

Urner Barry's Reporter

the newsmagazine for the food industry professional

VOLUME 18 | NUMBER 2 | SPRING 2023 | QUARTERLY



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AN ANNUAL REVIEW

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From the Editor's Desk...

As a seasoned industry veteran, I am always encouraged when I see an agri-business newcomer dive headfirst into their work with enthusiasm, energy and, most importantly, a new approach. It also gives me great pleasure to help any "greenhorn" or, for that matter anyone who will listen to me, learn the ropes and educate them on the intricacies of this great business. When I first began my career, it was always the senior statesmen who were the educators, the mentors, and the leaders in the trade. "Youngsters," like myself, were often told to keep quiet and pay attention! While having the privilege of being tutored by the best in the business, I am equally fortunate to have that same opportunity from today's food industry up and comers.

Hundreds of conversations, and hundreds more in the form of e-mails, cross my desk each year. In recent weeks, I have had the opportunity to dialogue with "new hires" here at Urner Barry, as well as those in the trade with only a couple years of experience under their belt. I can't help but wonder what it is like for them, as their eyes are slowly being opened to the inner workings of the ag business. Anyone who is a tenured observer will tell you that the last couple of years have been like no others. It's funny how new experiences and, indeed, new challenges, have a way of leveling the playing field when it comes to applying acquired knowledge from previous incidents and encounters. It sure would have been nice in 2020 to be able to turn to an "old-timer" and simply ask what the best course of action would be to tackle the greatest outbreak of human disease in modern history. Today, as the poultry and egg industries attempt to manage and ultimately eradicate highly pathogenic avian influenza, it would be nothing short of brilliant if we could page back in time and successfully apply the same tactics which were used in 2015. However, we know that both COVID and the present strains of HPAI are novel and therefore no playbook is available.

That's likely why I get excited about the potential the business of agriculture and protein production holds. The enthusiasm and technologically granted efficiencies that the newer generations possess may not exceed the acquired knowledge of decades of observation, but they certainly allow for a more immediate study of the past and more forthcoming solutions for the future.

Speaking of the future, for the first time in the 47 years that Urner Barry has been hosting the Executive Conference, the next generation of professionals in the protein sector will be put in the spotlight, with the inaugural presentation of Urner Barry's Rising Star Award. Do you know a colleague or a business partner who really stands out as a next generation leader? Someone who exhibits uncommonly positive character traits, work ethic and business acumen. Keep on the watch for the Rising Star survey link when registering for the Executive Conference, or in your e mail, and cast your vote today!

Stay in touch.



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Urner Barry's Reporter

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AGRI BRIEFING

Landmark California law could transform the QSR labor landscape

California Governor Gavin Newsom's FAST Recovery Act (AB257), a law which could make sweeping changes to working and pay standards for quick service restaurant (QSR) employees, will be decided by people on the November 2024 General Election ballot.

The law would create a fast-food council that has the authority to set working standards and a minimum wage of up to \$22/hour at QSR businesses with over 100+ nationwide locations. The law would also prohibit retaliation against employees who make certain complaints about the workplace.

California's Department of Industrial Relations (DIR) wanted to temporarily put the law into place at the start of 2023, with the *Sacramento Bee* reporting that there was \$8 million allocated in Newsom's 2023 budget for AB257.

However, the Save Local Restaurants coalition, which consists of small business owners and other stakeholders in the state, quickly challenged the bill, filing a lawsuit that argued voters in the state didn't get proper say.

The coalition, which is strongly supported by companies including In-N-Out Burgers, Starbucks and Chipotle Mexican Grill, was able to garner one million signatures from residents which confirm they want to vote on the legislation on the November 2024 ballot.

The coalition did end up with a win in court as a Sacramento County Superior Court

judge temporarily blocked the law from taking effect while the signatures collected by Save Local Restaurants were verified.

In the end, the voters will have their say in 2024 as state election officials confirmed the petition and signatures from the Save Local Restaurants coalition on January 24.

"California voters have made clear that they want a say on whether they must shoulder the burden of higher prices and job losses caused by the FAST Act. This legislation singles out the quick service restaurant industry by establishing an unelected council to control labor policy, which would cause a sharp increase in food costs and push many Californians, particularly in disenfranchised communities, to the breaking point," the coalition wrote following the confirmation.

National Restaurant Association Executive Vice President for Public Affairs Sean Kennedy said: "The FAST Act is bad policy that threatens not only quick service restaurants, but the independents operating in the same neighborhoods. There is no way that the regulations passed by this unelected council would not damage the state's restaurant industry, harm its workforce, and leave diners paying the bill."

While the wait is on to see what happens in California, in the backdrop sits an evolving fast-food labor situation.

Companies including Chipotle, White Castle and Pizza Hut are introducing robots throughout their processes. White Castle announced last year that it plans to install Flippy 2 robots in 100 standalone locations. And Pizza Hut Canada is using robots as part of its delivery service.

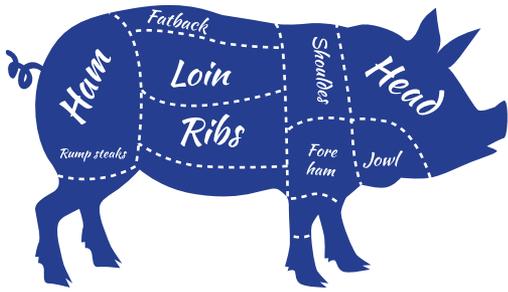
Meanwhile, the National Restaurant Association unveiled results from a survey of 3,000 restaurant operators in November 2022, where 89% of respondents said labor costs are a significant challenge. The labor concerns come as food costs are soaring in the industry, which 92% of respondents said was also a significant challenge.

There have also been breakthroughs on the union front with a Starbucks workers union, Starbucks Workers United, leading the charge. Already the group has unionized 278 stores, with its website claiming to have 41,000 union supports standing with it in solidarity.

Labor has been a talking point in the foodservice space since the eateries first reopened following pandemic-related lockdowns and the ensuing labor crisis. With a potential landmark law on the horizon, operators across the country will be keeping a close eye on California and what it will mean for the thousands of QSRs in the state. [UB](#)

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A LOOK AT BRAZIL'S EXPANDING PORK INDUSTRY

The Brazilian pork industry is a major player in the global market, ranking as the fourth largest pork producer in the world. Hogs in Brazil are typically raised on small to medium-sized farms, though the industry has a growing focus on raising hogs in commercial farms, using modern techniques and technologies to increase productivity and efficiency.

Brazil's hog farms are primarily located in the southern and southeastern regions, where the climate is more favorable for raising hogs. The industry utilizes modern technologies such as climate-controlled housing, feeding systems, and waste management systems, which allow for the efficient and controlled raising of hogs in large numbers. These farms often use a combination of feed made from corn and soybeans and the use of antibiotics is also common practice to prevent disease and promote growth.

The Brazilian pork industry exports a significant amount of pork to other countries. The main export markets for Brazilian pork

include China, Hong Kong, Singapore, and various countries in Central and South America. These countries are attracted to the high quality and low-cost of Brazilian pork, which has helped to establish the country as a major player in the global pork market.

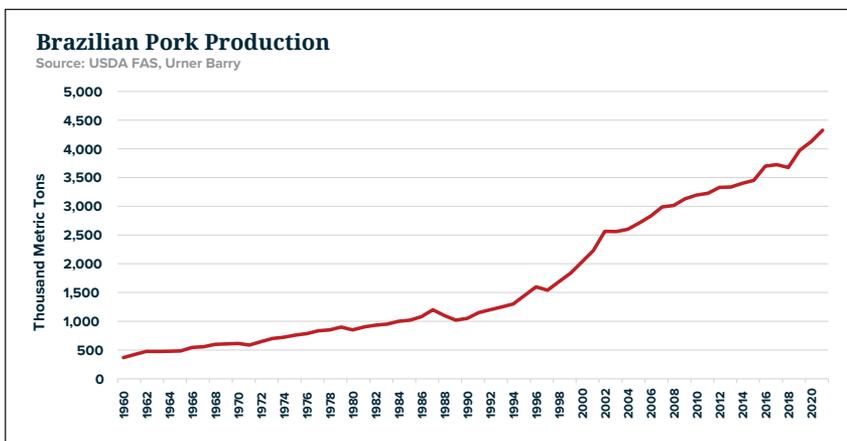
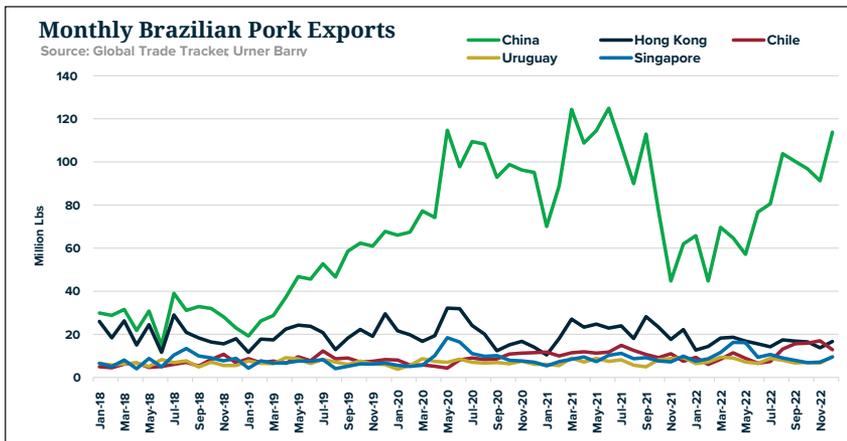
However, the industry has faced several challenges in recent years. Pork trade has been subject to various political measures that have affected its growth and competitiveness. One such measure is the imposition of tariffs and trade barriers by other countries, which has limited the ability of Brazilian pork producers to access global markets. Additionally, the industry has been affected by the recent economic downturn in Brazil and elsewhere, which has resulted in reduced demand for pork both domestically and internationally.

Despite these challenges, the Brazilian pork industry has continued to grow and expand. The government has implemented various measures to support the industry, such as providing subsidies and funding for research and development.

Additionally, the industry has been working to improve its sustainability and reduce its impact on the environment.

Hog and pork producers have faced some challenges in recent years related to environmental concerns. While the majority of hog farms in Brazil are located outside the Amazon region and have not been linked to the destruction of the rainforest, the industry is heavily dependent on the use of soybeans as feed, which are partially grown on land that was previously covered by rainforest. The industry has been working to reduce its impact on the rainforest by using sustainable farming practices, regulations to ensure that the use of pesticides and fertilizers is minimized, and alternative feed sources. However, more likely needs to be done to ensure that the industry is sustainable in the long term.

As Brazil's footprint in the global pork industry continues to grow and mature, they will increasingly be a country that the U.S. will directly compete with for export market share. The nation has some major hurdles, both politically and environmentally, though the overall trajectory of expansion indicates that Brazil will continue to be a sizable force in the protein market for the foreseeable future, and thus very much worth monitoring and strategizing around.



NOTE: The body of this story was generated almost exclusively by A.I., but fear not, the rest of the articles in this issue of the Reporter were written by living, breathing humans. With the rise in interest in OpenAI's ChatGPT service, I felt it would be an interesting experiment both to see how many readers would get through this article without realizing that it was computer generated, as well as to test how competently an A.I. could write an article of this length and detail.

The exact prompt used to generate this story was: *“Write an essay that is at least 550 words describing the Brazilian pork industry. Include details about how they raise hogs, the countries that they export pork to, and any political measures that would benefit or deter their hog and pork industry. Also include how many hog farms there are in Brazil and any impact that the industry has had on the rainforest.”*

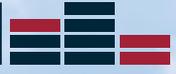
In its current form, A.I. is not infallible. For example, over three responses, I received three different estimates for the count of hog farms within Brazil. I also had to run it multiple times and combine the results to achieve the complete story above.

There are many moral and professional quandaries when discussing the use of A.I. in this fashion and the world will likely take a long period of time to decide on best practices and how to coexist with it. However, it appears clear that A.I. is not going away and thus, we can't pretend that this nascent technology doesn't exist. With that said, following this exercise, I believe writing by humans still has a secure place given the degree of massaging that was required to produce this piece. [UB](#)

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EU exports keep their head up despite soaring prices in 2022

EU exports of liquid and dried eggs outside the European free trade zone represent an important market, with an annual revenue just below 290 million euros (as an average in the last four years). In the meantime, the sector had to deal with continuous price growth in the recent 24 months, leading to record breaking prices across all categories throughout 2022. Surprisingly, extra-EU sales remained stable in volume last year, while generating a considerable growth in revenue, specifically for powders. However, it is uncertain how the world trade in egg products will evolve this year, as the impact of this price increase on trade volumes has recently become visible.

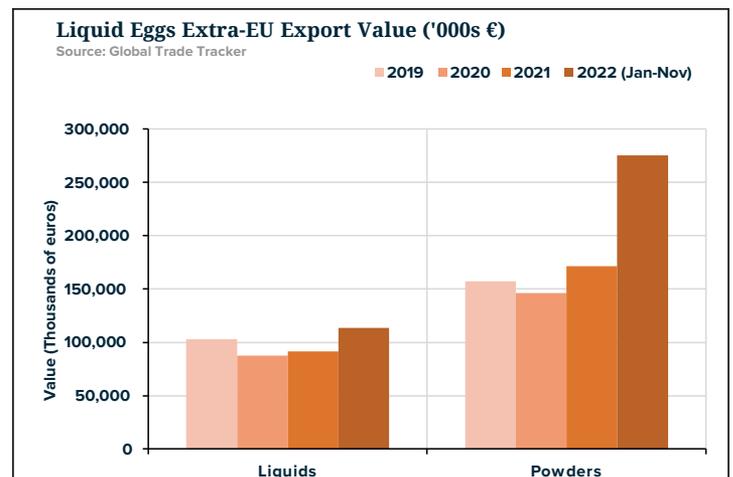
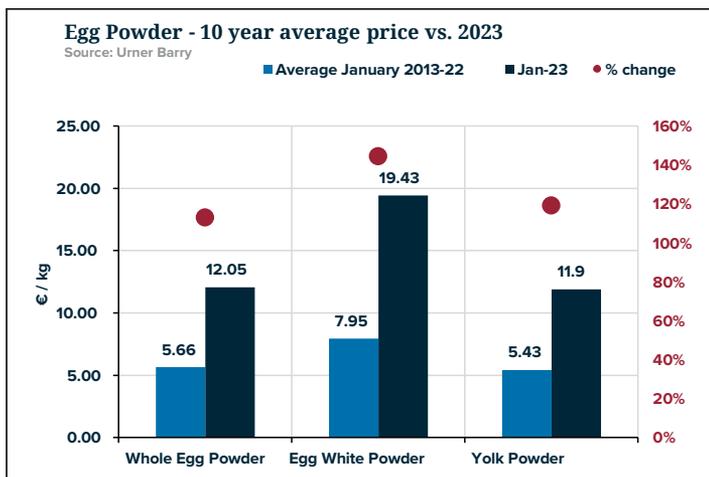
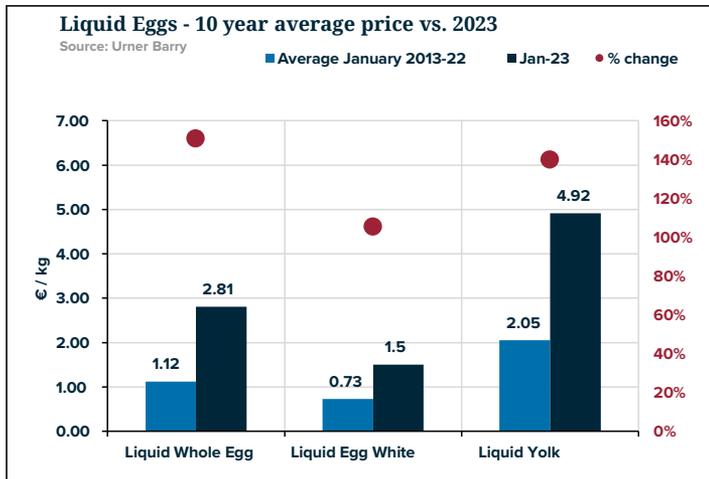
Prices for liquid and dried eggs started climbing after the global economic paralysis caused by COVID restrictions worldwide. In the egg product arena, the increase in values began to be noticeable in July 2020. In 2022, the war in Ukraine accelerated the progression by weighing on the cost of grain. At the same time, the EU was severely hit by bird flu, significantly reducing laying hen flocks. Eggs for breaking, which cost around 0.78 €/kg at mid-January on a 10 year average, swelled to 2.25 €/kg in

“Since July 2020, when prices started to take off, up to last year when they reached unprecedented values, export volumes did not record any decline.”

2023. In addition, the double-digit inflation on food and energy prices during last winter severely impacted consumer spending. And as eggs stood out as the most affordable animal protein, the demand from retailers exploded and the surplus of eggs usually channelled towards the industry disappeared. As a result of these factors, prices more than doubled within a year due to bird flu and retail demand.

Since July 2020, when prices started to take off, up to last year when they reached unprecedented values, export volumes did not record any decline. In 2022, from January to November, Global Trade Tracker recorded that 47,589 metric tons of liquid eggs were exported by the EU, against 48,558 on average on the last three full calendar years. Regarding powders, 25,747 metric tons left the EU over 11 months last year, while the past three year average stands at 27,055. When comparing 2019 to 2021 and 2022 over 11 months, liquid egg exports progressed by 5.1% and 3.5% for dried eggs. Powders main destinations are Japan and South Korea, and the UK and Switzerland for liquid eggs. In volume, cage whole egg is the product most exported, in the liquid category as well as in the dried category, whereas in value, the highest revenue, by far, comes from egg white powder.

Egg white powder is the most valuable egg item in euros per kilo, as liquid albumen is composed of 90% water. Not only is the loss in weight considerable during the drying process, but the energy needed to reach the High Gel quality exported represents



an increasing part of the output cost. In two years, the price of egg white powder in the EU nearly quadrupled from 5.68 €/kg in November 2020 to 20.50 €/kg in November 2022. However, in terms of exports, the volume trend is rather flat, at around 1500 metric tons per month on average, which suggest that export partners tended to accepted the price inflation.

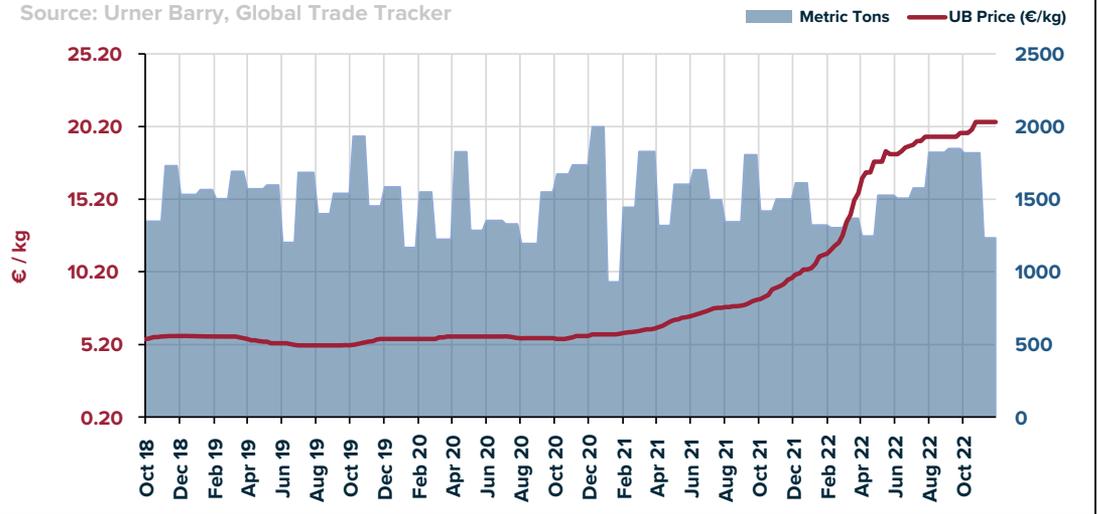
The impact of soaring prices in the last two years has been rather limited for egg product exports. However, we noticed in the start of the year that on the most expensive items, like powders, there are declining export volumes towards Asia. With the increased cost of raw material and soaring energy prices in the last few months, many drying factories reduced their production to only sell the minimum volume required for important customers. It was reported that food

manufacturing companies had to replace egg white as it became unaffordable. Potato starch and soya protein are said to be two main options for ingredient replacement. [UB](#)

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Egg White Powder, EU Quotation vs. Export Volume

Source: Urner Barry, Global Trade Tracker



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Women drivers are hitting the highways for the long haul



The trucking industry has been having a tough go of it over the last several years, be it cost of fuel, labor shortages for drivers, supply chain issues at ports or other factors. But labor issues have taken a positive turn lately as more women are entering the trucking industry at an elevated pace.

According to the Bureau of Labor Statistics, in general, more than 2,000 trucking jobs were added to the economy in December, with an estimated 63,000 jobs contributed to throughout the year.

Ellen Voie, founder, President & CEO of the Women in Trucking Association (WIT) said:

“We are seeing more and more women coming into the trucking industry. As anticipated, many women who worked in the service industry (hotels, restaurants, conferences, etc.) saw that we had jobs in trucking that couldn’t be outsourced and withstood the pandemic. Recently, we are seeing an increase in the number of women coming into the industry from medical fields (nurses, CNA, aides, etc.) because they are getting burned out. They are working extended hours and just want to get in a truck and drive!”

Voie noted that WIT conducts an annual survey for its Women In Trucking Association index and they’ve seen a

dramatic growth in drivers, safety directors, dispatchers and C-level executives.

“Women now make up just under 14% of over the road [hauling freight over long distances] drivers. We believe our efforts to tell their stories to the general public is helping this trend.”

One company that has been successful in hiring women truck drivers over the years is A. Duie Pyle, a privately held logistics provider that’s been operating out of Pennsylvania for nearly 100 years. They currently have 43 female truckers in their employment.

John Luciani, COO of LT Logistics at A. Duie Pyle, said “a key to the success of our business is the culture, we believe

What are some of the female truckers saying about their careers on the road?

“ I never thought of being a truck driver until I started seeing my brother drive. It inspired me to try something new. The top benefits of why I love being a driver are salary, job security, and meeting new people. When I talk to someone who may be interested in driving trucks, I normally tell them don’t be scared, be safe, and drive with confidence. ”

SHLEAH MCKIETHAN, a Pickup & Delivery (P&D) Driver from West Chester, Pennsylvania, decided to enter the trucking industry in 2018.

“ From the time I was a truck driver’s daughter, caught up in the mystery of the big truck parked outside my window, purring with the sound of the refrigerated unit running, I knew I wanted to drive. The men I have been blessed to work with over the years have been extremely helpful and have provided me with ample tips and information that continue to make my experience as a driver easier, more clear and definitely much more appreciated. ”

EVELYN VINCENZO, a CDL Shuttle driver who operates from a Westfield, Massachusetts, warehouse.

“ I’ve always wanted to drive. My dad was a driver, and as a teenager I spent a summer working on trucks. There’s a level of pride as a woman when I back in somewhere and other women drive by and give you a big smile and a thumbs up. Or the little girl who looks at you amazed. And I look at her and say ‘see you can do anything!’ ”

HEIDI COSENZA, another P&D Driver from West Chester was raised around trucks.

in meritocracy. The incentives to drivers include very competitive pay, robust benefits and flexibility, among other things.”

Meanwhile, in Canada there’s been a more modest increase in female drivers after a decline early in the pandemic. But many believe programs in Canada could incentivize women and other underrepresented drivers to enter the driving ranks in the next few years. There are reports that training schools have recently seen an uptick of up to 12% in women entering training programs.

The trucking world for women is ever evolving. “The addition of more women entering the trucking industry is creating a sense of urgency for carriers to better accommodate them (uniforms, restrooms, truck ergonomics, etc.)” stated Voie. “Instead of women trying to fit into the environment, the industry has started making the environment more female friendly to create a more gender diverse workforce.” [UB](#)

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“ *Trucking provides an opportunity for women to make a good living, and with equal pay to men, which is not always the case in other fields. Driving always provides new challenges and provides a level of self-satisfaction on a daily basis.* ”

SHAUNA BRYANT, a P&D Driver from Concord, New Hampshire, saw the movie “Convoy” when she was 11-years-old and knew at that moment she wanted to be a truck driver.

