

## MARKETING CONSIDERATIONS FOR OFFSHORE AQUACULTURE IN THE GULF OF MEXICO



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## Objectives

- **Develop a hypothetical marketing plan for offshore aquaculture production system (COAPS) in the Gulf of Mexico**
  - identify market trends
  - identify product forms
  - determine processing yields

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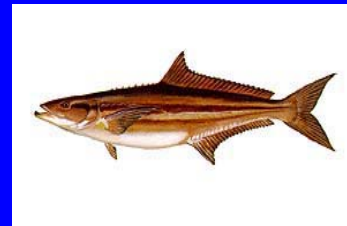
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## Market Trends

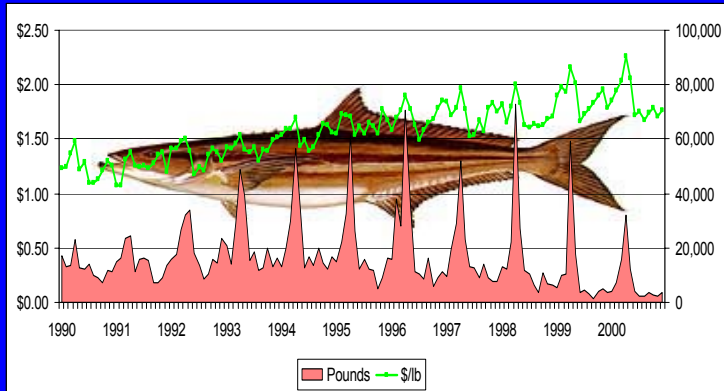
- **Domestic consumption and prices**
  - beginning inventory (+)
  - commercial landings (+)
  - commercial culture production (+)
  - imports (+)
  - exports (-)
  - ending inventory (-)

## Cobia, *Rachycentron canadum*



- Successfully cultured in ponds and cages in Taiwan.
- Can be grown to at least 5 kg in 12 months.
- Successfully spawned in USA.
- Commercial harvesting is subject to state and federal regulations

### Monthly U.S. Gulf of Mexico Commercial Cobia Landings

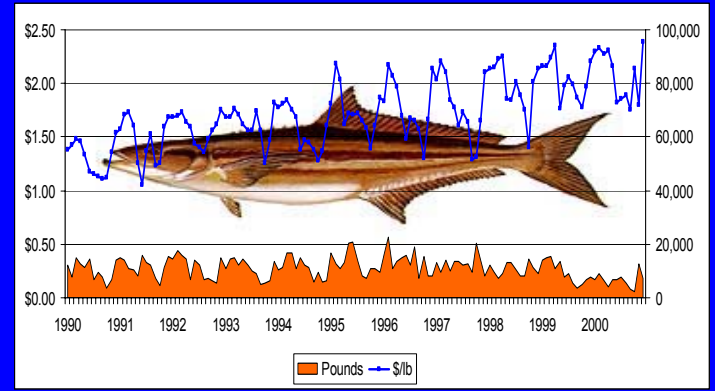


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### Monthly U.S. Atlantic Commercial Cobia Landings

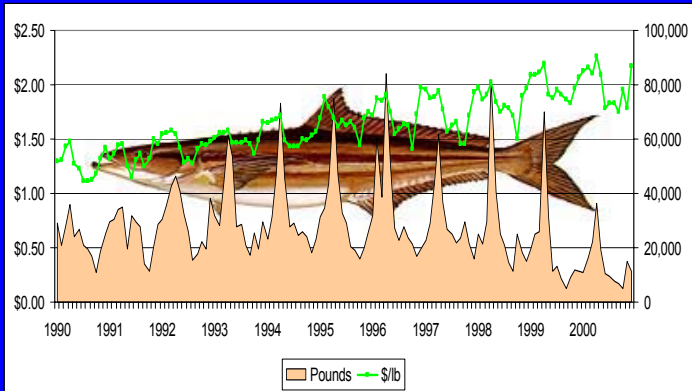


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### Monthly U.S. Commercial Cobia Landings

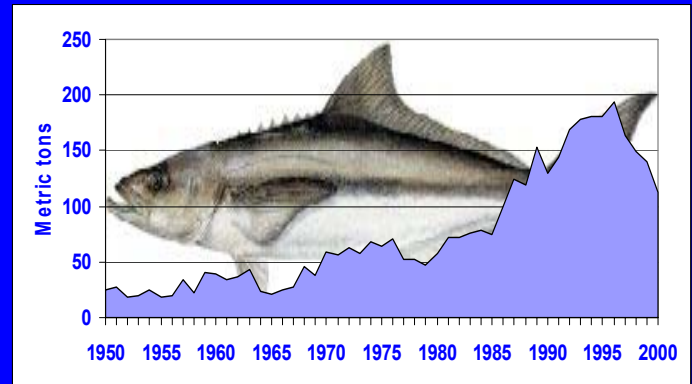


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### Annual U.S. Commercial Cobia Landings

