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SHRIMP INDUSTRY SURVEY STRESSES MARKET PROBLEMS

Despite the growth and expansion of markets for shrimp, the industry has occasional setbacks and periods of marketing doldrums, according to Volume II of the Survey of the United States Shrimp Industry issued recently by the Fish and Wildlife Service, Department of the Interior.

Per capita consumption of shrimp has more than doubled in the past three decades but abnormal inventory accumulations and easing of consumer demand have sometimes led to declining prices which have troubled fisherman, processor and distributor. However, long-term prospects for the industry appear favorable.

The publication deals primarily with marketing but it has a summary chapter on Volumes I and II. Volume I, which pertains mainly to production and processing was issued a year ago. The survey was made by the Bureau of Commercial Fisheries under authority of the Saltonstall-Kennedy Act for the betterment of domestic fishery production and distribution.

Volume II points out that occasional exceptional profit-making opportunities in the United States shrimp fishery may lead to overcrowding in that fishery; reduced catches per operating unit may lead to intensified efforts; that resulting over-fishing may endanger the supply.

In 1940 for every ton of fishing capacity in the shrimp industry, approximately six and a half tons of shrimp were harvested. In 1950, 1953 and 1954, this average was only two tons of shrimp for each ton of fishing capacity.

The survey shows that unusually high prices tend to attract more boats into the fleet but because of the construction lag, the peak of expansion comes after the prices have started to decline. This condition adds to an already serious situation for the shrimp fisherman and in turn adds to marketing problems.

The report also points out that "a healthy market situation cannot be maintained unless production and prices stay at a level which simultaneously protects the resource from harmful biological consequences, the fisherman from losing his livelihood, and the processor and distributor from losing his customers as the result of immoderate price advances."

The report concludes with the suggestion that seasonal supply and inventory increases of unusual size must be met by the wholesale and retail trade by stepping up promotional programs to assure faster turnover; that consideration be given to effective commodity agreements with foreign nations which supply shrimp to the American market and that some thought be given to the establishment of a future market for trading in shrimp products.

Volume II is available in limited supply through the Fish and Wildlife Service, Department of the Interior, Washington 25, D. C. It is listed as Special Scientific Report--Fisheries No. 308. Volume I is SSR-Fisheries 277. Survey of the Shrimp Fisheries of Central and South America, SSR-Fisheries 235, and Foreign Shrimp Fisheries Other than Central and South America are also available.

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