“ *You can achieve an excellent living and will get out of it what you are willing to put in. It is a very fluid field—days, nights, long distances, short distances, physical, non-physical, company, owner-operator, teams and solos.* ”

AMY ANDRESH, a Cleveland Linehaul Driver, has been driving since 1996.

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NAE vs ABF: A deeper understanding

The outset of 2023 found Urner Barry's poultry reporting team "ringing in the new" by releasing an inaugural No-Antibiotics-Ever (NAE) chicken table. This initiative came about as a result of Urner Barry's practice of continuously soliciting feedback from stakeholders to ensure that market coverage reflects current trading conditions and practices. In this case, NAE chicken has become sufficiently mainstream to allow the poultry reporting team to initiate this coverage, while maintaining the rigorous reporting standards mandated by Urner Barry's Reporting Methodology.

As feedback related to the proposed table began to roll in, it became clear that despite accord when it came to the need for a quotation series, not

everyone had an accurate understanding of what NAE or, for that matter, ABF, really meant for the trade. In the interest of education and transparency, we felt it would help to provide some information explaining the difference between NAE and "conventional" or Antibiotic-Free (ABF) chicken.

Throughout the years, and during the introductory phase of this industry shift, many of these names were used interchangeably. And it created a bit of confusion for everyone involved. To that end, you may ask yourself: what is the difference between NAE and ABF? Aren't they the same thing? According to the USDA, the NAE label can be used if sufficient data is provided which proves that no antibiotics whatsoever were used on the chicken throughout its life cycle. ABF on the other hand, encompasses all chicken you would buy, as federal rules require that if any antibiotics were used on a farm, before the bird can be harvested, a "withdrawal" period is required from the time antibiotics are administered. This ensures that no residues are present in the bird's system. As a secondary measure, the Food Safety and Inspection Service (FSIS) randomly samples poultry at slaughter and tests for residues. There are other procedures and protocols used within the

industry as well, including "No Antibiotics Critically Important to Human Medicine" or (NACHM). This basically asserts that the birds will not be treated with antibiotics that are used to treat humans, such as Amoxicillin. While they all differ, only NAE truly holds claim to No Antibiotics Ever, and data submitted and reported through this avenue is what's represented on our new price table.

Initiated on January 2, 2023, Urner Barry's NAE chicken table is quoted twice a week on Tuesday and Thursday, and includes whole chickens, tenders, boneless breast, leg quarters, drumsticks, and thigh meat. [UB](#)

Article contributed by **Matt Busardo**
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For additional details and to view the methodology, please go to: urnerbarry.com/Markets/Methodologies or scan the QR code:



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Think you know healthy? Think again...

Look out for a new symbol

The U.S. Food and Drug Administration (FDA) is exploring a new way of labeling healthy food. Instead of relying on the food label, a new rule could mean all we have to do is look for the healthy symbol. Reading the label of every item is not only time consuming but it can also be confusing. In the past, the definition of healthy went off individual items. The FDA is now looking at all ingredients and deciding if together they can be deemed as healthy. With the United States having the ninth highest rate of obesity in the world this change could potentially make a huge difference in what consumers are buying.

Two examples of foods that may change with this new rule are salmon and yogurt. Salmon is not currently considered a healthy food by the FDA because it contains high levels of fat. However, salmon would end up with the healthy label if this change is passed. This is because the FDA recognizes the difference between healthy fats and unhealthy fats. As for yogurt, most people turn to yogurt when trying to lose weight or cut out sweet treats. But not a lot of people read or understand the label. Most yogurts would not get the healthy symbol due to added sugars. This healthy symbol is based on nutrition science and takes a more modern approach to defining healthy. The FDA hopes that by shedding light on some of these unhealthy additives both companies and consumers will change their habits. The FDA is also hoping that by making the healthy choice easier to spot, less people will get common chronic diseases that occur due to poor diet.

More than 80% of people in the U.S. aren't eating enough vegetables, fruit and dairy, according to the Dietary Guidelines for America, 2020-2025. Mostly, we find that consumers just don't know exactly what goes into the food they are buying and what makes it an unhealthy option. While we wait for the FDA to decide on their new proposed healthy symbol, we can start making healthier food choices today.



Some of the proposed FDA Healthy symbols posted online at www.regulations.gov.

"To make healthier food choices for yourself and your family, aim to eat a variety of vegetables, fruits, whole grains, lower-fat dairy, protein foods and healthy oils—like olive and canola," said Dr. Susan Mayne, Director of FDA's Center for Food Safety and Applied Nutrition.

This new symbol could change the lives of millions of people. This may also expose how much unnecessary sugar we add to our food. By leaving the research to the experts, we give people the opportunity to live healthier lives. UB

Article contributed by [Victoria Mattiello](mailto:vmattiello@urnerbarr.com) | vmattiello@urnerbarr.com



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The Yen and U.S. pork: How currency fluctuations affect Japanese demand

Pork loins are a highly sought-after cut of meat in Japan. Known for their versatility and rich flavor, they are a staple in the Japanese diet and are used in traditional dishes to add depth and richness. Although they can be more expensive, Japanese consumers continue to seek out pork loins for their delicious taste. However, that expense reached a pain point in 2022 when the yen tumbled to record lows versus the dollar.

In the world of international trade, currency exchange rates play a significant role in determining the prices of goods and services. A strong domestic currency makes a trade partner's products relatively more affordable while a weak currency makes them more expensive. This can significantly impact a nation's ability to export and import.

The export of pork loins from the United States to Japan is a significant part of international pork trade. When the yen is weak compared to the dollar, it makes American pork loins more expensive for Japanese buyers and vice versa. The weak yen was caused by a combination

of factors. On Japan's side, a decrease in international tourism, a decline in exports, and sluggish foreign investment contributed to the weaker yen. On the U.S. side, global recessionary fears and the ensuing flight toward safety greatly strengthened the dollar as investors exited riskier investments. Put together, these elements made for a record low yen in relation to the dollar.

According to data from Urner Barry, the price of ¼" bone-in pork loins in Japan reached the fourth highest weekly price on record, going back to 1979 of ¥416.67/kg on July 10, 2022. This was a 55% increase from the previous year and a 56% increase from the five-year average. The three weeks that exceeded this price all occurred during the record-breaking COVID rally during May 2020. Pork prices at these high levels are not sustainable in the long run for Japan.

The weak yen in 2022 had an impact on the demand for pork loins, which can be seen in the decline in export volume from the United States to Japan. According to USDA data, the export volume of pork loins

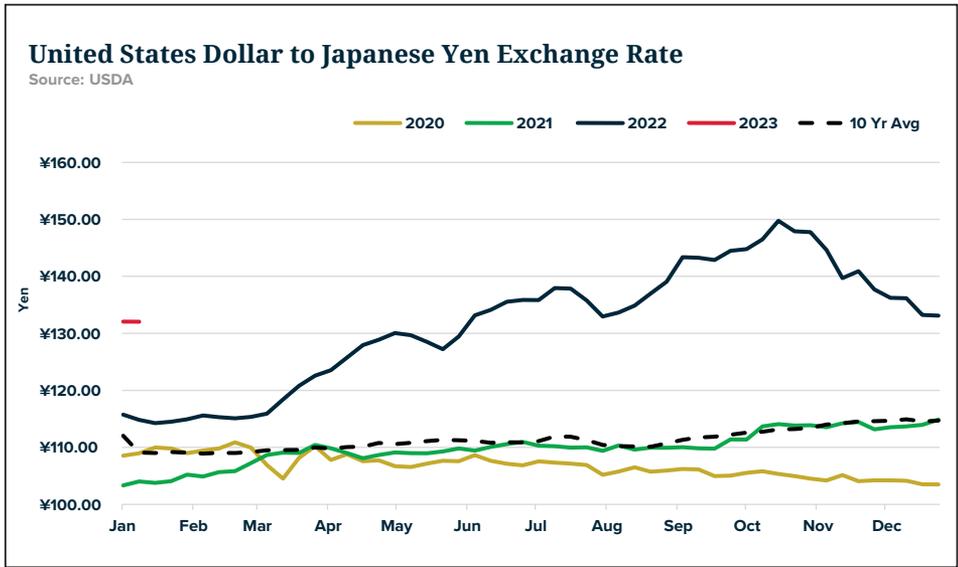
from the United States to Japan decreased by more than 10% year-over-year.

In response to this untenable situation, the Japanese government has implemented measures to stabilize the currency, such as introducing monetary policy adjustments and attempting to attract foreign investment in the country. These actions have already strengthened the yen from roughly 150 yen per dollar to just under 130 yen per dollar as of the time this article was written. However, considering the 10-year average for the USD/JPY is around ¥110, there is still plenty of work to be done.

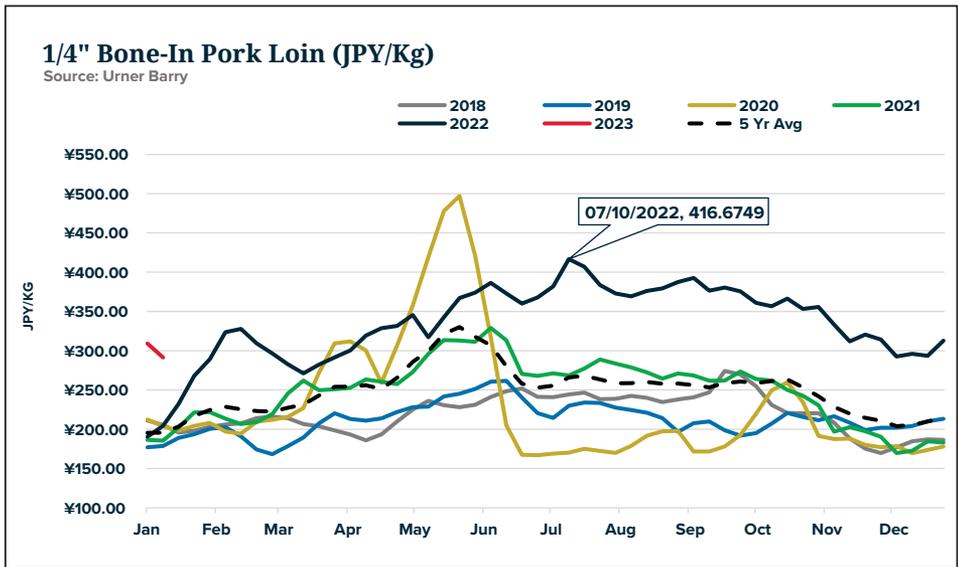
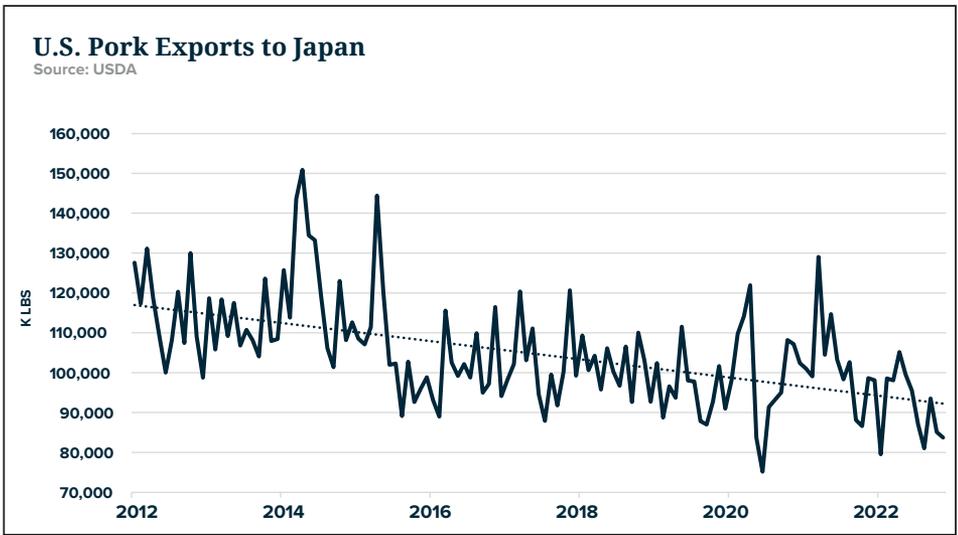
Currency fluctuations can have a significant impact on the price and demand of goods such as pork loins, and thus monitoring exchange rates is essential for buyers and sellers in the global pork market. As Japan continues to attempt to ease the currency burden while the global financial markets contend with uncertainty and risk aversion, it would appear that this situation has some time before we see a full resolution. [UB](#)

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“...monitoring exchange rates is essential for buyers and sellers...”



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THE NEW FRONTIER OF PROTEIN: CELL-CULTIVATED MEAT

On the surface, cultivated meat sounds like something out of a science fiction movie. Meat grown in bioreactors to create a cut of steak or a fish fillet. It sounds like something Luke Skywalker or someone aboard the USS Enterprise would chow down on.

However, it may not be long before cell-cultivated meat products are on grocery store shelves or restaurant menus in the United States. Industry leaders expect the first products to be available as soon as this year and research from McKinsey & Company indicates the market for cultivated meat could grow to \$25 billion by 2030.

So, what is cultivated meat?

The Good Food Institute (GFI) describes cultivated, or cultured meat, as “genuine animal meat (including seafood and organ meats) that is produced by cultivating animal cells directly.”

GFI explains that the process begins with acquiring stem cells from an animal. These cells are then grown in bioreactors and develop as they would inside an animal’s body through feeding the cells with nutrients and supplemented with proteins and other factors to stimulate growth.

As the cells are developing, they can be designed to differentiate into muscle, fat and other tissue that create meat products. Then, those cells are harvested, prepared and packaged into the final presentation, per GFI.

Arik Kaufman, co-founder and CEO of Steakholder Foods, used the word “revolution” to describe meat cultivated from animal cells.

Steakholder Foods is one of the companies looking to bring their cultivated meat to the world. The publicly traded company

is working on developing cultivated beef, pork and seafood products in Israel, home to the company’s printing capabilities. Steakholder also has offices in the U.S. and a subsidiary in Belgium, called Peace of Meat, which is working to develop avian products.

When speaking with Kaufman, he explained that he doesn’t see how growing populations in places like India and China can rely on traditional animal harvesting without seeing massive impacts on the environment.

Teryn Marie Wolfe, CEO at Matrix F.T., said these products will be competitive with traditional meat at some point.

Matrix F.T. is a company that creates scaffolds and microcarriers, one of the key technologies that allows cultivated meat to scale, noted that governments, not just companies in the private sector, have begun to invest in the industry.

“There are a lot of places in the world where people don’t have access to sustainable sources of protein or any source of protein for that matter,” Wolfe explained. “Those countries see [cultivated meat] as a critical path forward to make sure we are tackling food security in an appropriate and future proof way.”

“In the future we will see a shift from the way we produce meat today to producing meat in a

cultured and ethical way,” Kaufman said in a conversation with *Urner Barry’s Reporter*. “We hope to support the growing demand that the current industry may not be able to cope with and as time goes by and into the far future, we will see that shift.”

Now, this change won’t happen overnight. There are plenty of hurdles the industry is attempting to leap over, with Wolfe and Kaufman citing costs and regulatory pathways as the primary barriers to entry.

Of course, the companies need to land approval from governments across the globe to sell cultured meat products.



Photos provided by Steakholder Foods

Singapore became the first country to approve the sale of cultured meat. The FDA completed the first pre-market consultation of cell-cultured food for human consumption at the end of 2022 for UPSIDE Foods' cell-cultivated chicken products.

Kaufman said with the U.S. approving cultured meat, other leading countries will follow as they wait and see how the U.S. tackles the situation.

"I believe in certain countries it will be a domino effect but there are other countries in the very advanced stages of approving cultured meat," Kaufman said.

The regulatory process is something that Wolfe believes could allow for more innovation as more companies would be willing to enter the market. Regulatory transparency could lead to major players like Tyson, JBS and others that have already created venture capital arms or have been on the R&D side of the business to dive even deeper.

Cost is another critical hurdle the industry needs to leap over before it can begin to gain serious footing in the protein space. Despite costs coming down upwards of 90% since the first cell-cultivated burger hit the scene in 2013, there is still a long way to go on that front.

According to McKinsey & Company, the first cell-cultivated meat item to be produced cost a whopping \$300,000. In 2021, Future Meat Technologies was able to create a 4 oz chicken breast at \$4.

The aforementioned chicken product was produced as a hybrid product, which Kaufman noted should be the norm with the first products released to the market due to technological barriers.

Both Kaufman and Wolfe noted that with more companies entering the space at every step of the process, collaboration is helping decrease costs.

Eventually, Kaufman explained in an October 2022 interview on the company's YouTube channel, hybrid products featuring cultivated meat and plant protein will

evolve into cultured thin tissue, which Stakeholder Foods has already created via its Omakase Beef Morsels, which are 100% cultivated.

Then, the industry expects to create whole cuts of meat that are indistinguishable from slaughtered meat. Kaufman touted the company's 104-gram steak with real layers of muscle tissue and fat created via 3D-printing.

Despite the progress, Wolfe predicted that it may be a decade before cultivated meat becomes within a realistic range of traditional meat. McKinsey & Company echoed that sentiment in their 2021 article, "Cultivated meat: Out of the lab, into the frying pan."

Kaufman believes in the future of cell-cultivated meat, despite what could be a long road ahead.



"It will take time, there will be a lot of question marks in the beginning. Is it safe, is it tasty, is it healthy? But you cannot stop technological advancement." [UB](#)

Article contributed by Ryan Doyle
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Despite steep costs, consumers still spending at deli

It would be an understatement to say consumers are laying out more money than ever before. Inflation and all that comes with it have dominated the news cycles for months and the end doesn't necessarily appear near—at least at the time of this publication. This uptick, coinciding with highly pathogenic avian influenza (HPAI), has shocked many in the turkey industry for the better part of the year, as well as shoppers at retail who have bore the brunt of this in their attempt to enjoy their favorite turkey club. All this said, buyers at the grocery store appear somewhat undeterred and readily pay the piper by any means necessary. At least that is what the data suggests.

While higher costs of labor, freight and feed no doubt have affected pricing

on turkey deli meat, the single biggest contributor has to be HPAI. Since the first commercial flock detection in February 2022, the highly transmittable disease has left nothing but destruction in its wake, leaving many in the poultry and egg industries shell-shocked. Forty-seven states, 300 commercial flocks, and just under 58 million birds, and these numbers are likely to be higher by the time this article crosses your path. Of those birds, over 7 million were turkeys, destined to be plated on Thanksgiving or put in between sandwich bread at the deli counter. While lower tending hatchery figures prior to the outbreak were also a contributing factor to the current high costs and lack of availability, the numbers speak for themselves—leaving many to deal with the aftermath.

A major Northeast-based retailer had this to say on the current happenings. “We took significant cost increases due to AI, in addition to being on allocation with our suppliers. The increased retails have contributed to an overall increase in turkey of about 12%. Our tonnage is down 3%, but customers are still looking to buy turkey.”

This sentiment is similar to other feedback received from consumer-facing participants that speak to the tightened supplies, higher cost, and willingness from shoppers to still purchase. COMTELL's newly revamped Retail Dashboard, which utilizes IRI Retail Scanner Data, furnished comparable statistics. When analyzing deli turkey sales in the peak seasonal months of April to August in 2020 and 2022, it showed discounted sales prices were a whopping 13% higher this past year. Perhaps more interesting, in previous years such as 2020, the difference in price between deli turkey listed on sale and those listed at regular price was only 1.3%. In 2022 however, that price gap was right around 7%. Not to bring up the obvious, but this data shows that taking advantage of discounted sales prices was more pertinent in the current climate than ever before. Due to the higher sales prices and retailers not getting the volumes they are accustomed to, total sales were over \$100,000,000 higher in 2022, despite distribution—which is another term for total units sold—being slightly lower this year compared to 2020.

This begs the question; will anything be different any time soon? While no one has a crystal ball, the immediate outlook doesn't appear to be changing all that much, as flock detections continue and spring bird migration, which historically provides an uptick in outbreak activity, is just around the corner. At least for the time being, consumers appear on the hook for similar pricing in 2023. But who knows if and when the values will become too great for them to bear? [UB](#)

Article contributed by **Matt Busardo**
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Consumer dollars target high quality beef

While market participants have their eyes focused on quite a few things, one thing that's never looked over is consumer trends. This is one area where ranchers, producers and everyone in between have been able to stay ahead of the curve. Consumer trends are constantly evolving with the times and this is highlighted all over the industry, whether that be a branded program such as Certified Angus Beef, Grassfed, or Organic. There have also been changes in labeling requirements through the years such as "COOL" or Country of Origin Labeling. Consumers are consistently becoming more informed about the products they are purchasing as communications continue to advance. The latest trend appears to be that consumers are regularly opting for higher quality beef. Whether that be at a grocer or out at a dining experience—quality matters.

Think about it for a moment. How many restaurants have you been to and spotted "CAB" or "Prime" on the menu? More and more outlets are gearing themselves towards quality and consistency because that is where consumer dollars are flowing. According to Beef Research's latest report, "...willingness to pay for steak has topped the average price per pound between



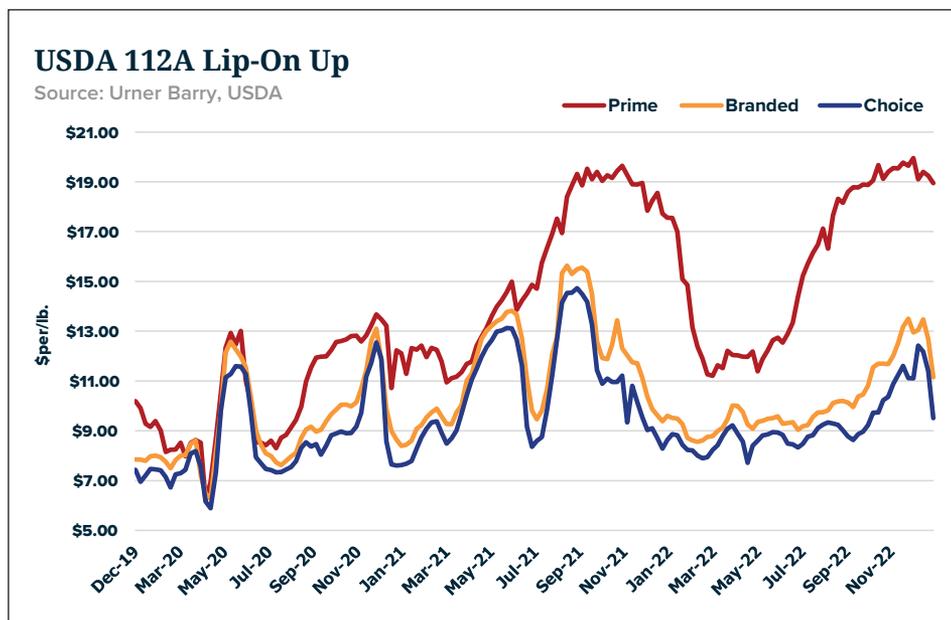
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April and June 2022. Willingness to pay for steak hasn't exceeded the average price per pound since April to June 2021, indicating that consumers still find value in purchasing beef, despite uncertainties within the broader economy." While this doesn't make mention of quality grade, it demonstrates the willingness of consumers to pay for a consistent eating experience, which we have learned since the reopening of the economy is tough to come by.

There is also some insight to be gained from the wholesale market, as we have seen premium spreads between grades widen to some of the largest values on record. For example, back in October 2022 premium spreads on a cutout basis widened to as much \$34.00/cwt. According to Beef Magazine, "when considering both the price and the amount of beef grading into various quality categories, the growth in total value of Prime beef has outpaced the other quality grades for almost every quarter of the past seven years." The chart below paints that picture.