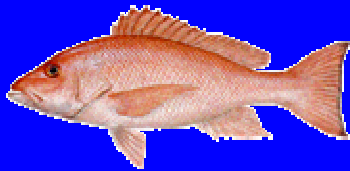


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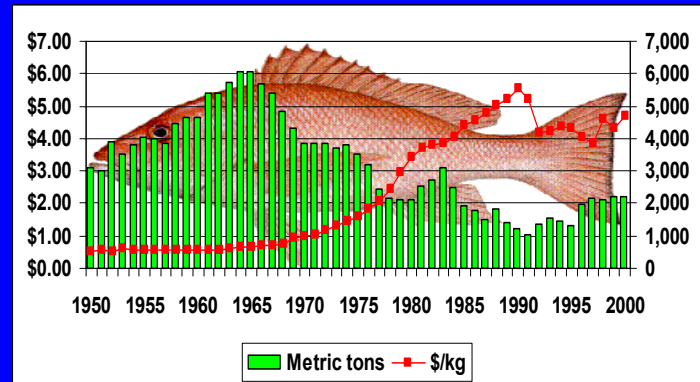
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## Red snapper, *Lutjanus campechanus*

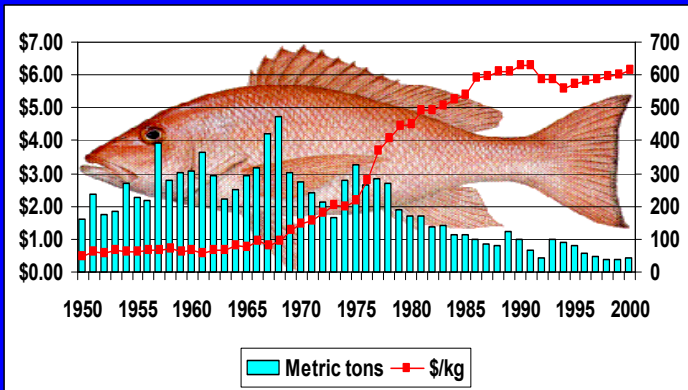


- Experimental results in Alabama showed growth rate of 1.23 g/day.
- Commercial harvesting is subject to state and federal regulations

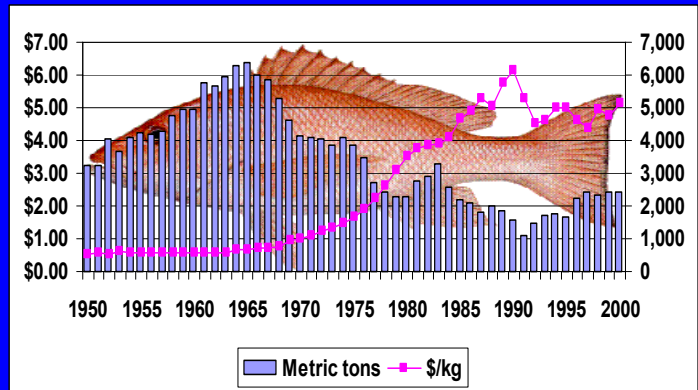
## Annual U.S. Gulf of Mexico Commercial Red Snapper Landings



### Annual U.S. Atlantic Commercial Red Snapper Landings



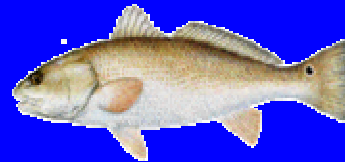
### Annual U.S. Commercial Red Snapper Landings



Average Wholesale Prices and Sales Volume of  
**Fresh Red Snapper**  
at 10 Major Central Wholesale Markets  
in Japan, June 2002

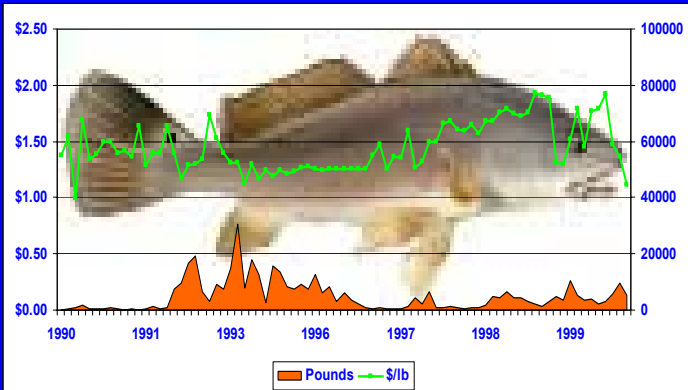
- June 2002 - 2,721 metric tons @ 950 yen/kg
- Jan-June 2002 - 17,566 metric tons @ 1,046 yen/kg

