environmental sustainability	**52.4% (11)**	28.6% (6)	14.3% (3)	0.0% (0)	4.8% (1)	1.29
Marketing benefit of local food on menu	**50.0% (11)**	36.4% (8)	13.6% (3)	0.0% (0)	0.0% (0)	1.23
Marketing benefit of local producer story	**42.9% (9)**	38.1% (8)	19.0% (4)	0.0% (0)	0.0% (0)	1.19
Supporting local food systems	**68.2% (15)**	27.3% (6)	4.5% (1)	0.0% (0)	0.0% (0)	1.23



Please rate each statement to the extent you agree it is a BARRIER to purchasing seafood directly from a fisher/fish co-op.							
	Strongly agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Rating Average	Response Count
Inaccessible	38.1% (8)	**57.1% (12)**	4.8% (1)	0.0% (0)	0.0% (0)	1.52	21
Unlabelled	9.5% (2)	**47.6% (10)**	23.8% (5)	9.5% (2)	9.5% (2)	1.71	21
Unprocessed	14.3% (3)	**33.3% (7)**	**33.3% (7)**	9.5% (2)	9.5% (2)	1.48	21
Price	10.0% (2)	25.0% (5)	**45.0% (9)**	10.0% (2)	10.0% (2)	1.30	20
Inconsistent Supply	**52.4% (11)**	38.1% (8)	4.8% (1)	4.8% (1)	0.0% (0)	1.43	21
Seasonal Variety	19.0% (4)	33.3% (7)	**42.9% (9)**	4.8% (1)	0.0% (0)	1.00	21
Quality Standard	23.8% (5)	23.8% (5)	23.8% (5)	**28.6% (6)**	0.0% (0)	1.57	21
Inconvenient	31.8% (7)	**40.9% (9)**	27.3% (6)	0.0% (0)	0.0% (0)	1.14	22



Please rate each statement to the extent you agree it is a BENEFIT of directly purchasing local seafood.						
	Strongly agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Rating Average
Supports local economy	**90.9% (20)**	9.1% (2)	0.0% (0)	0.0% (0)	0.0% (0)	1.09
Builds relationship with local fishers	**81.8% (18)**	4.5% (1)	9.1% (2)	4.5% (1)	0.0% (0)	1.05
Encourages a fair price for producer/seller	**68.2% (15)**	22.7% (5)	4.5% (1)	4.5% (1)	0.0% (0)	1.27
Convenience	**27.3% (6)**	**27.3% (6)**	22.7% (5)	22.7% (5)	0.0% (0)	1.50
Lowers business eco-footprint	**42.9% (9)**	38.1% (8)	19.0% (4)	0.0% (0)	0.0% (0)	1.19
Seasonal Variety	27.3% (6)	**36.4% (8)**	**36.4% (8)**	0.0% (0)	0.0% (0)	1.00
Ensures good quality, fresh product	**54.5% (12)**	31.8% (7)	13.6% (3)	0.0% (0)	0.0% (0)	1.18
Helps preserve traditional owner-operator fisheries	**68.2% (15)**	27.3% (6)	4.5% (1)	0.0% (0)	0.0% (0)	1.23