From all of these points we can begin to formulate that the consumers' taste for beef is strong, even stronger for higher graded product. Certified Angus Beef displays this with "having the second-highest sales year on record with the brand selling 1.234 billion pounds in 54 countries during the 2022 fiscal year." Domestically and abroad, the preference for high quality beef is evident. [UB](#)

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FINDING MIDDLE GROUND WITH AG INDUSTRY THROUGH *collaboration,* NOT COMBAT

Historically, animal welfare organizations and the agricultural industry tend to not get along. The relationship between the two is often combative, with one side playing offense and the other defense. Often times, animal welfare organizations have used questionable marketing tactics in an effort to evoke an emotion-fueled response from consumers, with a message that more-or-less equates to stating that the only ethical decision to make in terms of consuming animal based products, is to not consume them at all. This messaging can leave the public, even members of the animal protein supply chain, confused: what is the truth? What is the “right” thing to do? These questions have left companies hesitant to discuss the issue at hand, stemming from a lack of trust and fear of backlash.

Two organizations under a joint foundation together plan to challenge the status quo and discover that truth: The International Poultry Welfare Alliance (IPWA) and the U.S. Roundtable for Sustainable Poultry and Eggs (US-RSPE). The leadership of both organizations aim to improve poultry health and wellbeing, develop agreed upon indicators for poultry welfare and sustainable production, and positively change public perception of the poultry industry through communication and education backed by science. The collaboration doesn't end here, as they plan to reach their goals through an open dialogue with all stakeholders across the poultry industry. This includes all members of the supply chain, from farmers and processors to wholesale distributors and retailers.

The IPWA admits that animal welfare and sustainability has seen many improvements in recent years, driven by scientific discoveries and changing consumer preferences and values. The

poultry industry is inherently at an advantage compared to the industries of seafood, pork, and beef when it comes to a lower environmental impact and giving their livestock proper care. The acreage required is less, the animals have shorter lifespans, and they require less feed and water to produce. However, the organization recognizes that they can still do better, and do better by all stakeholders. The IPWA aims to be an unbiased resource for stakeholders across the entire poultry supply chain, involving members with diverse perspectives, and creating science-backed Key Welfare Indicators (KWIs) for members of the poultry supply chain to follow. Launching in February, the KWI guides are based on species and stage of production, recognizing that there is not a one-size-fits-all approach to improving poultry welfare across the supply chain.

It's quite the tall order, as simultaneously satisfying all stakeholders in the industry, all with potentially conflicting interests, seems impossible. However, the IPWA puts forward the notion that their interests actually don't conflict, and that sustainable poultry production that prioritizes poultry health and well-being is best for everyone (and every chicken and turkey) involved.

Complimenting the IPWA's welfare-focused KWIs, the US-RSPE has developed the first ever sustainability reporting framework for the industry. The 3-tiered framework is a voluntary assessment designed for any member of the poultry supply chain, rather than an audit, performance review, or standard to follow. The approach is one of transparency and open communication, as receiving the truth regarding sustainability of various stakeholder groups is of the utmost importance for the US-RSPE to properly measure its progress. The data collected here will be used to determine where

“Two organizations under a joint foundation together plan to challenge the status quo.”

there is opportunity to advance sustainability. Top industry players, including Butterball, Cal-Maine Foods, McDonalds, and Tyson, among others, piloted the framework to test its viability.

Clearly, the IPWA and US-RSPE share the same vision, and the two groups have worked closely together since 2017. In fact, the boards of both organizations currently report to the same executive director, Ryan Bennett, allowing their boards and leadership to be in constant collaboration, as demonstrated last October, when they hosted the Poultry Welfare & Sustainability Summit in Atlanta, GA. This event was attended by individuals across all stakeholder groups, putting the mission of both organizations into practice. First taking place in 2019, this past year’s summit was the second, and the first post COVID-19 pandemic. The event saw high levels of engagement from each constituency group, including retailers, restaurants, producers, allies, and academics.

For those in the poultry business wanting to do better by their livestock, their customers, their employees, their planet, and themselves, these two groups aim to help. [UB](#)

Article contributed by **James Courtney**
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Could 2023 be a cash cow year for U.S. ranchers?



2022 marked the third consecutive year of drought for the U.S., prompting additional herd liquidation efforts.

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2023 is poised to be another whirlwind year for the agricultural industry as forces—both natural and manmade—continue to grip the marketplace.

Geopolitical unrest, including the ongoing Russia Ukraine war and the spread of COVID-19 in China, will influence energy and commodity prices, which saw drastic swings in the last year.

For the global grain markets, drought could reduce exports from major growers, including Brazil and Argentina.

Several major weather events were seen throughout the world in recent times. Europe experienced unprecedented heatwaves over the summer and Pakistan was devastated by floods. In the United States, persistent dry weather threatened crop production in the corn belt.

Earlier this year, California was pummeled by torrential rains while a major winter storm made its way across the central Plains in mid-January. The rain and snow did ease dry conditions for some regions, but the long-term effects remain to be seen.

Much of the western half of the nation continues to experience abnormal dryness. As of January 10, 57% of the country's cattle inventory was within an area experiencing drought. 2022 was the third straight year of drought for the U.S., prompting further liquidation of the nation's cattle herd.

With less heifers being retained for breeding and a smaller annual calf crop, cattle supplies and beef production are expected to undergo a significant tightening over the next few years. This could be supportive of cash cattle prices in 2023 and for several years to come.

Negotiated cash cattle prices in late 2022 were already reflecting the decline in the nation's herd. According to USDA data, cattle prices during the week before Christmas averaged \$155.65 per cwt, a second seasonal all-time high and nearly 13% higher than the same week in 2021.

While profitability could improve for ranchers this year, high input costs are eating into a large portion of producers' returns as breakeven levels rise.

According to Iowa State University (ISU), the total feed cost of producing a 1,300-pound finished steer was estimated at \$730.82 per head in December 2022, up from \$591.06 per head in January 2022. Corn costs alone rose about 21% last year, based on ISU research.

Fewer livestock supplies could push beef prices higher this year, raising concerns over slowed consumer demand as the spread between beef and competing proteins widens.

Moreover, a volatile stock market and talks of a recession could weigh on consumer sentiment and lead shoppers to seek more affordable substitutes like pork and chicken.

For now, data from Information Resources, Inc. (IRI) suggests that beef demand has remained strong in the face of high prices. During the week ending January 8, non-discounted retail beef prices averaged \$6.94 per pound. While this was above the average price of both pork and chicken, beef accounted for the highest total sales volume.

On the world stage, the U.S. may find itself stepping back as a key exporter due to reduced domestic beef production. Canada may play a smaller role as well, as their cattle herd continues to contract.

These increased opportunities for global beef sales could be filled by Australia, which is beginning to rebuild its herd as rainfall there improves. Market participants will also closely eye Brazil, which is historically one of the world's largest beef exporters.

Ranchers will be faced with plenty of headwinds again this year, but the outlook for cash cattle prices this year is positive overall. A decline in year-over-year cattle placements will likely force packers to compete more aggressively for the animals in the months and years ahead. [UB](#)

Article contributed by **Courtney Shum**
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State of the Seafood Industry: AN ANNUAL REVIEW

Last year was a tumultuous one across the economy. From inflation not seen in decades to geopolitical conflicts, the animal protein industry was undoubtedly not excluded, and within that context, seafood too. The seafood industry underwent significant changes in 2022, from supply chains still correcting from the pandemic's disruption, to erratic—mostly down, not all—prices across species. Dissimilar from other land-based and domestically produced proteins, most seafood consumed in the U.S. is imported and thus faces an extra layer of challenges. In addition, like every year, we must address that the seafood industry cannot be analyzed as a monolith but rather a collection of markets with highly different nuances.

Before we analyze some of the markets within the seafood industry, we must provide some context. The year prior, 2021, was considered a banner year for many markets. Prices recovered from the initial stages of the pandemic lows amid a supply increase—

primarily imports. However, in the latter part of 2021 and early 2022, many markets began experiencing price corrections. Shrimp, the largest seafood species consumed in the U.S., saw prices begin to adjust lower in November 2021 and 2022. The context here is that imports—over 80% of all shrimp consumed—rose over 20% year-over-year from an already record high in 2020. But even past banner years have not seen 20% demand growth. Therefore, our only assumption—estimated—is that much of that product had to be turned into inventory holdings going into 2022. To make matters even more eye-opening, imports throughout the first four months of the year averaged 17% above 2021. As a result, prices continued to decrease and thus forced importers to make significant cutbacks in their purchases. What is critical here is that these purchasing cuts made by many importers took place

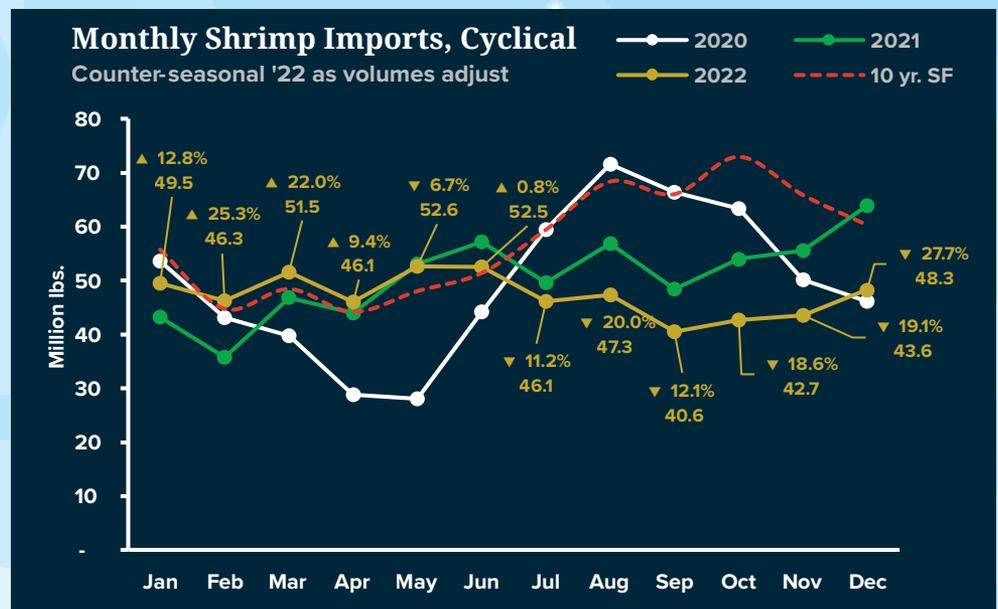


Chart 1: Monthly seasonal shrimp imports. Source: U.S. Census, UB Consulting.

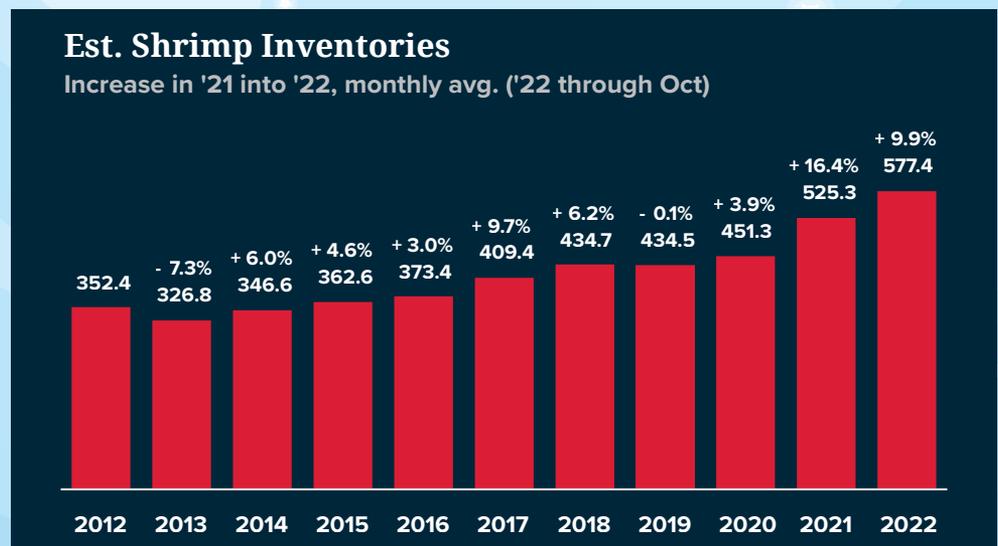


Chart 2: Estimated monthly average shrimp imports. '22 through October. Source: U.S. Census, UB Consulting.

as global production, particularly from the largest producer, Ecuador, continued to experience double-digit growth. Some forecast estimates suggest global production will increase in 2023, possibly leading to sustained downward pressure on prices—all else equal.

Salmon, on the other hand, remained generally resilient. Atlantic farmed-salmon imports, which cover the majority of the available supply in the U.S., continue to experience significant transitions as production from Canada contracts. While Canada’s production is relatively low compared to Norway or Chile, Canada had been the second largest supplier of Atlantic salmon to the U.S. until 2022. As a result, prices moved to record-highs at the wholesale and consumer level. To illustrate this, we created a salmon demand index that encompasses price movements, imports, and population growth. In addition, we created another index based on google searches combined with the word “salmon.” The results of these two indexes suggest that demand continues to grow despite higher nominal and real prices.

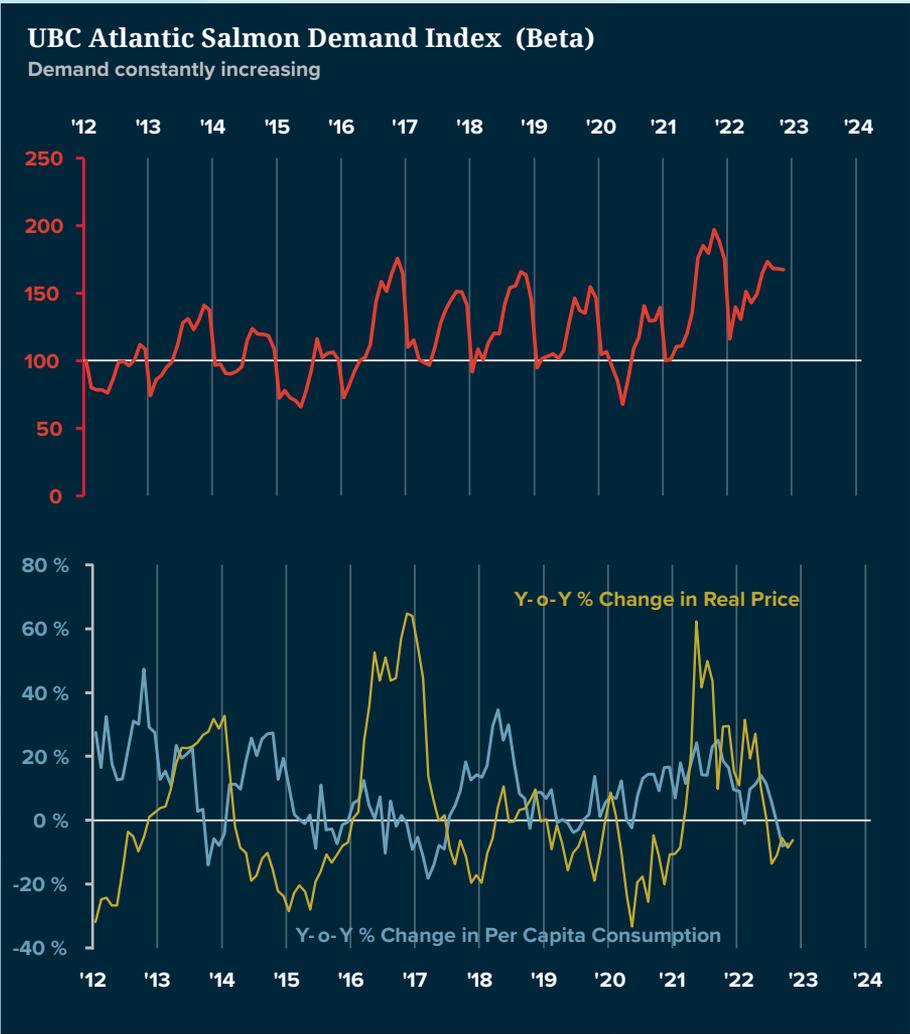


Chart 3. UB Consulting Atlantic salmon demand index (beta) and year-over-year percent change in estimated consumption and wholesale price.

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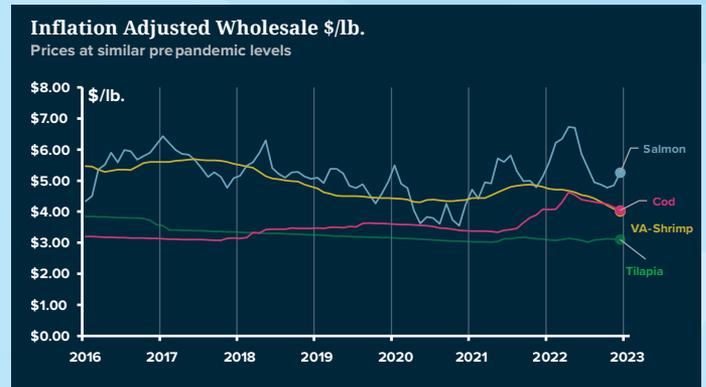
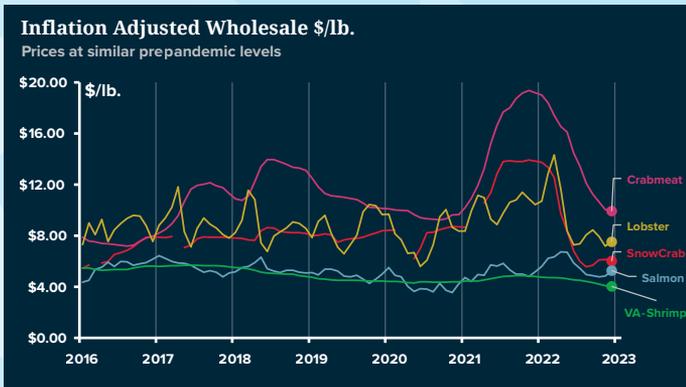
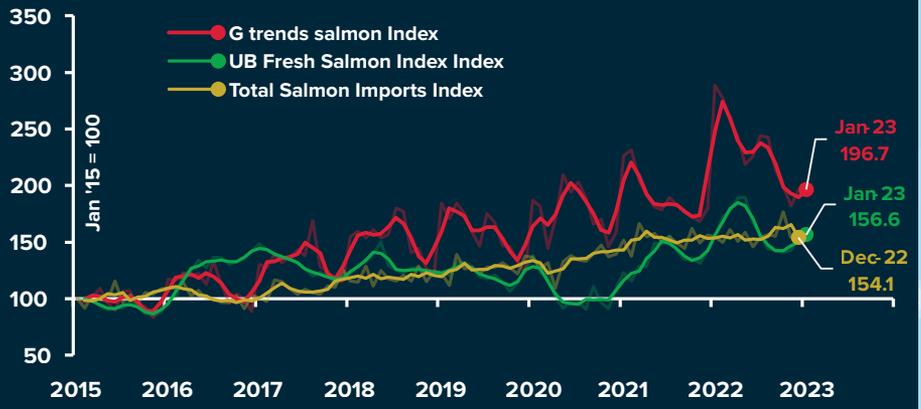


STATE OF THE SEAFOOD INDUSTRY: AN ANNUAL REVIEW

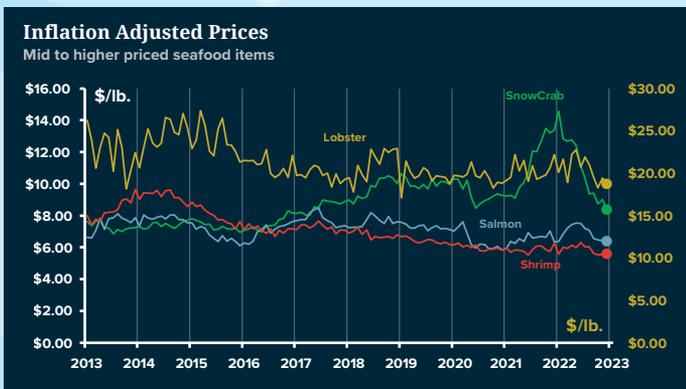
Continued from page 25

The market also saw prices of luxury items like lobster and crab collapse from a never-before-seen record high from 2021 into 2022. Other lower-priced items, like tilapia, swai, and pollock, saw a significant price increase in 2021 into 2022 but moderated throughout the year. At the consumer level, we saw similar behavior on both ends, which makes many of these mainstream seafood items more accessible over time.

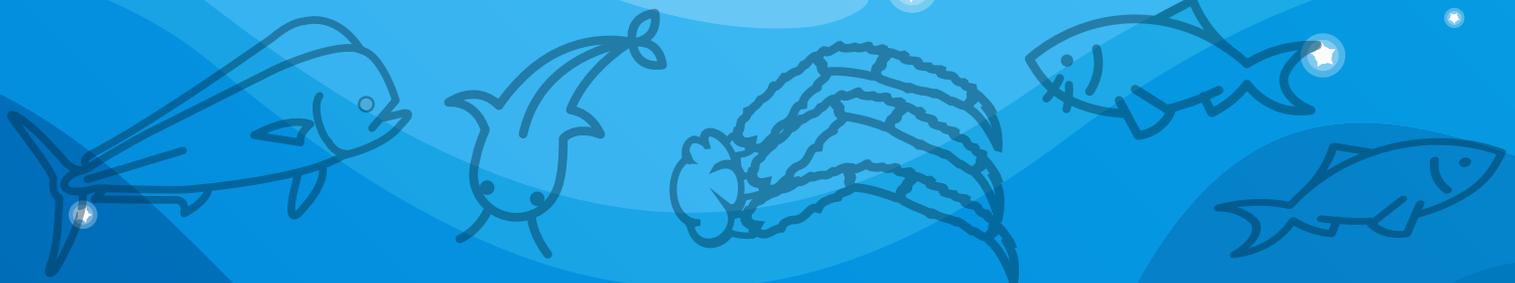
UBC Google Trends Salmon Index

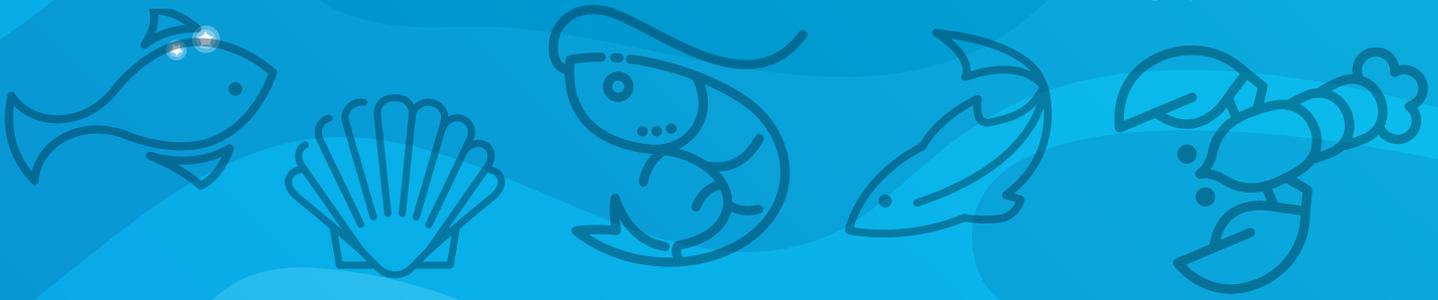


Charts 5-6: Inflation-adjusted wholesale prices utilizing Urner Barry benchmark quotations. Comparison between mid-priced mainstream seafood items vs. higher-priced and lower-priced ones.



Charts 7-8: Inflation-adjusted retail prices utilizing Urner Barry benchmark quotations. Comparison between mid-priced mainstream seafood items vs. higher-priced and lower-priced ones.