**Red drum, *Sciaenops ocellatus***



- Successfully cultured in ponds and offshore cages in the Gulf of Mexico.
- Can reach 1 kg in 12 months
- Commercial harvesting is subject to state regulations
- Illegal to harvest or possess in federal waters

### Monthly U.S. Gulf of Mexico Commercial Red Drum Landings

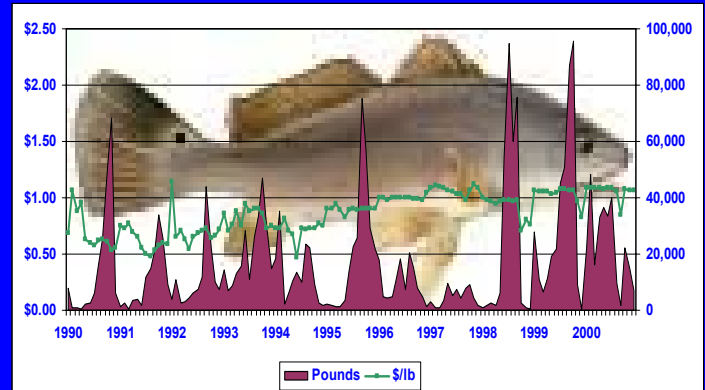


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### Monthly U.S. Atlantic Commercial Red Drum Landings



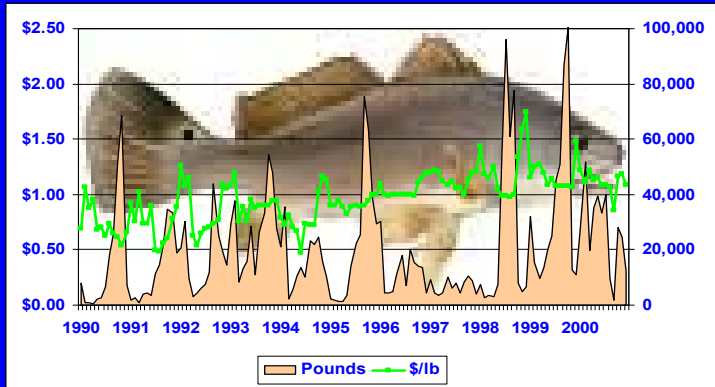
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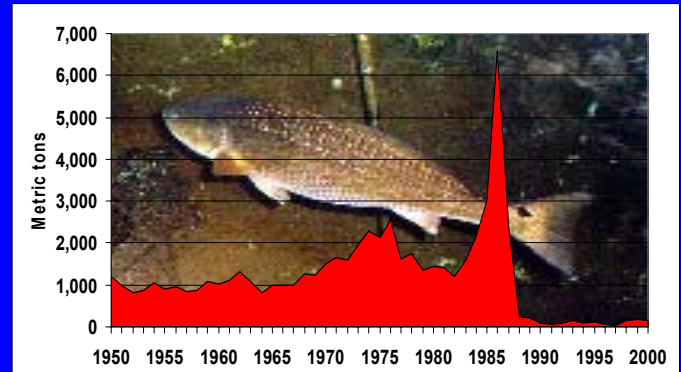
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### Monthly U.S. Commercial Red Drum Landings



### Annual U.S. Commercial Red Drum Landings



## U.S. REDFISH AQUACULTURE

- Less than 6 producers in the Gulf of Mexico.
- Annual production is about 1.3 million pounds
- Harvest size is about 2 pounds per fish.
- Farm-gate price ranges from \$1.40 to \$1.65 per pound, heads-on, fresh on ice.
- Harvest in one farm is year round, about 10,000 pounds per week.

## SUMMARY

- Seasonal variability
  - landings
  - ex-vessel prices
- Regional variability
  - landings
  - ex-vessel prices
- Harvesting regulations
  - state waters
  - federal waters

## Further OAC Marketing Research

- Develop a marketing plan
  - constraints limiting harvest, possession and sale of fish
  - discover new markets for new fish products
- Determine processing yields and processing costs
  - round, gutted only; dressed, H&G; fillets; value added
- Sensory evaluation and chemical analysis
- Direct marketing
  - > 20 chefs