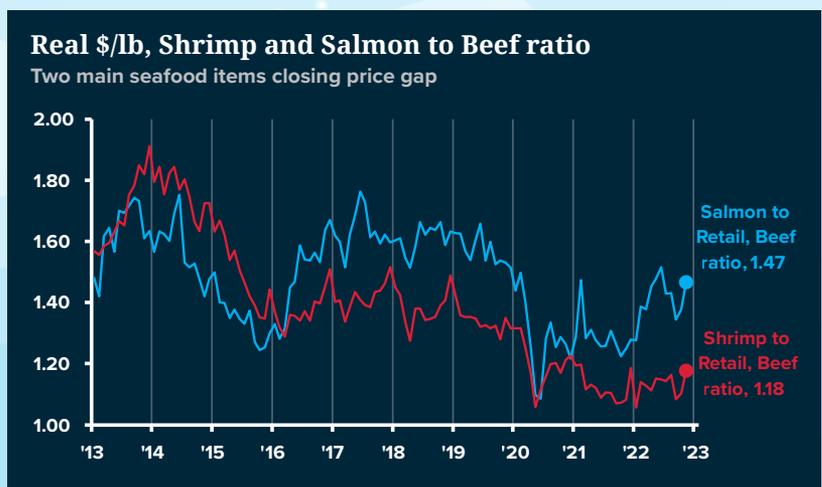
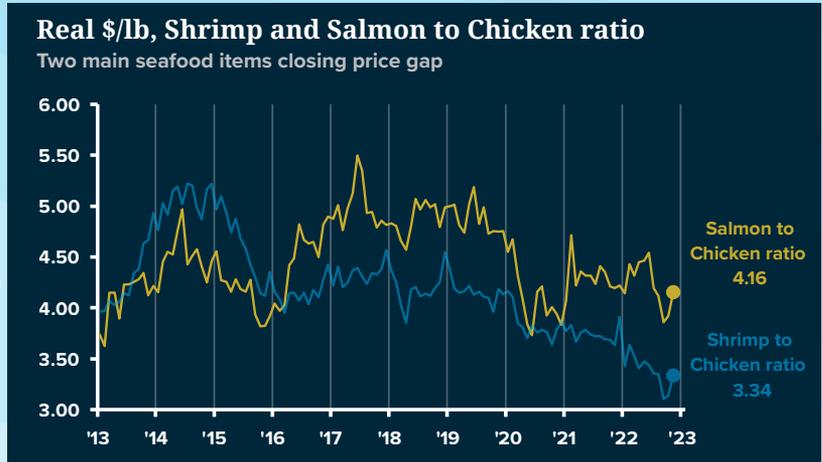




It is also essential to note that while prices for many seafood items have moderated from record highs due to the pent-up demand caused by the pandemic, competing land-based proteins like chicken, eggs, beef, and pork also experienced similar trends. One exception in 2022 has been egg prices. Perceptually the lowest-priced protein of all by consumers, that has changed due to another supply shock—avian influenza affecting millions of egg-laying hens.

Still, when we compare mainstream seafood items relative to other proteins, we notice that prices remain competitive when adjusted for inflation. At the retail consumer level, we found that shrimp and salmon prices relative to beef and chicken continue to close the gap.

Empirically, the fact that prices for other proteins have also moved up, possibly to new higher thresholds—although also settling from record highs—suggests that some seafood items may have an opportunity to appeal to more consumers. It also provides an opportunity to innovate, advertise, and thus attract younger generations of consumers who not only currently eat less seafood than older ones, but are persuaded by more and different attributes, such as sustainability. Unfortunately, many in the seafood industry perceive that most consumers see the seafood industry as a monolith and are seldom able to distinguish between the attributes of different products objectively. Only savvy shoppers, which are not known to be many, may be relatively better informed about the choices they make. Therefore, individual sectors within the seafood industry, such as shrimp, or



Charts 9-10. Inflation-adjusted—real prices—for wholesale prices using Urner Barry wholesale prices indexes ratio for shrimp and salmon to the average price of all fresh beef and a composite broiler value at the retail level. Source: Urner Barry, UB Consulting, USDA.

salmon, must not only compete against each other if such efforts are not made to change such consumer perception, but also against considerably lower-priced and readily available chicken. Of course, this is a generalization, as protein substitution is challenging to measure. Still, it will take a concerted effort from trade associations or individual sectors within the seafood industry to lure some consumers to shy away from lower-priced proteins due to the prospects of a recession and persistent inflation in 2023. [UB](#)

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World Trends



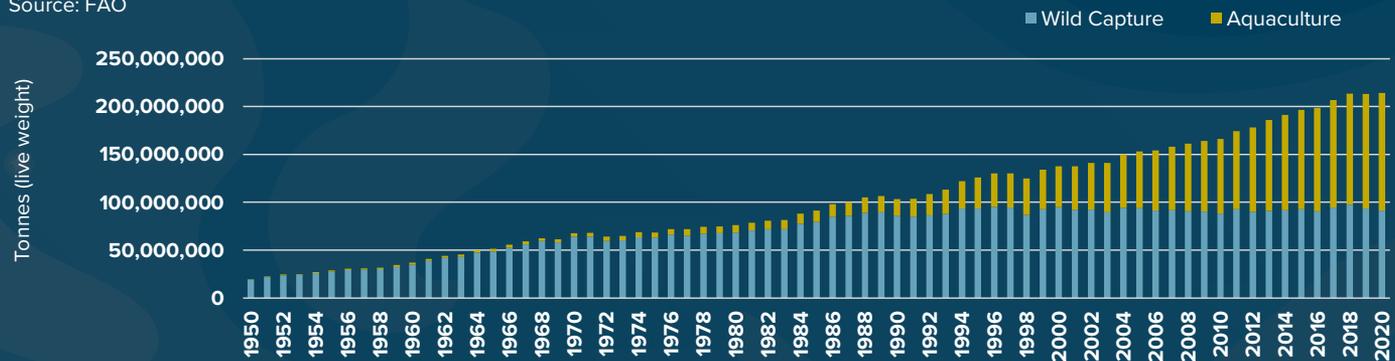
Global production of seafood was marginally higher in 2020, up 0.4%; a 2% decline in wild capture was offset by a 2.3% increase in aquaculture production. Total output totaled 214 million metric tonnes in the year, a record and double the production in 30 years.

Aquaculture production has increased every year since 1961, and in 2020, totaled 122.6 million metric tonnes. In 1961, 95% of total production was wild capture and 5% aquaculture, and in 2013, aquaculture production exceeded wild capture. The current split now favors aquaculture over wild capture 57% to 43% and amounts to wild capture production of 91.4 MT versus 122.6 MT for aquaculture.

There wasn't much change in terms of the top 10 wild capture species landed but, but what's notable is the 17% increase in output from Peru. A look at FAO data indicates this was the result of an active anchovy fishery that was 25% higher than the prior year and 12% above the prior five-year average. The increase in aquaculture output can be attributed to 7% more Whiteleg shrimp, and an 11% increase in Indian output.

Global Production

Source: FAO



Global Top 10

2020 by Volume

Metric Tonnes
Source: FAO

WILD CAPTURE

Species	mt
1 Marine fishes nei	10,720,772
2 Freshwater fishes nei	5,614,927
3 Anchoveta (Peruvian anchovy)	4,896,058
4 Alaska pollock (Walleye)	3,544,027
5 Skipjack tuna	2,826,652
6 Atlantic herring	1,598,451
7 Yellowfin tuna	1,569,030
8 Blue whiting (Poutassou)	1,486,531
9 Pacific chub mackerel	1,360,121
10 European pilchard (Sardine)	1,330,635

Countries	mt
1 China	13,445,983
2 Indonesia	6,989,382
3 Peru	5,675,209
4 India	5,522,714
5 Russian Federation	5,081,017
6 United States of America	4,253,236
7 Vietnam	3,421,880
8 Japan	3,215,130
9 Norway	2,603,574
10 Chile	2,182,768

AQUACULTURE

Species	mt
1 Japanese kelp	12,469,807
2 Eucheuma seaweeds nei	8,129,404
3 Whiteleg shrimp	5,812,180
4 Grass carp (White amur)	5,791,541
5 Cupped oysters nei	5,450,274
6 Gracilaria seaweeds	5,180,416
7 Silver carp	4,896,612
8 Nile tilapia	4,514,615
9 Japanese carpet shell	4,266,174
10 Common carp	4,236,326

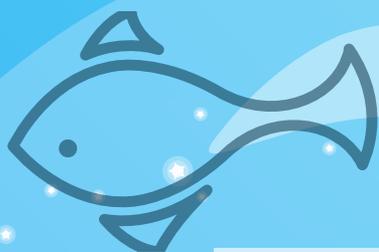
Countries	mt
1 China	70,483,538
2 Indonesia	14,845,014
3 India	8,641,286
4 Vietnam	4,614,692
5 Bangladesh	2,583,866
6 Republic of Korea	2,327,903
7 Philippines	2,322,831
8 Egypt	1,591,896
9 Norway	1,505,486
10 Chile	1,490,412

U.S. Trends

In 2021 commercial landings totaled 8.525 billion pounds, valued at \$6.343 billion—an increase of 124.6 million pounds and \$1.451 billion when compared with the prior year. Alaska Pollock remains the top landed species, coming in at 3.2 billion pounds. In terms of value, American lobster once again topped the list, bringing in \$924.74 million.

Total imports in 2022 were 7.087 billion pounds, valued at \$29.941 billion. This is an increase of 114.4 million pounds (+1.6%) and \$1.811 billion (+6.4%) compared to 2021. Once again shrimp was the most imported item, accounting for 1.855 billion pounds and \$7.834 billion of the total.

Exports of seafood totaled 2.692 billion pounds in 2022, with a value of \$5.261 billion. This is a decline of 73.1 million pounds (-2.6%) but an increase of \$104.4 million (+2.0%) compared to 2021.



Top 10

2021 U.S. Landings

Source:
NOAA Fisheries

2022 U.S. Imports/Exports

Source:
Urner Barry/
US Census

U.S. Supply of Seafood

Source: Urner Barry, US Census, NOAA Fisheries



VOLUME

1 Pollock, walleye.....	3,227
2 Menhadens	1,211
3 Hake, pacific (whiting)	490
4 Salmon, pink	454
5 Cod, pacific	330
6 Salmon, sockeye	271
7 Sole, yellowfin	235
8 Rockfish, pacific ocean perch	138
9 Mackerel, atka	136
10 Lobster, American	136

Millions Pounds

VALUE

1 Lobster, American	\$925
2 Scallop, sea	\$671
3 Salmon, sockeye	\$472
4 Pollock, walleye.....	\$371
5 Crab, dungeness	\$312
6 Shrimp, northern white	\$283
7 Crab, blue	\$240
8 Menhadens	\$222
9 Crab, snow.....	\$219
10 Oyster, eastern	\$194

Millions Dollars

IMPORTS

1 Shrimp	1,855
2 Salmon	1,105
3 Tuna	718
4 Tilapia	402
5 Catfish	309
6 Crab	241
7 Cod	180
8 Squid	156
9 Pollock	121
10 Lobster	115

Millions Pounds

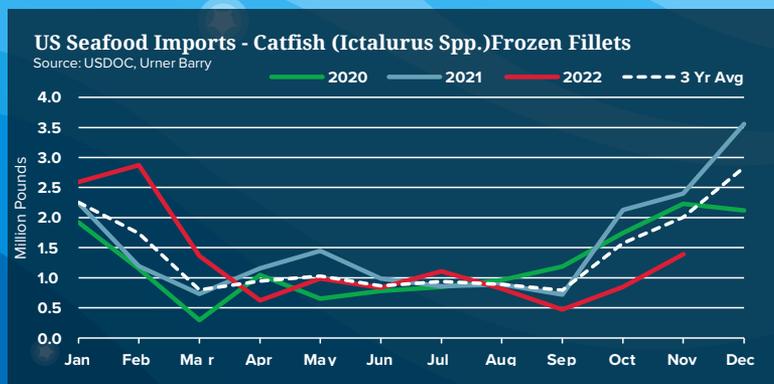
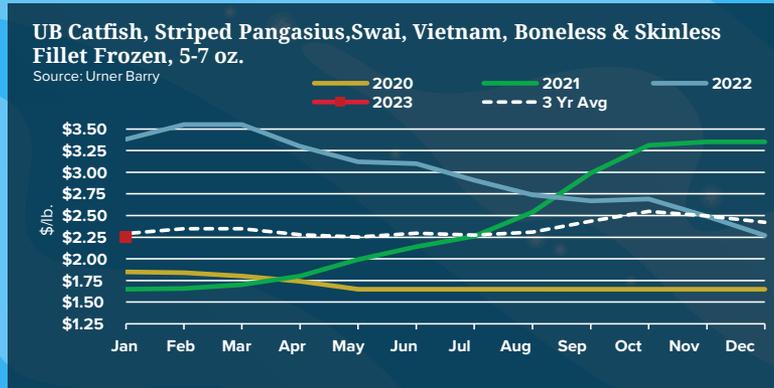
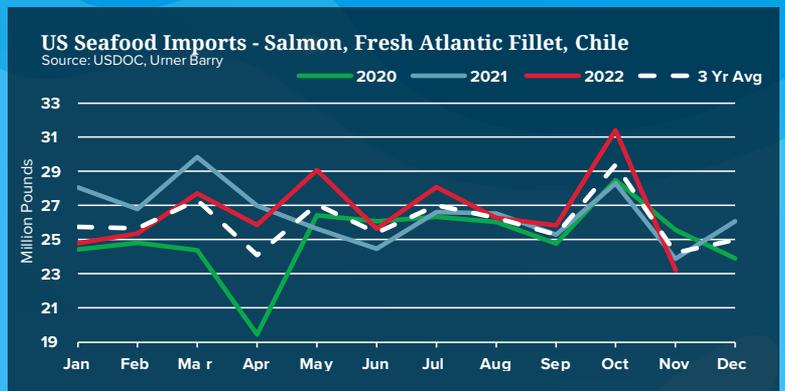
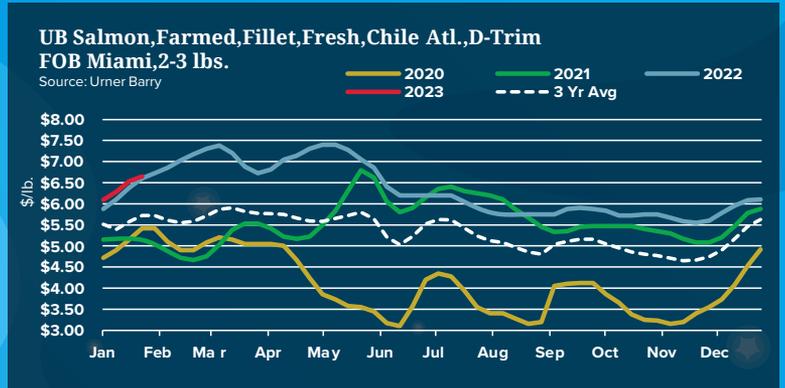
EXPORTS

1 Pollock	603
2 Salmon	450
3 Soles.....	188
4 Squid.....	166
5 Hake.....	155
6 Herring	91
7 Cod.....	73
8 Mackerel	72
9 Lobster.....	71
10 Ocean Perch	67

Millions Pounds

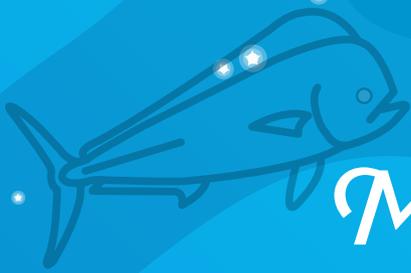
FINFISH: Salmon

2023 is shaping up to be potentially a volatile year when it comes to the farmed salmon complex. The list of unknowns in the marketplace hits on all countries of origin. A looming tax on Norwegian salmon farms is plaguing the market. Suppliers at this point do not know when or how the tax will be collected, thus creating a stagnant atmosphere for growth and uncertainty when it comes to forward contracts. Out of Canada, the effect of the Discovery Island hatchery closures in Western Canada are now being felt in the marketplace. As of this writing, supplies on the West Coast are just about nil to begin the first quarter of the year, leaving Eastern Canada to pick up the slack in supply. Out of Chile, growth is expected to be light to nil as reported at the Global Seafood Marketing Conference. With so many unknowns when it comes to supply, it remains to be seen how it will all impact price and therefore demand. Currently, the farmed salmon index has been firming during first few weeks of 2023 and is sitting 10.2% higher year-to-date.



Pangasius

As pangasius import volume is positioned to meet or exceed previous record highs set in 2016, wholesale pricing continues to retreat, falling 32% from January 2022 to January 2023. Driven largely by freight costs coming back down to earth, and exporters catching up on delayed backorders in 2022, oversupply and a fair demand has allowed discounts within the market. Historically, tilapia import volume largely outweighs that of pangasius. However, a trend reversal is positioning pangasius ahead of tilapia, taking on more market share. As of this writing, year-to-date pangasius frozen fillet import volume through November 2022 is the highest on record since the 2016 record year. 2023 production estimates look to increase from all major producing countries this year.



Mahi

The undertone of the mahi complex is unsettled as we move into 2023. In analyzing the previous fishing season (October 2021–September 2022), total frozen imports from all countries registered a record 51.6 million pounds; a 10.49% increase over the previous record breaking 2017-2018 season. Inventories were abundant as inflationary challenges materialized in Q3-Q4 2022 resulting in the slowdown in foodservice sales across the seafood complex. Packed freezers with high priced inventory weighed on the market as storage costs soared. Prices eased from their highs as sellers offered discounts to incentivize sales; current prices for 6 oz. frozen C&S mahi portions corrected 8% year-over-year. As of this writing, importers are assessing offers for the new 2022-2023 mahi season in C&S. Similar to last year, production out of Peru has been slow while Ecuadorian fishing boats are reported to be returning 65-70% full. Adjusting inventory levels prior to lower priced new season product arrival in 2023 is typical; however, there is some hesitancy to place orders as recessionary fears continue to grow.

Frozen Mahi Monthly Total C&SA Imports

Source: USDOC, Urner Barry



Mahi Frozen Portions 6 oz. C&SA (IVP)

Source: Urner Barry



UB Salmon, Farmed, Fillet, Fresh, Chile Atl., D-Trim

FOB Miami, 2-3 lbs.

Source: Urner Barry



Tilapia



Tilapia frozen fillets from China have fallen under downwards pricing pressure since the record highs established in the summer of 2022. From January 2022 to January 2023, pricing has fallen over 26% largely due to retreating freight costs. Additionally, demand has slowed down in the wake of premiums on the value finfish, aiding in the bearish market. Conservative buying efforts leading into Chinese New Year and the Lenten season have been reported by key market participants, historically a time for replenishing inventory stocks ahead of the largest demand period of the year for seafood. Through November, imports of frozen tilapia fillets from China are outweighing 2021 by 3.4%, but down 10.7% from 2020 volumes.

US Seafood Imports - Tilapia, Frozen Fillets

Source: USDOC, Urner Barry



FINFISH: Cod



Pricing on cod has remained steady and strong throughout Q3 and Q4 of 2022 and the trend continues so far into 2023. Single frozen 8-16 oz. single frozen shatterpack out of Norway sits at \$6.60, which is 41% above the 5-year average. Catches of Atlantic cod are projected to fall by 14%, while Pacific cod landings are expected to be flat. Supplies in general are tight for the start of Q1. With the decrease of the quota for 2023 the situation could very well stretch further into the year.

China's lifting of their COVID policies, initially thought to help the flow of goods, is now a concern due to the rising COVID rate and thus lack of labor. Freight costs have eased somewhat towards the end of 2022, but much of the savings here were wiped away by both demurrage and cold storage fees, which continue to be a sore spot. One bright spot may be haddock, which many have looked to as a viable substitute. Some concern at the end of the new year was whether the tariff exclusions would be extended on haddock. It was in fact extended until September and a reprieve was felt even if just for now.

UB Cod Fillets, Skinless/Boneless, IQF, China Atlantic 8-16 oz

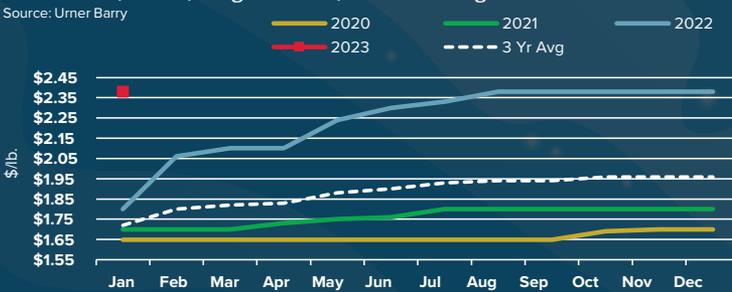


Imports - US Seafood Groundfish - Frozen Fish Fillets Cod Atlantic & Pacific - Total



Pollock

UB Pollock, Block, Single Freeze, FOB New England



Imports - US Seafood Groundfish Frozen Fish Fillet Blocks Pollock Blocks > 4.5kg - Total



In the second half of 2022 imports of pollock saw a steep increase. In fact September, which saw the largest uptick, was the highest September on record, up 150% from 2021. Reports indicate that there was an improved fish size which increased production capabilities and led to better yields. While a strong demand was prevalent last year and helped move product through at elevated levels, the start of 2023 is seeing an impact of that robust supply. At the time of this writing some downward pricing pressure is noted. With an increased quota for 2023 the total catch is expected to increase around 5%, according to the whitefish panel at this year's Global Seafood Market Conference.

With China experiencing issues from COVID policies and outbreaks, many have looked to alternate locations for processing, including India, Thailand, Norway, and Vietnam, among others. The market is starting to see that even though the zero COVID policy has been lifted in China, many that have found alternative processing may be slow to move back if at all.

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FINFISH: *Tuna*

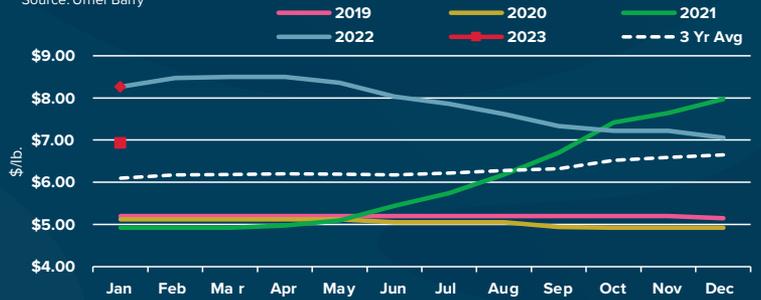
A noticeable shift in consumer behavior materialized in Q2 2022 as inflationary pressures mounted as whispers of a recession loomed in the near future. Diminished foot traffic at foodservice and limited holiday demand caught many market participants holding more robust, higher priced inventory. Not only were freezers full, but cold storage costs continued to increase.

Year-to-date (January–November) 2022 total frozen tuna fillet imports from all countries registered a record breaking 99.5 million pounds, a 38.1% increase year-over-year.

As supply chain logistics normalized in the second half of 2022, inventory buildup coincided with a drop in demand. Program businesses did not pull as much from inventory as they normally would. With sales slowing, and the cost of money increasing, product holders needing cash offered volume discount deals below market levels. Prices for both frozen 5-8 lbs. tuna loins and 6 oz. steaks retreated from their all-time highs established in Q2 2022 by 21.14% and 19.41% respectively.

UB Tuna, Yellowfin Steaks, Treated (CO), 6 oz.

Source: Urner Barry



US Seafood Imports - Tuna, Frozen Tuna Fillets, Total

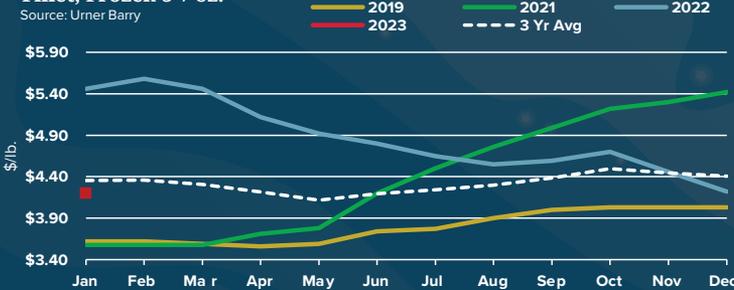
Source: USDOC, Urner Barry



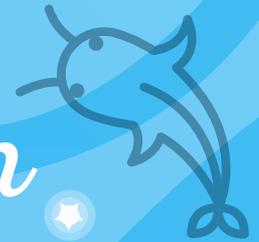
While 2019 recorded the second highest import volume; 90 million pounds; it must be noted that market prices traded 24.64% below current levels. Importers are cautious in placing new orders and are re-evaluating orders for speculation as replacement costs overseas have remained steady. With Lenten demand beginning to pick up, market participants will welcome a reduction in inventory levels.

UB Chinese Catfish, China, Boneless & Skinless Fillet, Frozen 5-7 oz.

Source: Urner Barry



Catfish



Chinese catfish, which holds a much smaller market share within the U.S. than tilapia or pangasius, follows their lead despite the difference in volume. Discounts continue to be reported within the marketplace as volume orders have retreated with demand. Additionally, as freight costs have largely fallen, wholesale pricing has been quick to adjust lower. From January 2022 to January 2023, pricing has dropped 22.5%. Reports of increased availability out of surrounding countries have also been noted, contributing to supply outpacing demand. On a year-to-date basis, import volume into the U.S., while falling below 2021 volumes, is positioned above 2010 through 2020 volumes for the same timeframe. Leading into the Lenten season, demand is anticipated to improve. However, uncertainty remains on the market with production efforts overseas and inflation fatigue here in the U.S.

US Seafood Imports - Catfish (Ictalurus Spp.) Frozen Fillets

Source: USDOC, Urner Barry

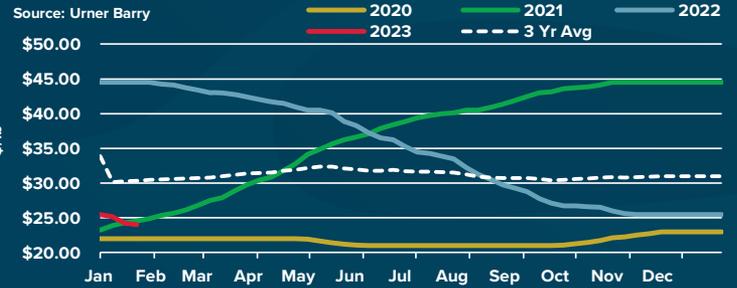


SHELLFISH:

Crab Meat

In 2023 both the blue and red swimming pasteurized crab meat markets continue to move lower off of their historic highs seen in the beginning of 2022. Like much of the premium shellfish category, crab meat appears to be in a “hangover” situation, with higher prices greatly impacting demand. In 2021, crab meat imports from Asia were delayed coming off of longer than normal lead times that spilled over into 2022. As demand began to drop in the first quarter of last year, imported volume could not react as quickly as demand was falling off. Therefore inventories grew and imbalances are continuing to be rectified and do vary greatly seller-to-seller. As of this writing, pricing for blue jumbo lump, for instance, is down 46% from the same time last year at the end of January. As pricing continues to correct, we’ll see if consumption patterns change if promotion picks up and if crab meat returns to menus.

UB Crab Meat, Blue SE Asia, Pasteurized, 16 oz. Jumbo Lump, EC, Ex-Warehouse LTL



US Seafood Imports - Crab, Pasteurized

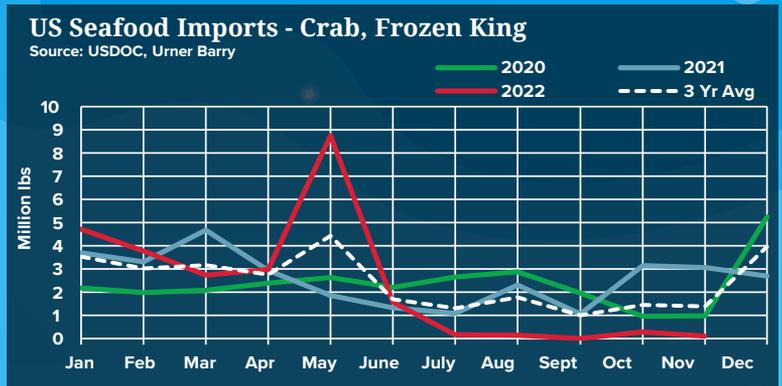


SHELLFISH:



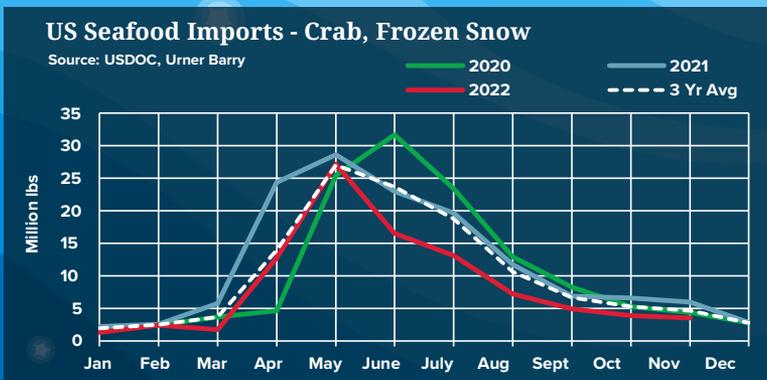
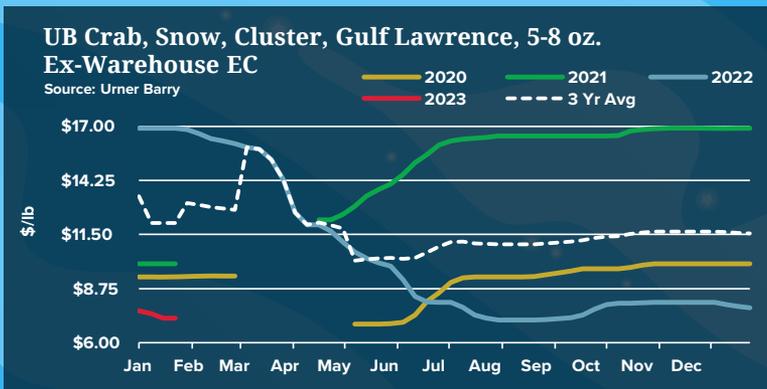
King Crab

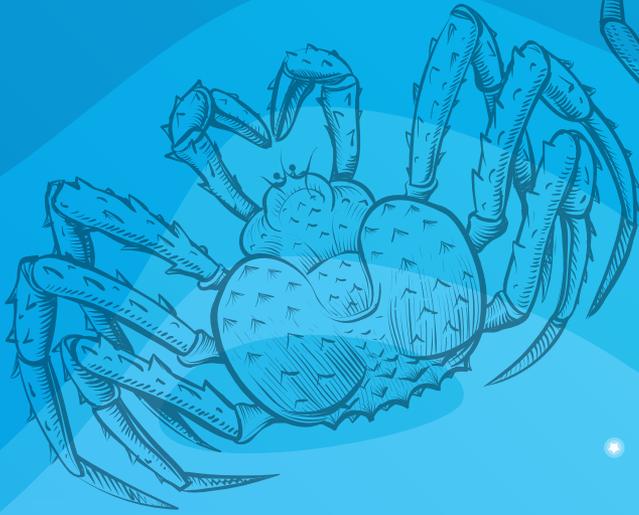
World supply of king crab is dominated by Russia. In the U.S., there are sanctions in place against Russian product due to the war in the Ukraine. Therefore, king crab supplies in 2023 will be minimal. In addition to zero imports of Russian king crab into the U.S. market in 2023, for the second year in a row there will not be a Bristol Bay red king crab fishery out of Alaska. There is a golden king crab fishery out of Alaska which will be the only king crab available to the U.S. market aside from potentially small quantities out of Norway. Through November 2022, Norway represented 1% of the market share for U.S. imports. Russia for the same time period holds an 82% market share. Pricing of Russian red and golden king crab has been trending lower, albeit at a slower pace than other premium shellfish. Even with the marketplace aware of the lack of available king crab heading into 2023, the market remains barely steady to weak with users most likely trading out of the category.



Snow Crab

2022 saw some massive swings and changes in the snow crab market. A “hangover” is believed to be felt currently in the marketplace as many participants continue to move through 2022 product ahead of the 2023 spring season opener in Canada. After banner selling years in 2020 and 2021, 2022 pricing adjusted lower sharply and as of this writing is still moving lower. There are a few factors that are worth mentioning. There is no Alaskan Bering Sea snow crab fishery this year. In addition, due to the ongoing war in the Ukraine, sanctions remain in place against Russian product, including snow crab entering the U.S. market. Therefore, the supply in 2023 will be dominated by Canada in the U.S. market. It is hard to say what the outlook is for 2023. It appears market participants are looking to continue to thin inventories before the beginning of the spring Canadian snow crab season. No product from Russia or Alaskan snow crab, but there will be an Alaskan Bairdi fishery. The current demand situation looks to be fair. With inflationary pressures looming, premium shellfish like snow crab appear to not be making the cut for some consumers.





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SHELLFISH: Live Lobster

According to NOAA, Maine landings for 2022 stand at a preliminary 94.7 million pounds, a 12.96% drop from the 2021 season and the lowest harvest since 2009. Even with a drop in supply, market prices throughout Q3 and Q4 2022 retreated to trade within their 5-year averages. Economic uncertainty permeated the complex as inflationary pressures curtailed buying interest both domestically and overseas. In the second half of 2022, we saw the return of the typical seasonal behavior by market participants. With hearty frozen inventories, processors refrained from acquiring product at the same frenzied pace as they did in 2021. Live demand once again dictated the shore price. Year-to-date (January-November) imports from Canada were down 16% year-over-year, the majority of the shortfall occurring with in-shell (-34%) and meat (-34%).



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Historically, the period following Chinese New Year, which started January 22, 2023 and before the start of the Canadian spring season, is when net supply and inventory shortages are the most pronounced. Light landings combined with a short-lived spurt of demand for Chinese New Year, resulted in market prices firming in January. Market pricing going forward will depend upon fishing conditions, landings and the amount of available tubed product, which bridges the gap in supply until the Canadian spring season starts. How much supply remains in comparison to demand? Will fishing be consistent and landings sufficient for the live market? We will wait and see.



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Frozen Lobster



The premium seafood category was one that garnered a significant amount of attention during the pandemic. Contrary to conventional reasoning, the initial price declines in the frozen lobster category were in-line with seasonal tendencies and the subsequent price action was reflective of meaningful demand. Buyer interest was so intense in 2021 that many items in the category ascended to all-time highs. That fervor began to lose steam in late 2021, and for the majority of 2022, trended lower until reaching more historical averages.

Imports of warm water lobster tails from Bahamas, Brazil, Honduras, and Nicaragua are expected to total 9.5 million pounds when final data is made available. That's roughly 15% fewer than last year, and 14% below the prior five-year average. Market participants cite production issues in producing countries, but it's clear that price was reflective of a slower demand and accumulated inventories.

The market for both Brazil and Caribbean origin lobster tails ascended to all-time highs in 2021 amid a flurry of demand for premium seafood. The items remained at those levels until about mid-May when the fervor ran out of steam, and the markets adjusted between \$3.00 and \$5.00.

After reinstated in August, which aligns with the availability of new season production, Brazil

UB Frozen Lobster

Source: Urner Barry



quotes moved another \$3.00 to \$4.00 lower and Caribbean down \$3.50 to \$4.50. Market values continued marginally lower through the balance of the year. Demand has certainly suffered since prices ascended to all-time highs in late 2021 and into 2022, but the lack of import flow this year has contributed to the steadier tenor more recently.

Imports of cold-water lobster tails from Canada are expected to be 34% lower than the prior year when final data is made available, and imports of lobster meat 33% lower. These shifts may appear unusually large, but when compared to prior five-year averages are more in-line with historical ranges.

The market for North American tail and meat products fell sharply May through August, in-line with the sudden lack of interest in premium seafood. The balance of the year saw barely steady to weak trade due to a lack of participation from certain segments of end users.

Lobster prices at the start of 2023 sit very near historical averages and market participants eagerly await indications of future market direction.



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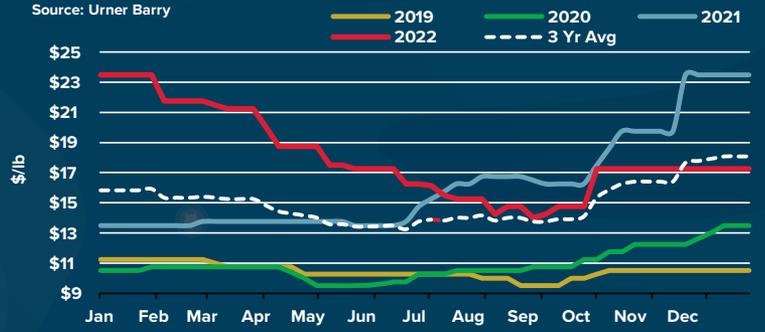
SHELLFISH:

Scallops

While large size domestic sea scallops continue holding firm due to constrained supply, smaller 10/20 and 20/30 size counts have allowed for discounts through the middle of the first quarter. This is because supply is more plentiful on smaller sized bivalves and demand has retreated. The new season will begin April 1, 2023. Inventories will begin to replenish, however, the expectation for the new quota is approximately a 20% reduction from 30 million pounds down to 24 million pounds. This is less than half of what was projected just few years ago in 2019 at 61 million pounds. Continued reduction of the quota is attributed to no evidence of a strong incoming year class, as well as the size mix of landings trending smaller. A heavier reliance has been put on imported scallops to satiate demand, namely from Japan, China, Canada and Argentina.

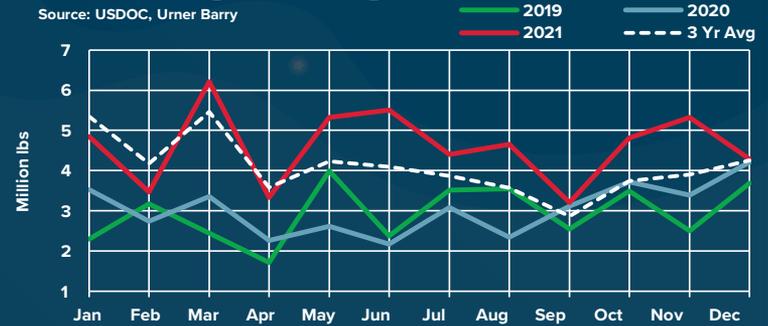
UB Sea Scallops, Domestic, Dry (<83%), IQF, 10/20 ct.

Source: Urner Barry



US Seafood Imports - Scallops, Total

Source: USDOC, Urner Barry



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A woman with long blonde hair and a man with glasses and a beard are shaking hands in a business meeting. The woman is on the left, smiling broadly, and the man is on the right, also smiling. They are both wearing light-colored shirts. The background is a bright, out-of-focus office setting.

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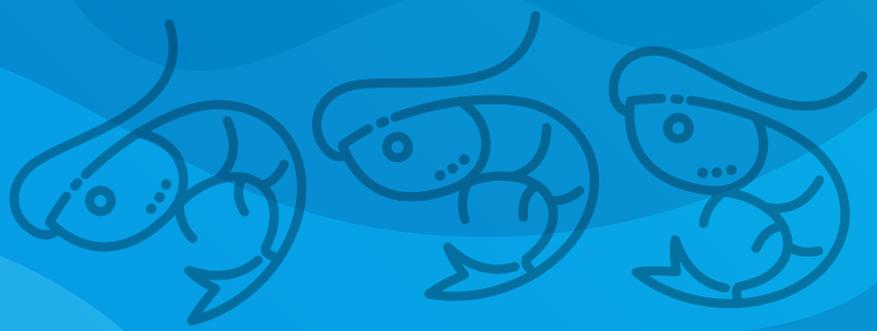
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SHELLFISH:

Shrimp



It was really a story of two halves when it came to U.S. shrimp imports in 2022, although June seemed to be the canary in the coal mine. The first half of the year surged above the record setting pace of 2021 behind prices that outperformed in the first quarter of the year. As of June, exports sat at 968.329 million pounds, or over 9% above the same period in the previous years. Most of our major trade partners saw outsized gains in shipments into the United States. But each month after and through November, the latest data released, saw large double-digit declines year-over-year. Imports sit at 1.711 billion pounds and have slipped 3.6% below on a year-to-date average. This reversed the trend of trade flows apart from Ecuador.

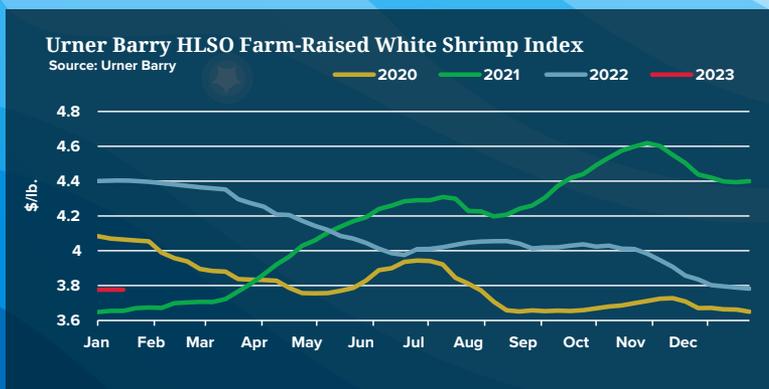
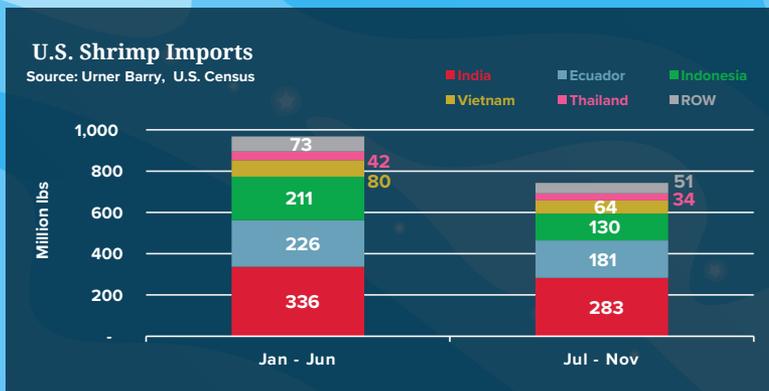
And the country of Ecuador really was the story of 2022 and the key thing to watch into this year. Of our top five trade partners, India (-9.2%), Indonesia (-1.7%), Vietnam (-15.7%), and Thailand (-0.8%) shipped less, while Ecuador (+12.0%) continued to ship more. There seems to be a concentrated effort

by Ecuadorian companies to remain a key trade partner with the United States and keep the pressure on India for the top spot as they surpassed Indonesia this year.

Some other countries of note were Mexico (+5.3%) and Argentina (+2.0%) that shipped more through November.

Importers in the United States were faced with a soft market given the glut of supply in country as a lot of Q1 shipments were delayed transit from holiday orders. While some of the supply chain issues eased, some of the other headwinds faced were limited storage capacity, higher freezer costs, and increased cost of capital.

This is shown in the white shrimp index, or measure of the relative strength or weakness in the overall white shrimp market. Prices started the year at the highest levels since 2018 but declined steadily from March to June. There was a flat market for much of the summer and fall, but slowed sales weighed heavily late year. The weekly trend was lower into the end of the year. The index was just over 14% lower on the year. These discounts did little to prompt sales.



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State of the pork market: What's going on with the cutout?

The Urner Barry and USDA Pork Carcass Cutouts are having their worst starts to a new year in history, with data that dates back to 2003 and 2013, respectively.

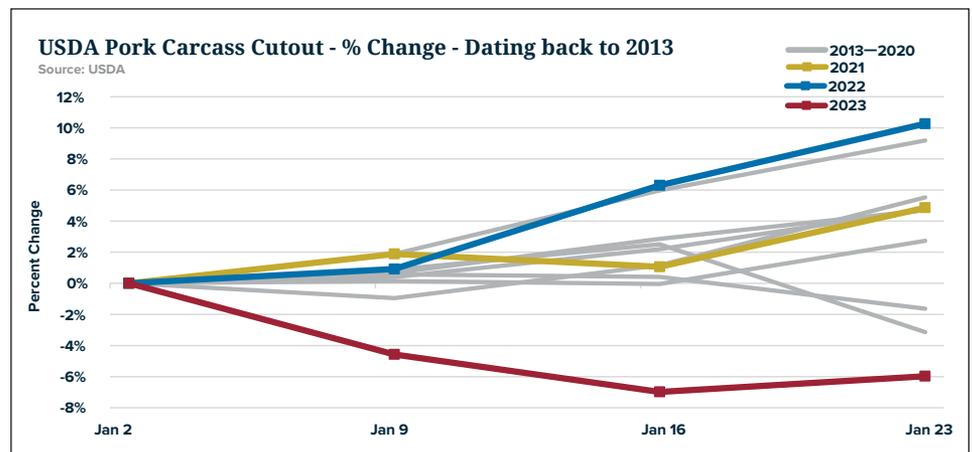
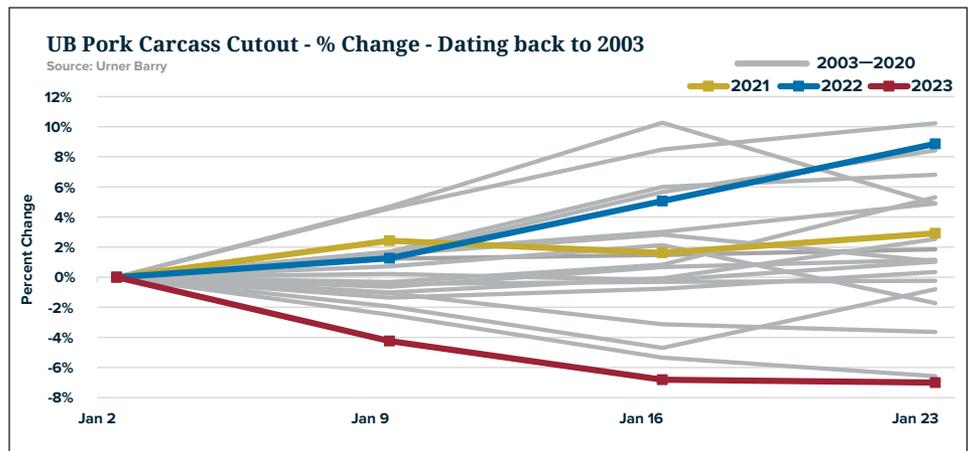
Regardless of which data you choose to look at, the domestic pork market started out the year in a lackluster fashion. The main culprit in this situation is the production volatility we experienced in the final weeks of 2022 and into the first few weeks of 2023. Everyone knew to expect downtime around the Christmas and New Year's holiday, but when a major snow and ice storm hit the Midwest during the week in between the two holidays, complications arose. The additional disruptions caused by the storm prevented participants from making up lost slaughter, leading to a lighter production than initially anticipated. The cutout

increased 2.6% over the final two weeks of 2022 due to those tight supplies.

As we transitioned into 2023, one thing was apparent: there was a significant amount of backed up hogs and they were heavy. In January, we saw some of the highest Saturday slaughter figures on record, including the third largest Saturday slaughter figure in the last five years. For the week of January 9, the slaughter of 2.684 million head was the second highest year-over-year weekly figure in our database, which dates back to 1985. In addition to elevated kill numbers, weights were off the charts as well. Hogs spent the first month of 2023 ranging between 292-296 pounds, which the highest average figures on record aside from 2021, on USDA data that dates back to 1993. All of this data equates to one thing: significant

pork supplies are putting pressure on the market like we have never seen before to start a new year.

On the demand side of the equation, 2023 hasn't been anything to write home about. Picnics, butts, hams, bellies, and loins have all experienced reduced demand regardless of their individual supply situation. Butts and picnics entered the year at year-over-year all-time highs, which then resulted in buyer pushback following the end of holiday demand. 15/17 bellies have seen fair at best demand as peak season for bacon is still well out front, and consumers continue to react negatively to elevated bacon pricing. Bone-in hams, which saw active demand for nearly all of 2022 amid the HPAI situation, has seen quite the opposite so far in 2023.



From a retail perspective, heavy fresh back ribs have been one of the worst performers in recent memory. They have started out the year trending between \$181/cwt and \$187.5/cwt, which is the lowest figures on record by a wide margin. Retail demand dropped considerably due to the massive frozen stock that went largely unsold in 2022, a big topic of the year in the pork industry. New retail data from IRI shows that on a year-over-year basis back ribs have been heavily discounted to move product, from nearly \$3.50/LB at retail to under \$3.00/cwt. Yet demand is still very stagnant. While back ribs surely haven't



“All of this data equates to one thing: significant pork supplies are putting pressure on the market like we have never seen before to start a new year.”

fallen completely out of favor with U.S. consumers, the price point continues to present obstacles in this current economic environment, even with discount.

Moving forward, pork remains competitively priced in early 2023 as eggs, beef, and seafood all remain priced well above pork items. With HPAI still being a major concern throughout the world, turkey remains well elevated from

a pricing perspective to pork hams. While the pork industry surely has issues to work through during this rough start to a new year, people have to eat, and many pork items are positioned well from a pricing perspective when compared to the other pandemic-era years of 2021 and 2022. [UB](#)

Article contributed by [Ryan Hojnowski](mailto:Ryan.Hojnowski@urnerbarry.com)



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Tony Goodger

of the Association of Independent Meat Suppliers



Disease outbreaks, changing legislation, inflation, and the war in Ukraine are just a few of the events that businesses have had to adapt to in recent years. *Urner Barry's Reporter* spoke with Tony Goodger of the UK's Association of Independent Meat Suppliers (AIMS), who has been working in the food industry for over 30 years, about how these dynamics are impacting the meat and poultry industry.

Urner Barry's Reporter: Can you tell us a little bit about your main focus at AIMS?

Tony Goodger: I work with the UK's largest meat and poultry trade body, the Association of Independent Meat Suppliers. We have around 250 members ranging in size from small independent meat processors to large PLCs. Our members supply every UK supermarket, every UK restaurant chain and many of them are exporters. Just recently the U.S. started taking imports of UK Beef and UK Lamb. In both cases, it is AIMS members who are supplying your market.

My job at AIMS is varied. I watch the market and help members to get the best from the markets they trade in, as well as advise them on potential new markets. I undertake our lobbying of government and also provide government with industry views. In short, supporting our members and raising the profile of AIMS within the meat and poultry industry.

UBR: How did you get started in the food industry? Specifically the UK beef, lamb and pork sector?

TC: Originally I worked in the out-of-home dining market but a chance meeting with someone at a trade show led me to be accepted into the graduate training programme with one of the UK's largest Food Manufacturers at the time. The business was called United Biscuits and they owned several biscuit businesses as well as frozen meat and fish businesses, a large cheesecake manufacturer and frozen potato and vegetable product businesses.

UBR: Your grandfather was one of the UK's main meat industry leaders between 1920 and 1960. Did that influence your career choices?

TC: Yes. When I was around 14 I was asked what I wanted to do as a job and I said work in the food industry. My grandfather, who was a butcher, invented dehydrated packeted stuffing mix as a means of adding value to meat during the depression. As a result he went into food manufacturing making lots of meat products, flavorings and eventually breakfast cereal. He often used to travel to the U.S. looking for new ideas and was once offered the chance to import Coke Cola to the UK. He declined as he didn't like the taste!

So, yes, he has been the main influence on my career. I have never wanted to work for myself and so have always worked for others. This included working for McVities biscuits and then a long time working alongside the UK government. I did step away from meat for a few years and worked in fruit and vegetables which was really

interesting, but when the opportunity came along to work with AIMS I grabbed it and have never regretted it.

UBR: What do you view as the biggest "industry changing" event in your time in the industry?

TC: When you have been in the industry for a long time there are many "events" to draw on. Whilst COVID, Brexit and the current war in Ukraine are disruptors they have impacted all markets. So I'd say the biggest industry changing event that I have worked on, and which was meat industry specific, was BSE, followed closely by Foot & Mouth Disease.

BSE saw negative media drive some consumers away from beef and resulted in the introduction of the Beef and Beef Mince Quality Standard Marks. This helped to return consumer confidence, though it did take some years. During that recovery period the UK suffered a widescale Foot & Mouth Disease outbreak. The media imagery associated with this again presented the meat industry in a poor light. And despite assurances that FMD couldn't be caught by humans, some consumers still had to be won back.

Today, like much of the world we have Avian Influenza. There is much that needs to be learned from this outbreak, especially as other animal diseases such as African Swine Fever could come to the UK.

COVID, Brexit and inflation driven by among many things the war in Ukraine we can cope with. Whilst they are all unplanned events (the fallout from Brexit was unforeseen) the meat industry is highly

resilient and resourceful, and we thrive on rising to these challenges.

As someone once said to me “where there is a crisis there is an opportunity” and we are seeing lots of our members reassess their businesses to reduce carbon emissions and make themselves more resilient to future economic shocks.

UBR: What developments on the horizon do you see having a major impact—positive or negative—on the industry?

TG: There are many. But the three key ones are:

1. DNA traceability for meat and meat products—We know that big overseas markets as well as domestic consumers want to be certain of the meat they are eating and be confident that they know where it comes from and how it has been produced. Traceability has moved on considerably from an ear tag and pieces of paper and now DNA

is available it will become cheaper and more widely used. In the UK the supermarket chain M&S already have DNA traceability in place for all of their beef and others are likely to follow.

2. Eco-labelling—Climate change and impact has somewhat skewed the conversation towards reducing or ceasing eating meat altogether. This is simply a false perspective. There is well over a millennium of proof that animal protein in the diet is beneficial to human health as well as making a valuable contribution to the environment through the production of organic manure, improving soil structure etc. Livestock Farming isn't the problem when it comes to climate change, it's very much part of the solution.

3. Innovate to survive—I personally think that we have only scratched the surface when it comes to meat and poultry product development. Tastes change, demographics changes and attitudes

change. Here in the UK one of our huge markets is Muslim consumers and Halal Meat. They represent 6% of the population and yet consume around 30% of our lamb as well as a massive amount of our chicken. This is a growing global market and one which meat and poultry processors need to be supplying.

And one I think will fade away—lab grown meat. We are still at the very early stages of development. However, natural meat muscle is sterile through the cut and the outside gets treated with heat when cooked to kill pathogens. Meat products such as burgers and sausages are by and large cooked all the way through and are made with natural ingredients. Lab Grown meat will need to be produced in such a sterile atmosphere that it could well be just too expensive for a global market hungry for protein. [UB](#)

Article contributed by **Dineo Komane**
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Supply chain disruptions easing but has shifted port demand

There were many problems that supply chain and logistics managers had to contend with since the beginning of the COVID-19 pandemic when Wuhan, China, shutdown. These include labor shortages, port congestion, broken supply chains, increased transit times, detention and demurrage fees, as well as limited warehouse space. It almost became a constant barrage of black swan events that kept the pressure on not only the agriculture industry, but nearly all. While some of these are easing, it is still top of mind for many. According to a CNBC survey, more than half of logistics managers at major companies and trade groups say they do not expect the supply chain to return to normal until 2024 or later.

LABOR DISRUPTIONS

The onset of the pandemic led to major labor disruptions as plants and factories across the globe were shut down either in part or whole. This has eased significantly, but labor negotiations in other areas of the supply chain became a key focus point in 2022.

Labor negotiations in the trucking industry where cargo needs to be moved once it is moved inland became a headache for many. Heated negotiations between railroads and unions even came to the attention of President Biden's administration, which intervened given the problems that could occur if a strike materialized. A tentative deal was reached on September 15, 2022 that averted a strike for the time being, which helped ease some concerns over one mode of transportation.

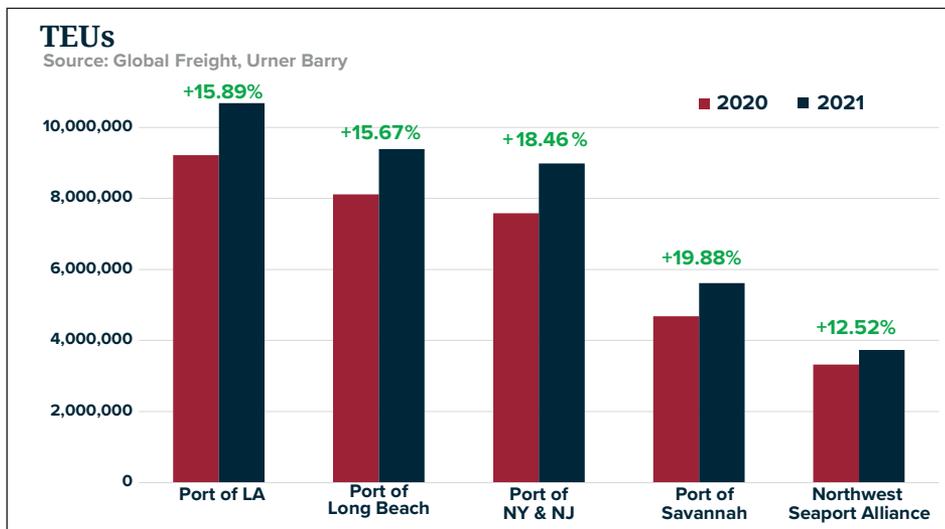
The other part of the story, and what probably drove some of the changing trends in port activity, is the other tense labor deal that hit the market. Negotiations between the International Longshore & Warehouse Union—which represents dock workers on the West Coast of the U.S., Hawaii, and BC, Canada—and the Pacific Maritime Association—which represents employers of the shipping industry on the Pacific Coast—were tense. It doesn't seem that the administration is going to intervene here, and it looks like the union is digging in for their demands. The uncertainty is hitting the industry.

SHIFTING DYNAMICS

These unsolved labor problems and contingency planning has helped ports outside of the West Coast. As volumes shifted, there was an initial demand shock which created early backlogs and delays. There is currently more balance after these ports worked through the issues and increased enhancements and investments.

Let's first look at where we came from to get some color. The top five ports in the United States saw double digit growth from 2020 to 2021 coming off the pandemic lows. The main statistic to look at, however, is that the two West Coast ports were the leading ports in volume both years. Los Angeles saw over 10 million TEUs, or 20 equipment units (20-foot container). But it was the pace of growth at the Port of NY & NJ and the Port of Savannah that may be more foretelling.

The fight is on to be the destination of choice. If we look at data through October 2022, there has been a slight shift to alternate ports. The Port of Houston surpassed Seattle for the fifth rated spot, taking on a record-breaking amount of volume through the reporting period. Remaining at number four was the Port of Savannah, which also saw an increase from last year. These figures were also records for this port. Volumes at the Port of Long Beach also increased year-to-date by a slim margin, surpassing totals from the previous year as well and setting new records. But this port slipped to number three. The shift in dynamics helped the Port of NY & NJ surpass Long Beach for number two on the list. The growth through the first 10 months is over 7%. While still holding onto the number one spot, the Port of LA saw a decline in volume through October compared to last year, to the tune of 6%.



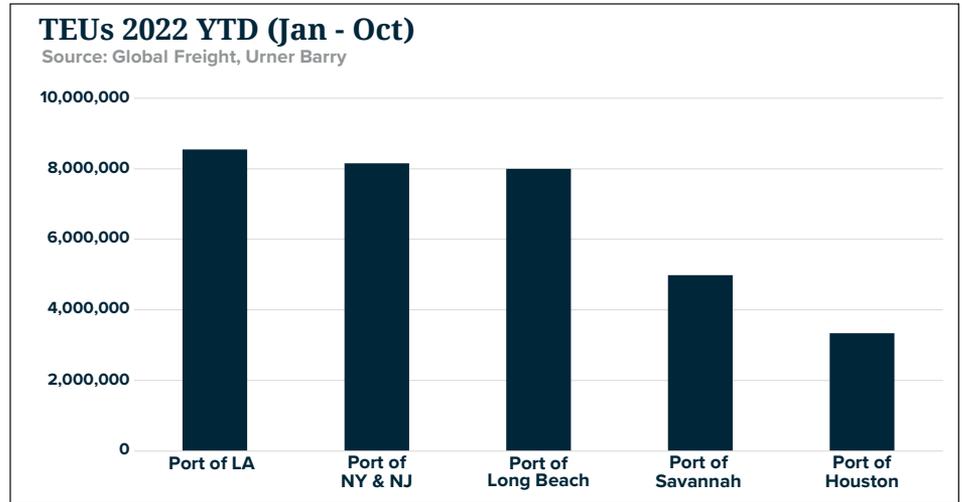
“...monthly figures for August, September, and October showed the East Coast port took the top spot in all three months—a first.”

What may be more telling is the latest data sets seen. The Port of NY & NJ is handling nearly 20% more trade volume than it did prior to COVID-19. In fact, monthly figures for August, September, and October showed the East Coast port took the top spot in all three months—a first. Additionally, the Port of LA posted its lowest level of October volume since 2009.

As the pandemic went on, the U.S. fiscal policy of the largest direct stimulus payments to citizens drove demand for goods to unprecedented levels, adding to the largest economy in the world. This made the need for efficient supply chains more important and put the focus on port activity throughout. While there were some hiccups early as demand shifted to new routes, there appears to be a rebalance and it is a testament to operators responding to customer demands. There seems to be

new leadership emerging but there will be a fight from previous ports to claw back that business. It will be interesting to see if the latter part of 2022 was a larger systematic change or just a trend. [UB](#)

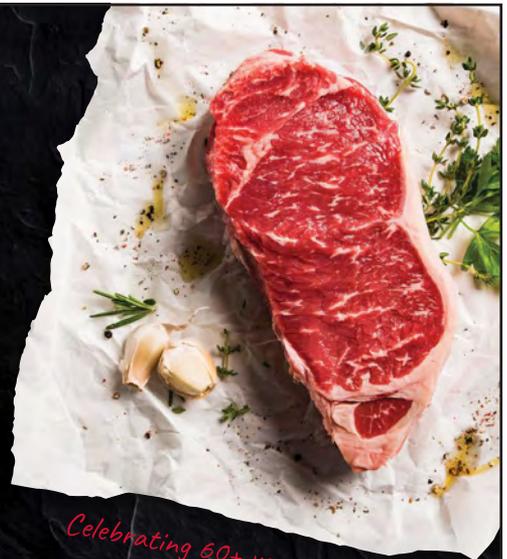
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Plant-based foods gaining traction at schools

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The plant-based food phenomenon has experienced ebbs and flows over the last year or so, but it's safe to say this protein complex is here to stay in one capacity or another. A positive for the companies offering many alternative food items is the fact that schools throughout the U.S. have instituted plant-based food programs, and kids and young adults have been receptive. One program called Plant-Powered Fridays is now offered at New York City schools.

The New York City (NYC) Department of Education (DOE) reported that it provides free, nutritious meals to all NYC public school students every day, but on Fridays, the cafeterias feature a plant-based dish as the primary menu item. Many of these meals are made from scratch with freshly cut ingredients either on-site or in one of its local facilities.

Plant-based meals are rich in vitamins, minerals, fiber, and protein, which the DOE explains helps to ensure that its students receive the recommended five servings of fruit and vegetables a day. They also point out that Plant-Powered Fridays exposes students to meals prepared in different, flavorful ways, encouraging students to make healthy food choices for a lifetime.

"Whether it's an introduction to something new or reminding kids of a flavor from home, the meals served to NYC students reflect the cultural diversity of our City," said Kate MacKenzie, Executive Director of the Mayor's Office of Food Policy. "Not only are our

school meals healthy, but they are delicious. NYC is modeling how even the largest food systems can accommodate plant-based diets. More than 100 plant-based, culturally relevant recipes have been developed to support not only Plant-Powered Fridays but every day of the school week. As a result, our students have even more healthy and delicious options."

Meanwhile, Impossible Foods announced in December it would be providing Connecticut's Middletown Public Schools district (nearly 5,000 students) with Impossible Burgers across its school menus. A local news outlet reported a taste test conducted found that 85% of participants enjoyed the flavor of the alt-burger and would like to see it offered daily. The district already offers Meatless Mondays, so that trend may very well continue during the week.



Elsewhere, California has been touting the fact that they are the first state to support plant-based school meals. Back in June 2022, Governor Newsom approved a \$308 billion budget, \$100 million of which has been allotted to support schools in procuring plant-based foods, as well as sustainably produced foods, which are produced by California-centric growers. Someone familiar with the process and the latest menu options pointed to a favorite called “mushroom street tacos with a cilantro cream sauce.”

California’s Santa Barbara Unified School District (SBUSD) reports that it serves a plant-based option at each meal. Options include plant-based chili, rojo burritos, Thai green curry bowls, vegan “meatball” subs, and veggie pozole. Of the 2 million meals SBUSD serves yearly, 50% of the meals are reportedly vegan.



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“...Plant-Powered Fridays exposes students to meals prepared in different, flavorful ways.”

Back on the east coast, out of the Capitol there’s the DC Central Kitchen, a foodservice provider which caters to 17 schools. The ingredients are accessed from over 30 local family farms and every meal is scratch-cooked. Popular entrées include veg-out chili and powered-up pasta with chickpeas.

Plant-based food programs are popping up all the time throughout the country as there is a continual push to provide children with healthy food choices that they also enjoy eating. There’s no reason to believe this won’t continue throughout 2023. [UB](#)

Article contributed by **Matt Morrow**
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Disease issues hog the spotlight

Many challenges lie ahead for the agricultural industry as hog producers navigate the effects of elevated—albeit slowing— inflation and an unknown demand picture.

The lean hog futures market reflected these bearish undertones in early 2023 as fundamentals, including a declining cash hog market and broader economic concerns, pressured the board.

During the first week of the new year, the February lean hog futures contract shaved off nearly 9% of its value.

Consecutive weeks of reduced slaughter levels in late 2022 because of the holidays and inclement weather resulted in a buildup of hog supplies, driving cash prices lower as packer competition for the animals waned.

The Bureau of Labor Statistics showed the index up 6.5% overall in December, the slowest annual gain since October 2021. While many economists believe that inflation has peaked, December's figure marked the second-highest level for that month in over 40 years.

With inflation remaining uncomfortably high, expensive corn and production costs continue to eat into producers' returns. This has

largely restrained hog production, with the USDA reporting a 1.8% year-over-year decline in the nation's herd as of December 1.

While hog prices in 2022 were higher than in 2021 for most of the year, profitability among producers was not enough to generate widespread expansion efforts.

However, the USDA did report a 0.5% increase in the nation's breeding herd as of December 1. A resurgence in disease issues will challenge productivity levels going forward and could lead to tighter than anticipated hog supplies this summer.

Porcine reproductive and respiratory syndrome (PRRS) reared its ugly head again towards the end of 2022 as the colder temperatures made it easier for the virus to thrive and mutate. As a result, some farmers have had to depopulate while others are implementing vaccination programs.

The livestock industry is no stranger to disease pressure. Egg and poultry producers are still contending with the worst highly pathogenic avian influenza virus (HPAI) in U.S. history, with nearly 58 million birds affected by HPAI as of mid-January.



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Along with unpredictable natural forces, hog producers are waiting for additional developments on Proposition 12, the law that mandates more space for breeding pigs and would ban the sale of out-of-state pork to California that is not Prop 12 compliant.

In October 2022, the Supreme Court heard arguments from the National Pork Producers Council (NPPC) and other groups opposing Prop 12. A final ruling is not expected until this summer.

“A resurgence in disease issues will challenge productivity levels going forward...”

Industry sources have expressed concerns over sluggish pork demand this year. A sharp uptick in beef prices towards the end of 2022 and into 2023 could be supportive of pork sales in the near term. However, chicken prices at retail are extremely competitive and could dominate sales at the meat case.

Globally, demand for U.S. pork could see a potential slowdown as China battles COVID-19 outbreaks. Many in the industry are looking towards Mexico as a key buyer of U.S. pork this year, with emphasis on Mexican ham demand.

A general sense of uneasiness continues to shroud the agricultural sector and the everyday consumer. For hog farmers, muddy waters lie ahead as the extent of disease pressure remains to be seen. [UB](#)

Article contributed by Courtney Shum | cshum@urnerbarry.com



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Answers on page 77

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How has cheap chicken impacted the bacon business?

Chicken may currently be a primary influence on belly and bacon prices; when is the last time you heard that? Well, that is precisely what's happening in early 2023. Pork belly prices have experienced their weakest start to the year in our recorded history, with Urner Barry data extending back to 1996. Meanwhile, medium-sized chicken breasts are down 44.5% over the past seven months. These two figures represent wholesale values on the negotiated market, but how do these two items relate and how have they impacted the consumer?

Bacon has remained historically elevated for both foodservice and retail establishments for the better part of two years, and that gets passed onto

the consumer more often than not. With chicken, the story is somewhat different. Chicken prices ascended to all-time highs over the course of the first half of 2022. As broader economic inflation sent consumers looking for value, demand for chicken rose. More critically, heavy birds and labor woes resulted in some items, particularly the smaller sizes, becoming quite difficult to produce and acquire. However, during the back half of 2022, a sharp price correction ensued. While settling in November at levels that were still historically high compared to past years, when viewed relative to summer 2022 they were notably discounted. As we moved into 2023, this resulted in QSR chicken sandwich promotions for various major chains, except one thing was missing... bacon!

Bacon, a darling of the fast-food community, has been largely absent from ads and promotions in recent memory. A question many pork industry members have asked is that with pork bellies at historically low levels and USDA retail bacon prices having come off nearly \$0.65 over the previous two months, the largest drop over two months in history, why has demand for bacon been so lackluster?

Raw 13/17 bellies are at historically low prices, spending January at an average of \$107.19/cwt. The overall economic environment, inflation, and reduced traveling have also led to less HRI demand for bacon, which has backed up raw bellies and led to product being put in the freezer at an exceptional rate. This resulted in the

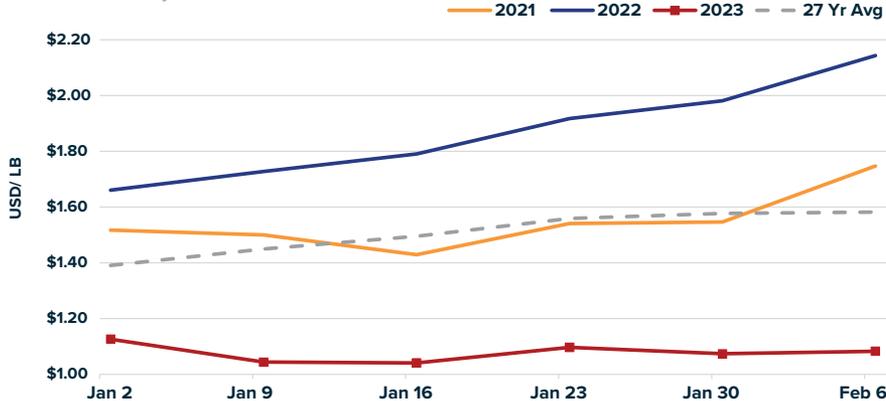


“...bacon continues to retail at over \$6/lb, and foodservice operators remain impacted by the elevated prices, resulting in less interest in promoting sandwiches that feature bacon.”

most recent cold storage report showing a 52-week high supply. However, the price of bacon from further processors and that of bacon in cold storage remains elevated. Costs from labor, injecting, slicing, and packaging all skyrocketed during the pandemic era, and that hasn't changed much over the past year. Because of these factors, bacon continues to retail at over \$6/lb, and foodservice operators remain impacted by the elevated prices, resulting in less interest in promoting sandwiches that feature bacon.

13/17 Skinless Pork Belly

Source: Urner Barry



As explained above, part of the reduced movement in bacon is due to its cost at retail, but we knew that already, as that was widely discussed throughout 2022. We now know that a major influence is the chicken business, and mainly from the QSR standpoint. Until we see improved interest in bacon from that channel, the belly category will face hurdles. With depressed wholesale belly prices and soft demand for bacon, retail pricing of bacon has begun to

descend, though there is quite a ways to go. We will have to wait and see if summer brings about improved bacon demand, as it does nearly every year. But for the time being, reduced foodservice demand is putting major pressure on the pork belly market. [UB](#)

Article contributed by **Ryan Hojnowski**
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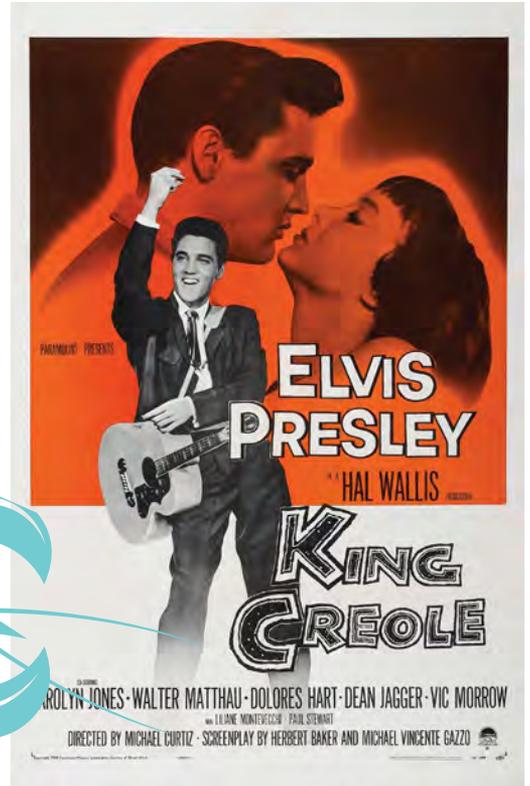
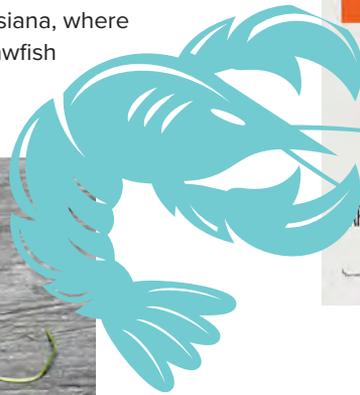
Mudbug, freshwater lobster, craydid, crawdad, mountain lobster, crawfish...call it what you will. American's—especially those in the South—love crawfish.

The tasty little crustacean, usually spiced up just right, has a special place in our hearts. In the 1800's many French Canadian settlers from the area around Nova Scotia that relocated to the South came across these tiny lobsters in the swamps and bayous in the American South. The legend goes the lobsters missed the people so much they followed them down South but by the time they finally caught up to them they had shrunk down to their current size. Having been familiar with traditional lobsters in New England and Northeast Canada, they adapted many lobster recipes to the crawfish, and it quickly became a staple.

To native Americans of the Houma tribe, whose name roughly translates into red crawfish, it is a symbol of identity. The Houma's war emblem was the crawfish, representing honor and strength as the crawfish always raised its claws when threatened instead of backing down or playing dead. Louisiana, where roughly 90% of domestic crawfish originate, also views crawfish as a beloved unofficial symbol of the state, representing steadfastness and courage as well.



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Poster for the film King Creole (1958)

“...one of the deep connections Americans have with crawfish is the sense of family and community over a traditional boil.”

Love for the tiny crustacean can be seen front and center with one of our most beloved musicians crooning about mudbugs in the beginning of the 1958 movie “King Creole.” Considered by many to be one of Elvis Presley’s best films, it opens with The King and miss Kitty Jean Bilbrew in a duet belting out their love of crawfish. “If you fry him crisp or you boil him right, he’ll be sweeter than sugar when you take a bite, craw-fish.”

Speaking of boiling them right, one of the deep connections Americans have with crawfish is the sense of family and community over a traditional boil. The shellfish are boiled up, traditionally with potatoes, corn, sausage, and spices. Friends, family, and community gather ‘round the picnic table which is covered with newspaper or parchment paper and the large pots are dumped out for all to dive into and enjoy. The camaraderie shared there can be special and even sacred to many. [UB](#)

Article contributed by [Joshua Bickert](#) | jbickert@urnerbarry.com



Seafood Recipe



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Traditional Louisiana Crawfish Boil

INGREDIENTS:

- 1 sack (30-35 lbs.) live crawfish
- 3 pounds Seafood Boil Mix
- 20 corn on the cob
- 20 small red potatoes

Optional:

- 2 whole fresh artichokes
- 2 lbs. sausage
- 1 small container mushrooms

METHOD

1. Wash crawfish thoroughly with running water, removing any that are crushed.
2. Fill a large pot with enough water to cover crawfish. Add powdered seasoning mix to the water. *One pound of powdered crawfish boil will cook approximately 15 lbs. of crawfish.* The powdered premixed seasoning contains salt, lemon, onion, garlic, and many other spices needed for real "Cajun flavor." Bring water to a rolling boil.
3. Place crawfish in water, cover, return water to a boil, & boil approx. 1- 2 minutes. Turn off fire and let crawfish soak for 15-20 minutes depending on the amount of spices desired.
4. Prepare vegetables while crawfish are soaking. The standard favorites are corn-on-the-cob and potatoes. However, we suggest you also try mushrooms, carrots, whole onions, whole garlic, and any others of your choice. Boil the vegetables in the water after removing the crawfish, keeping in mind they will not take long to cook, and they soak up the spices quickly. Start the potatoes first and add the others right before the potatoes are almost fork tender.
5. Remove crawfish from water and place in an ice chest. The box the crawfish are shipped in works great for this purpose! Place a 2" layer of crawfish then sprinkle an even layer of LA Crawfish Co. Seafood Boil Mix (if desired). Continue layering crawfish and seasoning until all crawfish are in the chest.
6. Place the lid tightly on the chest and let the crawfish steam for approximately 15 minutes. Meanwhile, boil the vegetables.
7. Uncover and enjoy Louisiana's finest delicacy!

Recipe provided by LA Crawfish Co.



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Increasing weights... a fad or here to stay?

Intriguing disruption to the lamb market

The Y4+85/UP quote has been a benchmark lamb quote on the Urner Barry price sheet for years, and while that remains so, 2022 was a year where it became apparent that carcasses continued to trend heavier. The brand new Y4+95/UP quote was unveiled in early January 2023 and has been a hit since its debut as the industry has moved forward.



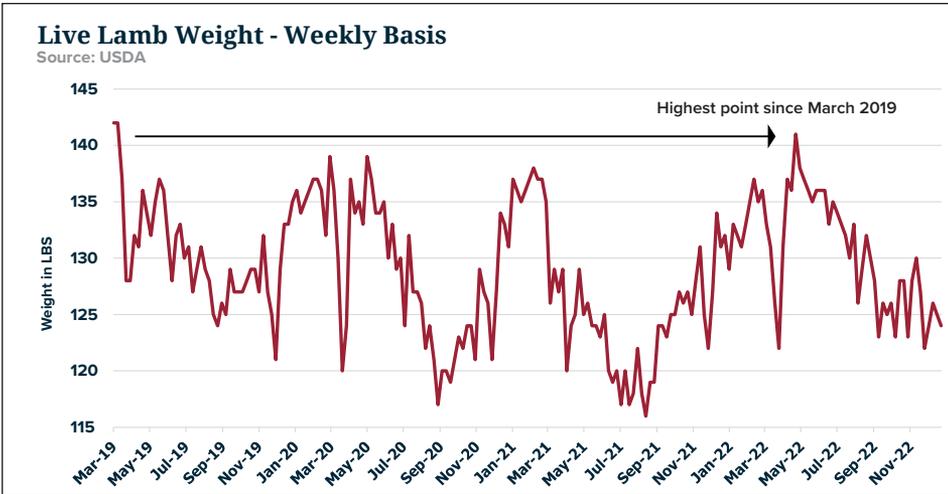
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Throughout the pandemic era, 2020-2023, the domestic lamb market has experienced a whirlwind of dynamic price action. Following an initial plummet in lamb pricing in early to mid-2020, record price adjustments occurred which saw raw carcasses skyrocket 71% from the week of February 1, 2021, to the week of August 9, 2021. Immediately following this, prices dropped consistently throughout the year of 2022, almost weekly. It was during this time period where major changes occurred.

After seeing strong retail demand throughout the pandemic, interest began to wane. As this happened, live lamb got backed up and kept alive longer as slaughter schedules slowed. This resulted in weights increasing steadily to an average of 138 pounds on a monthly basis in May 2022, which was the highest monthly average seen since March 2019. As the industry began experiencing heavier product, it became apparent that a heavier lamb carcass quote would be necessary for the industry, and thus the Y4+95/UP quote was born.

While the new quote was necessary to add, that did not equate in renewed lamb interest. Since product has trended heavier, food service demand has declined. From a retail standpoint, the active interest from the midst of the pandemic has been reduced as well. Competing proteins remain priced below lamb, on an average basis, and that continues to be the main issue for the industry. White tablecloth and holiday interest remains moderate at best to begin 2023. It will be interesting to wait and see what new developments arise. [UB](#)

Article contributed by **Ryan Hojnowski**
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New award to be presented at this year's Executive Conference

This year, the annual Urner Barry Executive Conference is hosting an initiative to acknowledge the next generation of executives in the protein industry. The awards presented at the Executive Conference will have a new honor granted to one "rising star" of the industry. The Rising Star award will be presented to someone new to the industry, whether in age or experience, who has jumped into the field headfirst with hard work and dedication, absorbing their peers' knowledge while striving for innovation and growth.

With high-end networking opportunities and educational agenda sessions, the Executive Conference is a great tool for new professionals in the industry to further their development, while making the great connections that will lead to continued success. If you speak to longtime attendees, they will tell you the importance of these conferences when you are new to the industry.

Ryan Downes, Vice President of Sales at Farbest Foods, has been attending the Executive Conference for as long as he's been with the company, around 18 years.

"I think starting off coming to a conference like this was a good way for me to be around the executive-level management of the industry as well as our customers who are often in attendance. It helped progress the way I look at everything, more than just on a day-to-day aspect. And it allows me to engage with people who have been in the industry a long time, interacting with that executive group," he said. "It's a great opportunity to learn, so it's nice to see other companies continue to bring their younger staff in recent years."

Another longtime attendee, Michael Sencer, Executive Vice President of Hidden Villa Ranch, shadowed Downes' take. "At the Executive Conference, you are always able to meet new people, learn new things and continue to network."



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UB Executive Conference

This year's Executive Conference will be held at the Palazzo at the Venetian Resort in Las Vegas, Nevada, from April 30–May 2. For updates on the agenda and confirmed speakers as we announce them, please check the conference website at urnerbarry.com/executive.^{UB}

Article contributed by Chris Fastiggi
cfastiggi@urnerbarry.com

If you are planning on attending and would like to nominate someone for the Rising Star Award that will be with you in Las Vegas, you can use the QR code below, or check your email receipts when registering for a link.



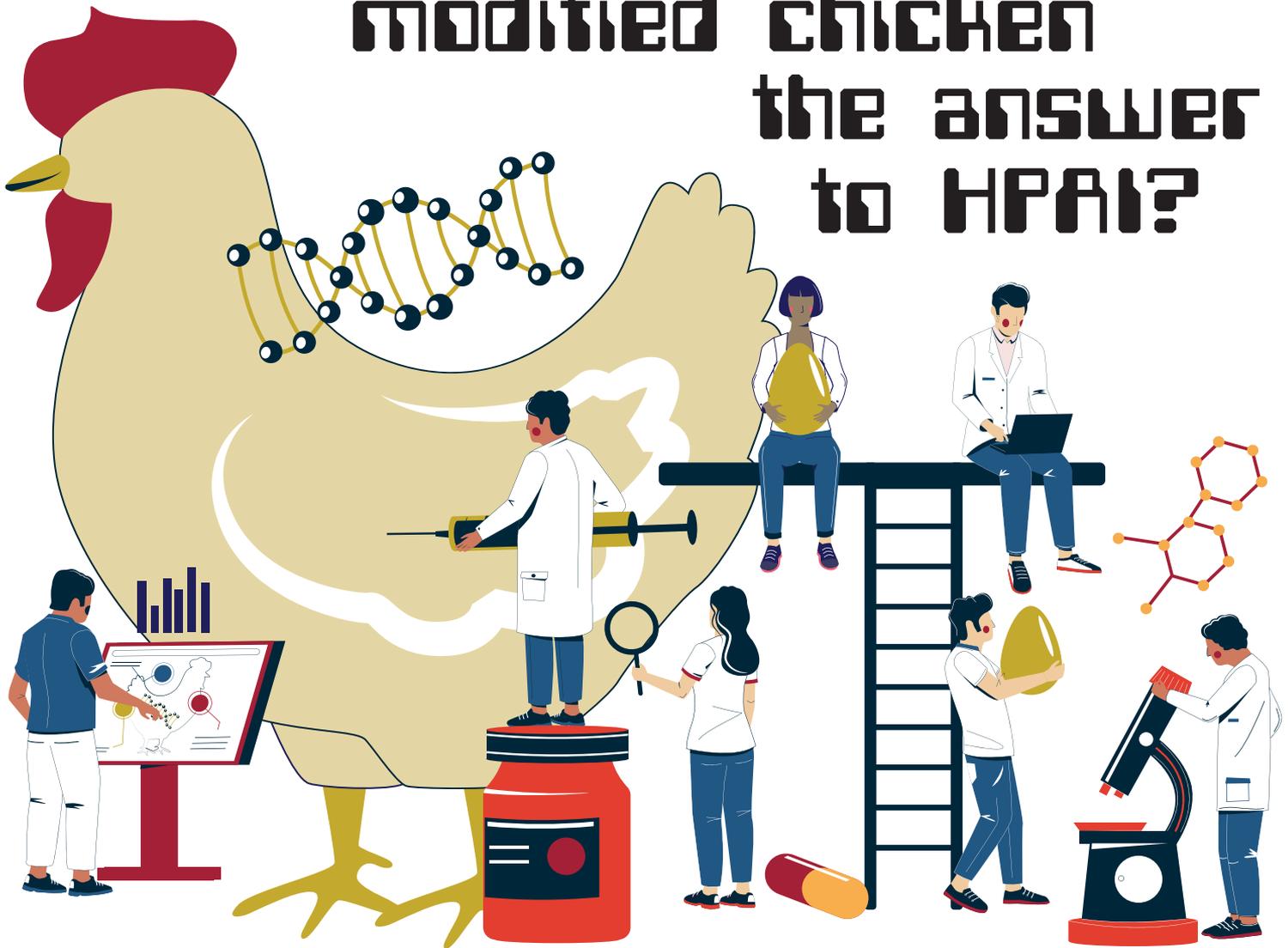
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Is genetically modified chicken the answer to HPAI?



For the poultry industry, the past year has been anything but “routine.” This is undoubtedly a statement which market participants have heard ad nauseum throughout the past several years. However, for once COVID, and the array of challenges that have come along with it, is not the sole focus of this statement, but rather highly pathogenic avian influenza. HPAI, for short, remains an urgent matter for those in the poultry and egg business. While this isn’t the first time both industries have been dealt the HPAI card, 2022 did prove to be the most severe outbreak in recent history and there aren’t many signs that the disease is abating, yet.

Since its outset back in February 2022, there has been at least one HPAI case in a commercial operation each month. A total of roughly 58 million birds have been impacted so far, with upwards of 300 commercial meat and egg-producing flocks impacted.

For comparison, 2015’s outbreak, which by all measures was considered “severe,” impacted about 50 million total birds, with 211 commercial operations being affected before the disease naturally halted by mid-year. So whether it is the farmer who is seeing birds succumb to disease, the processor who is struggling to fulfill regular order volumes, or the consumer who is having to shell out an arm and a leg at the grocery store or restaurant, the question remains the same: When will it end?

For researchers and scientists at the Roslin Institute at the University of Edinburgh, the answer to that question might be “right around the corner”...at least if their latest study is successful.

If the name of the institute rings a bell, that’s because it was this same research group which produced Dolly the cloned sheep

“Despite the possible hurdles associated with gene-editing technology, everyone can agree that a solution is desperately needed.”

in the late ‘90’s. Well, in their latest innovation, the scientists say that they’re now close to publishing game-changing research on the creation of an avian-influenza resistant chicken. If all goes as planned, genetically enhanced flocks would be available in the next several years; putting a definitive end to avian influenza.

This is by no means a recent project. Beginning back in 2019, the team at the Roslin Institute demonstrated that viral immunity could be achieved through the use of a genome-editing technique called CRISPR, which is the much-needed acronym for “Clustered Regularly Interspaced Short Palindromic Repeats.” This technology allowed scientists to essentially remove a particular section of chicken DNA which the virus captures in order to replicate and spread. After undergoing this procedure in the petri dish, chicken cells were no longer a viable host for the virus, and thus were considered immune. The next step for the team is to carry out the experiment in the field.

Of course, the road to complete gene-based avian immunity is paved with challenges. Even if CRISPR technology does make it through scientific scrutiny and along a barrage of regulatory checks and balances, employing it in commercial operations could take upwards of five years according to the research team. This delay is at least partially attributed to the lengthy period required by the commercial breeders to repopulate the flocks starting at their core pedigree birds. Another speed bump to implantation might be the “GMO” title itself, which could severely limit the flow of CRISPR enhanced poultry exports into several trade destinations.

Despite the possible hurdles associated with gene-editing technology, everyone can agree that a solution is desperately needed. Unlike 2015, this specific virus strain was able to withstand 2022’s summertime heat while, at the same time, elude the most stringent farm and processing biosecurity measures in history. To some, CRISPR is the only solution shy of relocating an entire industry. As we await the results of the Roslin Institute’s most recent study, market participants and consumers are hopeful that there is a solution coming down the pike. [UB](#)

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Making *seafood* a priority during *pregnancy*



Article contributed by Rima Kleiner, *Registered Dietitian and Licensed Dietitian and Nutritionist* with the National Fisheries Institute

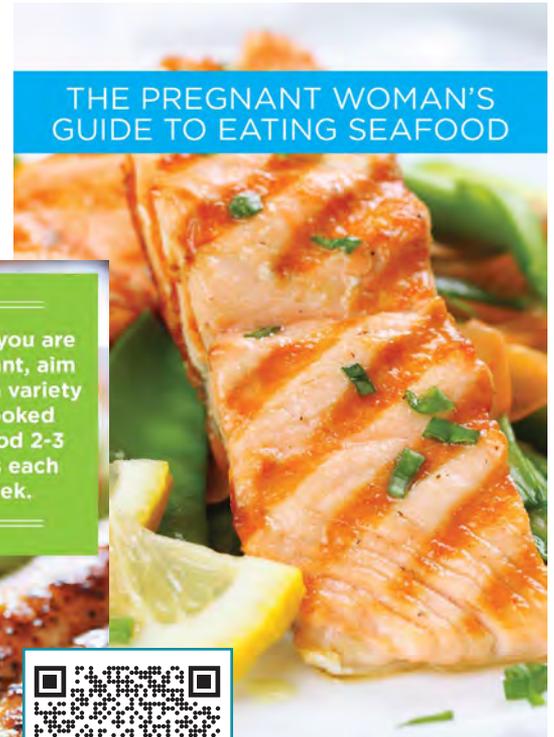
Pregnancy brings many new and significant changes to a woman's body. One of these changes includes an increased need for calories and nutrients, like protein, iron, folate, vitamin D, calcium, iodine and omega-3 fatty acids.

These nutrients are vital for a healthy pregnancy, for both mom and baby. Protein, for example, supplies the amino acids that serve as the building blocks for both mom's and baby's growing bodies. Adequate iron helps to ensure that healthy red blood cells, which deliver oxygen around the body. The B vitamin folate helps prevent neural tube defects and anemia. Vitamin D is important for mom's blood pressure, immunity, mood and both mom's and baby's bone health. Calcium is so critical during pregnancy that—if intake is too low—mom's body will actually pull this mineral from her own bones to support baby's development. Iodine helps support a healthy thyroid for both mom and body. And getting enough omega-3s is crucial not only for mom's heart, brain and mood, but also for baby's developing brain and eyes, which are comprised primarily of the omega-3 DHA (docosahexaenoic acid).

During pregnancy, it's more critical than ever to focus on eating nutrient-dense foods. Yet many expecting moms find it confusing or even overwhelming to know what to eat—and what not to eat—during pregnancy. One of the most frequent questions we get here at Dish on Fish is whether to eat seafood during pregnancy. The answer is an absolute yes!

Expecting moms should enjoy seafood at least two to three times every week. Not only do fish and shellfish help pregnant women meet protein needs, seafood also provides vitamin D, iodine, calcium and omega-3s. And because our bodies do not make omega-3s, it is essential that omega-3s DHA and EPA (eicosapentaenoic acid) be consumed through food, like seafood which is the premiere dietary source of DHA and EPA.

In fact, seafood is so important that the 2020-2025 Dietary Guidelines for Americans encourage everyone—especially pregnant women—to eat at 2 to 3 seafood meals (or 8-12 ounces) each week. And there are plenty of seafood options that pregnant



Eating seafood during pregnancy is a good way to get the nutrients you and your baby need. Seafood is one of the only foods rich in a healthy oil called omega-3 DHA. Omega-3 DHA is needed for your baby's brain and eye development.

Other nutrients found in seafood—including protein, calcium, vitamin D and iron—help build bones and muscles. This guide will show you tasty ways to meet your seafood needs so you and your baby can maximize the many benefits of fish.

When you are pregnant, aim to eat a variety of cooked seafood 2-3 times each week.



Images provided by National Fisheries Institute

women can enjoy, from salmon, canned tuna, halibut, sardines and shrimp to cod, pollock, scallops, crab and cooked oysters. The only species that pregnant women should avoid are swordfish, shark, king mackerel, marlin, tilefish from Mexico, orange roughy and bigeye tuna (found in sushi).

Yet despite all the proven health benefits of eating seafood during pregnancy, studies show that the average pregnant woman in the U.S. eats less than 2 ounces of seafood each week. Eating too little seafood during pregnancy may cause mom—and baby—to miss out on critical nutrients.

The science is clear—expecting moms can confidently enjoy 2 to 3 seafood meals or snacks every week. Seafood is a no-brainer food that will benefit both mom and baby.

For more science on eating seafood during pregnancy, tasty recipes and pregnancy meal ideas, visit DishonFish.com, AboutSeafood.com or check out *The Pregnant Woman's Guide to Eating Seafood* with the QR code above. [UB](#)

MEET LISA WALLEDA PICARD

National Fisheries Institute (NFI) President John Connelly was a force to be reckoned with. He was a powerhouse, a great champion of the seafood industry, and beyond dedicated to serving the members who had such a deep love and respect for him.

Connelly announced his plan to retire in January 2022, and a search committee quickly set out to find his successor. With NFI's team of all-stars and a plan in place for Connelly to help with the transition, the industry group and its members were looking ahead to the next leader to take on NFI's mission.

Lisa Wallenda Picard, the Senior Vice President for Policy, Trade and Regulatory Affairs at the National Turkey Federation, was named as Connelly's replacement in early November. And unfortunately, just a few weeks later, Connelly passed away after a battle with a rare and aggressive form of cancer.

"I was able to have about a five-minute phone call with him," Picard told *Urner Barry's Reporter*. "It was emotional in the fact that he was going through so much. And that I was even on his mind was a little stunning."

NFI's Global Seafood Market was Picard's first real opportunity to meet with members and learn about some of the issues plaguing the industry.

"I don't know that I've had a chance to really absorb all of the things that came up," Picard told Urner Barry a week after the event. "I've got this ongoing list for the staff—What about this? What about this? Some of them are dumb questions. And some of them are basic. But they're all the things I would have asked John."

And while Picard doesn't have Connelly to help her with the transition, she does have an impressive background to stand on, which includes serving as the Chief of Staff for the USDA's Food Safety and Inspection Service.

"I've done land-based animals for almost my entire career," said Picard. "I think there's some things we can learn there."

Turkey and seafood couldn't be any more different. But both sides of the industry have been pushing towards increasing consumption, and that's one battle that Picard is ready to take on for seafood.

"I want to get more seafood into the USDA programs; WIC, Section 32," explained Picard. "This is a really, really important thing for the future of our nation and for our children...We have an opportunity to improve the nutrition of our entire country, and I really feel passionate about that."

A new set of eyes brings new ideas and Picard is excited to get out there and start making a difference.

"I think it's a moral obligation that the children who are most in need of food have options," Picard continued. "Especially when we know how important seafood is. And those children are often most likely to suffer from nutritional deficits or not the right kind of healthy foods. Just as a mom I feel very strongly that this is not the group of Americans who should be denied access to seafood. There's also ways I think for people to just enjoy seafood more. And for the general population – as we saw at GSMC—there's going to be some price challenges, not only for seafood, but for some other proteins too. So let's make sure that people understand that there are ways to affordably eat seafood, get more of it in their diet, and take advantage of those New Year's health resolutions."

Picard has big shoes to fill at NFI. But she also has the passion, the experience and a knowledgeable team to guide her. The seafood industry has a lot to look forward to with Lisa Wallenda Picard at the helm. [UB](#)

Article contributed by **Amanda Buckle** | abuckle@urnerbarry.com



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Global feed production roughly flat in 2022

Article contributed by FeedInfo,
a sister publication of Urner Barry



Global feed production clocked in at 1.266 billion metric tonnes in 2022, a decrease of less than one-half of one percent on 2021's estimates, according to the annual feed survey run by feed additives company Alltech.

Alltech released the 12th year of survey results, a data set spanning 142 countries and over 28,000 feed mills.

WHICH REGIONS SAW THE GREATEST INCREASES AND DROPS IN FEED PRODUCTION IN 2022?

European feed production dropped 4.67% or 12.882 million metric tonnes (MMT) according to Alltech's estimates, impacted by disease challenges, severe weather,



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and the impacts of the invasion of Ukraine (whose feed production fell by over 35%). Africa also saw a decrease of 3.86% or 1.718 MMT thanks to reductions seen in Egypt, Morocco, Kenya and Nigeria, which were not entirely offset by growth in South Africa and Namibia.

The most remarkable increase was noted in the Middle East, up 24.7% or 6.301 MMT, although Alltech notes that this can be credited to more accurate reporting as well as actual increases, including the work of the Saudi Arabian government to boost poultry production as part of its Vision 2030 plan. More normal growth was seen in Latin America, where feed production was up 1.6% or 3.066 MMT thanks to increases in Mexico, Brazil, and Chile. Feed production was also up in North America by 0.88% (2.272 MMT).

Although it remains the biggest feed producing country by volume, China's feed production volumes fell 2.83% or 7.604 MMT. Pig feed led this fall, dropping 5%, but broiler and layer feed production were both down 3% as well. China's aqua feed bucked the trend, growing 10% or 2 MMT. Overall, though, Alltech's China outlook is "somewhat pessimistic that feed production will grow in 2023."

This contributed to the flat results of Asia-Pacific overall, where feed production declined by a half of a percent; China, Pakistan, Thailand and Malaysia posted decreases and Vietnam, the Philippines, Mongolia, and South Korea posted

increases. Oceania similarly came out flat, with a small Australian reduction offset by a small New Zealand increase.

WHAT TRENDS CAN BE SEEN AT A SPECIES LEVEL?

2022 was a bad year for large mammals (with declines seen in pig, dairy, and beef) and a good year for others (with volume growth in broiler feed, pet food, aqua and layers). However, beyond those generalizations are a few different stories.

The **BROILER SECTOR** had the highest global feed production, and tonnage increased by 1.3%. That growth was largely led by the Middle East and the Americas, and included Oceania. Elsewhere, Asia-Pacific's numbers were affected by high raw materials prices in China and India, and by avian influenza in India, Japan, Korea, and Vietnam; Europe was held back by similar issues; and the collapse of over 40% of Kenyan poultry feed production (broilers and layers) dragged down numbers for Africa as a whole.

The layer sector's **FEED PRODUCTION** was nearly flat, with Alltech noting that "disease, macroeconomic headwinds and long periods of high input costs are limiting poultry growth worldwide." Again, though, zooming in to regional or even country level shows a variety of different forces at play; for example, in Asia-Pacific, you have China, where egg prices were high but expensive feed raw material prices dampened growth, leading to a



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net decrease in laying hen stock; the Philippines, where layer feed increased 28% as ASF drove producers to leave swine production; and India, where small operators left the layer sector, driving an 8% decrease in layer feed tonnage.

The **PIG SECTOR** is having an even worse time with disease and expensive feed, leading to a decrease of 3% in pig feed production. Alltech believes China's low pork prices (depressed because of the spectacularly quick expansion to the breeding herd last year) led to a decrease of 5%, or 5.5 MMT, in pig feed production in the world's biggest pig producer. Europe saw an even bigger decrease of 8.25% or 6.754 MMT; ASF dragged down production and exports in Germany, Ireland, and Eastern Europe, while production costs and low pork prices kept margins low.

DAIRY: although a few exceptions were noted, Alltech found that "in most countries, there was a decline in commercial feed production for dairy, mainly due to the high cost of feed

combined with low milk prices, which caused farmers to reduce their numbers of cows and/or rely more on non-commercial feed sources." This meant a decrease in dairy feed tonnage of 1.32% globally.

BEEF: "The trend towards a reduction in beef feed production appears to have slowed", asserts Alltech; beef feed production was nearly flat, at 118.4 MMT. North America, which represents well over half of beef feed tonnages, saw growth of 0.429 MMT, or less than 1%, even as the region struggles with declining beef herd populations, drought, and economic issues.

PET FOOD continues to thrive after Covid-19 boosted pet ownership; with 7.23% growth, it was the most successful sector in percentage terms, and total production reached 35.27 MMT. Double-digit increases were seen in Latin America and Middle Eastern production, and growth was positive in even the most advanced markets such as Europe (where a 75% increase in France was noted) and North America (where production grew 5.66%).

AQUA FEED was another bright spot, growing 2.7% in 2022. The sector is dominated by Asia-Pacific, where China's economic recovery and aquaculture's expansion in countries such as the Philippines, Bangladesh, South Korea, and Malaysia are seen as drivers of this growth. Aqua feed even saw positive growth in Europe (1.78%), a region where most other sectors saw decline.

OTHER TRENDS

Several of the biggest challenges which feed producers identified as particularly worrisome have already been identified above: high materials prices are squeezing margins; low producer returns are forcing some producers out of the market; supply chain disruptions are adding to operational costs and requiring adaptation; and forces such as animal diseases and geopolitical events are adding an extra element of volatility to an environment that was already difficult to navigate. [UB](#)



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Bumpy start to the new year will not derail bold plans for 2023



Article contributed by
Emily Metz,
President & CEO,
American Egg Board



It's been a challenging start to the year. Egg prices are having a moment in the media, for all the wrong reasons. Coupled with the lingering effects of inflation and 2022's historic bird flu, it has been a difficult time for many. However, we at the American Egg Board (AEB) know that this is a temporary setback and conditions in the market are already on the mend. We have been working diligently to protect consumer confidence and our industry's reputation while keeping an eye towards the future.

Simply put, we have a bold agenda for the year ahead. I stated when I came on board at AEB several years ago that I wanted us to be the new standard for what a modern checkoff organization can be. We have been steadily building towards that lofty goal for several years and, in spite of the current environment, I firmly believe that this is going to be a banner year for the industry and for AEB.

I want to take this opportunity to preview some of the key initiatives we're working on. I think you'll agree there is plenty to be bullish about for eggs in the coming year.

REFRAMING THE CONVERSATION AROUND CHOLESTEROL

Cholesterol. Despite a library of research and evidence to the contrary, many

Americans still believe eggs to be unhealthy, due in large part to cholesterol. We have long battled the misinformation surrounding eggs and cholesterol, and in 2023 we are focused on reframing the conversation around the health benefits of eggs. A key component to this strategy rests on partnerships, and there may be no better partner in the effort to dispel the myth that eggs are bad for you and start reinforcing eggs as part of a heart-healthy diet than the American Heart Association (AHA). The American Heart Association and its heart check certification have long been trusted by consumers, and we will be bringing more AHA-approved messaging and content forward in the coming year. The opportunity to educate consumers on the health benefits of eggs are endless and I am proud of the collaboration that our nutrition and marketing groups have done to be

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sure that the most relevant and impactful messaging will be presented to a variety of audiences throughout the year. Being able to incorporate that certification where applicable, and work in concert with an organization like AHA, is a win for all of us.

EGGS AT THE FOREFRONT

I've already talked at length about our recently unveiled Eggcelerator Lab and how excited I am at the potential to change how we, as an industry, embrace innovation and exploration. Last year was about "building"—building out the mechanisms and building our network. And while we will continue to do so, 2023 is more about execution and expansion. We are expanding our technical research program and egg innovation pipeline, and discovering new ways eggs can be used in product applications and formulas.

In concert with our insights team, a number of custom consumer insights presentations were laid out for potential customers in order to showcase the breadth of AEB's consumer knowledge. As a result of these conversations, manufacturing clients in the snack, refrigerated and frozen spaces, just to name a few, have begun to scope project opportunities and we couldn't be more excited about the progress that has been made in just a few short months. Potential clients have remarked that the Eggcelerator Lab is a very impressive process and the approach is unlike any other in the marketplace.

That's how we want to operate—differently. We can't change the model of a modern checkoff by doing things the same way that we've always done them. If we are going to be an agent for change, it takes initiatives like the Eggcelerator Lab to spark conversation and set the ball in motion.

ENVIRONMENTAL IMPACT

This is also the year we hope to have substantive conversations centered around sustainability. We commissioned a full lifecycle assessment (LCA) to gain a better understanding of the environmental impact of the industry as a whole. Having not had one done in some time, it was important to us to be able to contextualize and reinforce what we have believed

to be true, anecdotally, for years—that eggs are a climate-friendly food. While the final results are still being reviewed and prepared for release, we have every reason to feel confident in the findings and hope to present those late in the first quarter. Agriculture, and particularly animal agriculture, has been subjected to a fair amount of criticism for the impact our practice(s) can have. Our hope with the LCA findings is that we, as an industry, can better illustrate how we are stewards of the land and how our producers take the utmost care in producing a sustainable, environmentally friendly, high-quality protein. Moreover, we hope to use these findings to put eggs forward as a solution to customer's corporate social responsibility (CSR) goals.

LEGACY PARTNER FOR A SIGNATURE EASTER EVENT

While this is just a snapshot of the ambitious plan we have laid out for 2023, it's robust and tackles some big topics. In spite of the current environment



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surrounding the industry, I am excited with what we are building out. And what better stage to positively frame our outlook on 2023 than the South Lawn of The White House? The White House Easter Egg Roll has long been a chance for our industry and our producers to put their best foot forward and showcase the Incredible Egg to a national audience. With so much on deck for the coming year, we relish the opportunity to engage in positive conversations and spotlight our industry's biggest asset: our farmers. I couldn't be more excited at the prospect of heading to Washington this spring.

As one of AEB's Board members said recently—it's time to take the training wheels off and ride like the wind. It's go time. [UB](#)



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Looking back at 2022: A 365-day turkey trot

Article contributed by The National Turkey Federation



The beginning of each year brings with it new resolutions, goals, and hobbies. For some, this may look like lifestyle changes, such as exercising or forming healthier eating habits...*might we suggest turkey?* Many of these changes fall by the wayside; those that last are the result of time, effort and dedication. Other types of changes come from external forces, and there is no choice but to react and adapt.

The turkey industry dealt with both types of changes, responding with resiliency and determination during a year that felt like a strange combination of marathon and relay.

The marathon was, of course, highly pathogenic avian influenza (HPAI). It first appeared in early February and went on to claim 9.7 million turkeys by the end of the year, about two million more than were lost in the 2015 outbreak. A significant difference between the two outbreaks is that this year's virus was not as heat resistant. Outbreaks historically end by late June; this past year's outbreak not only continued through summer, but the hottest months produced some of the worst case totals.

As USDA's Animal and Plant Health Inspection Service (APHIS) has noted, industry biosecurity measures have limited lateral transmission of the disease, but viral loads in

wild birds are increasing case totals. We already have seen some cases since January 1.

The relay race began with a first leg in February when nearly 500 turkey industry colleagues gathering for the NTF Annual Convention in Tampa, Florida – the first in-person meeting since the coronavirus pandemic upended the world. NTF members covered a broad range of topics from exclusive updates on USDA initiatives and priorities, to political insights ahead of midterm elections, along with a close look at the turkey market and economic forces at play. With a fresh perspective on consumer trends and animal welfare challenges ahead, NTF was off to a fiery start.

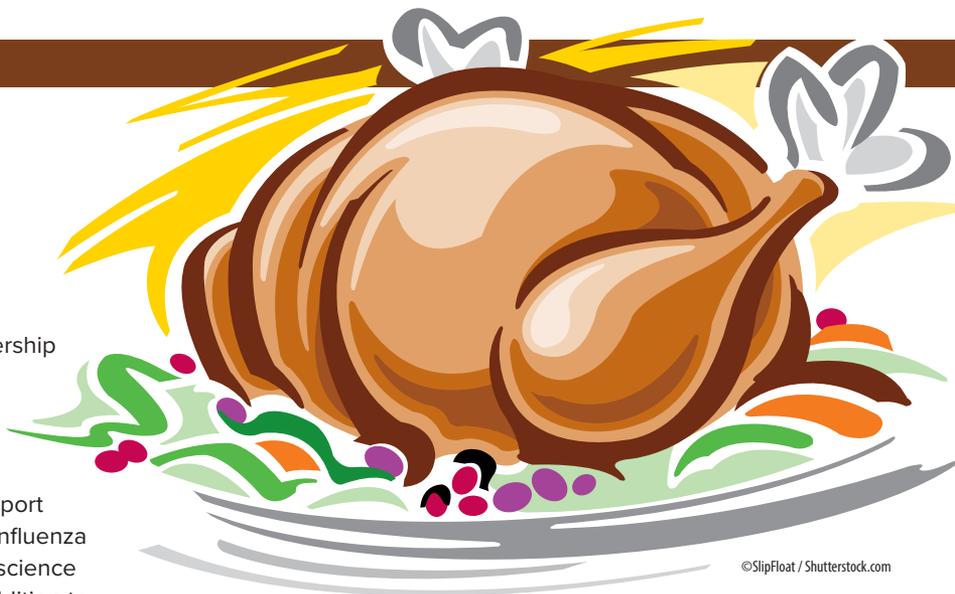
During the second leg of the race, it was time to turn up the heat. NTF's Turkey Smoke competition barbecue series was back for its fifth season, uniting pit masters and backyard grillers across the country to amplify turkey's place on the coals. Competing with turkey products provided by NTF member companies, competitors showed they were in it to win it at 29 Turkey Smoke events, where they were challenged to go big or go home. With two dozen Turkey Smoke competitions on the calendar in 2023, NTF looks forward to gaining speed to showcase for everyone the versatility of turkey on the grill.



The National Turkey Federation's Annual Leadership Conference and Turkey Smoke were just two of 2022's NTF events showcasing turkey and the turkey industry.

Another successful handoff found NTF stepping up the pace for the third leg, passing the baton to NTF members in Washington, D.C., to advocate for the advancement of turkey industry priorities and representation on the federal level. NTF's 2022 Leadership Conference provided industry representatives the opportunity to cheer each other on to the finish line and continue the progress being made on Capitol Hill. NTF members use this forum each summer to shine light on the growing need for congressional support for pressing issues, such as Highly Pathogenic Avian Influenza (HPAI) disease response and additional research and science to help better understand the spread of the virus in addition to advocating for turkey growers, farmers and workers impacted by the outbreak.

Coming into the final stretch of the relay, there was no time to dawdle. Thanksgiving and Christmas in our sights gave NTF the final boost of energy we needed to finish strong. As we rounded the turn to the holidays, NTF members showcased their grit by ensuring HPAI did not prevent Americans from finding whole turkeys at competitive prices in their neighborhood supermarkets. Delivering wholesome, nutritious turkey products to tables everywhere in the face of these challenges was a strong performance earning the industry a spot at the proverbial medal podium.



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The industry clearly is in this for the long haul and remains committed to providing the consistency, time and effort to become stronger.

In the face of the obstacles ahead for 2023, such as the spread of HPAI, the Farm Bill and severe inflation, NTF members know that staying the course and taking things in stride is well worth the journey. As we warm up for another go-round, there is no doubting the turkey industry is trained and ready to adapt, overcome hurdles and take turkey all the way to the top.

On your mark, get set, go! [UB](#)



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Implications for the fishing industry as the nation ages

America is undergoing a demographic transformation. The term “Graying of America” describes the fact that as a larger and larger percentage of the population is getting older, its median age is steadily increasing. According to the U.S. Census Bureau’s National Population Projections, by 2030, all Baby Boomers will be older than age 65. By 2034, it is projected that for the first time in U.S. history, Americans aged 65 and over will outnumber those under the age of 18. As birth rates in the U.S. continue to decline and more baby boomers enter retirement, there will be profound repercussions for our workforce, most likely leading to labor shortages. We witnessed the beginning of the mass movement towards retirement during the pandemic, leaving a void in many positions. As the population continues to mature and reach retirement age, the need for younger replacement workers for a vast majority of positions will be that much more urgent.

The commercial fishing industry has not been immune to the “graying” of America’s workforce. In fact, the term “graying of the fleet” refers to the increase in the average age of commercial fishermen, due in part to a lack of young entrants into the industry. Fishing communities across the country are experiencing a generational shift.

According to the University of Alaska’s Sea Grant program, the average Alaska fisher is older than 50. And since 1980 the average age of a commercial fishery permit holder has jumped from 40 to 50. The fishing industry in New England is also experiencing an aging population. According to the New England Young Fishermen’s Alliance, the average age of groundfish and lobster captains in New England is 55 years old.

The lack of new entrants to this sector poses a serious and growing challenge to

America’s fishing economies and the jobs that depend on them. There is a fear that the shortage of young fishermen entering the industry will lead to the extinction of the deep-seated fishing heritage that is rooted in many coastal communities. According to the Department of Commerce, the commercial fishing industry nationally supported 1.2 million jobs, generated \$165 billion in sales and contributed \$68 billion to the gross domestic product in 2019.

There are a host of barriers new fishermen face to entry and success. Fishing and related supporting jobs is hard work, highly risky, subject to temperamental weather, uncertain catch, and markets. Exorbitant startup costs for boats, gear, and fishing permits typically bar young hopefuls from the industry. Fewer permits and a consolidation of ownership in local fishing have made it harder to earn a living and forced young people to look



“Fewer permits and a consolidation of ownership in local fishing have made it harder to earn a living and forced young people to look elsewhere.”

elsewhere. To maintain the economic security and continuation of our fishing communities depends upon the ability to recruit new fishermen.

There are efforts underway to help build the next generation of fishermen, however they are limited and fractured geographically. Unlike the farming industry, which is also experiencing an aging workforce, the USDA has had infrastructure in place for years to help promote and support young farmers. Recognition of the issues hindering entry into farming began in the 1800s which has led to federal programs, as well as national grants. In contrast, the fishing industry has only recently acknowledged and deployed efforts to address the aging of its workforce. In December 2022, Congress directed \$1,000,000 to fund the Young Fishermen's Development Act, a workforce development program. Its goal is to provide education, training, and mentorship for young fishermen. In addition, since 1996 NOAA has been providing loans for boat purchase and quota share procurement in certain fisheries. Research studies by NOAA have suggested the following recommendations to help support new entrants to the fishing industry:

- Develop a national census for fisheries participants.
- Develop a program that directly targets new entry issues comparable to the Beginning Farmer and Rancher Development Program.
- Implement federal fisheries insurance programs inclusive of diverse target fisheries.
- Develop comprehensive low-interest loan programs modeled after the Farm Service Agency loan programs.

Addressing and tackling the problem on a national level will provide increased opportunities for the next generation of commercial fishermen, offering stability for the coastal fishing communities and America's seafood supply chain. [UB](#)

Article contributed by **Liz Cuozzo**
lcuozzo@urnerbarry.com



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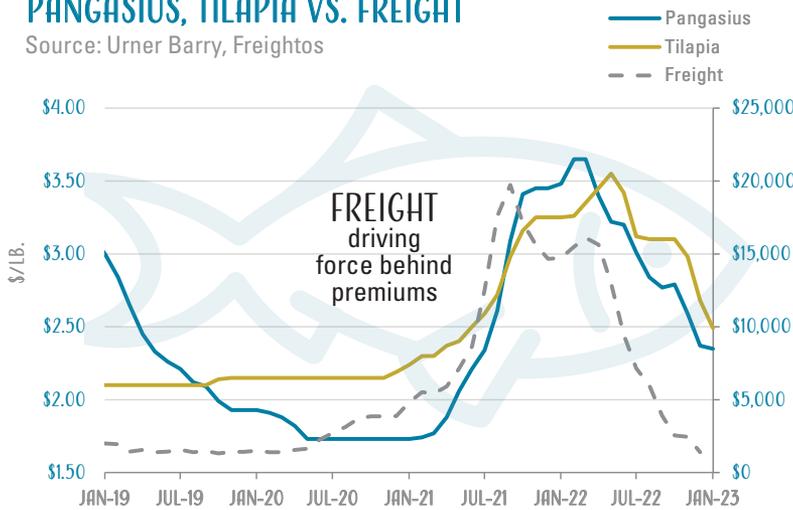


SNAPSHOT

Compiled by Lorin Castiglione | lcastiglione@urnerbarry.com

PANGASIOUS, TILAPIA VS. FREIGHT

Source: Urner Barry, Freightos



U.S. SEA SCALLOPS expecting approximately

20% REDUCTION IN 2023 QUOTA

down to **24** million pounds



INCREASED QUOTA

in 2023 for



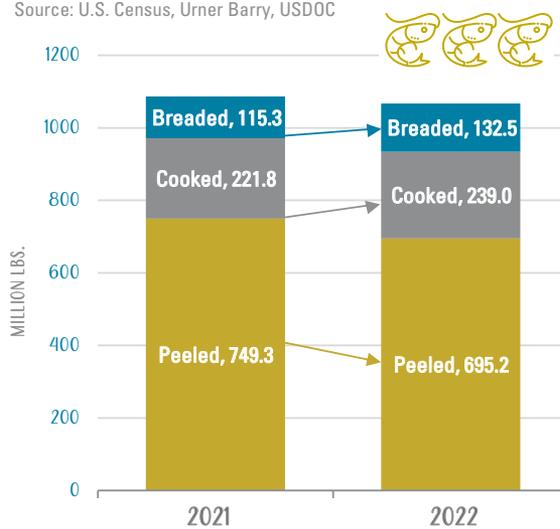
ALASKA POLLOCK

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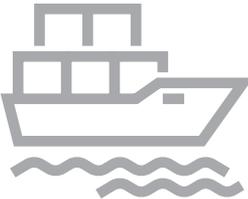
YTD SHRIMP IMPORTS BY TYPE BREAKDOWN

Source: U.S. Census, Urner Barry, USDOC



BRISTOL BAY RED KING CRAB

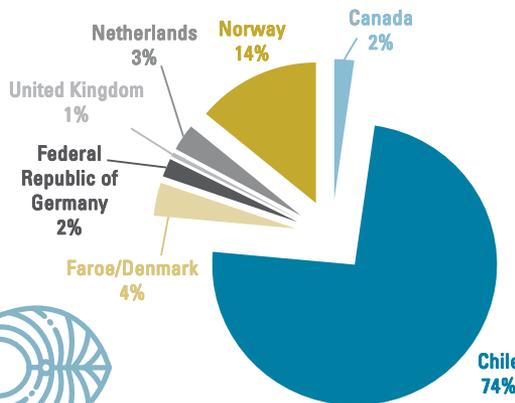
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FRESH ATLANTIC SALMON FILLETS

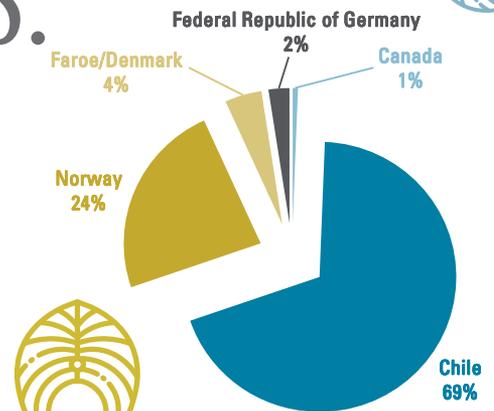
Source: Urner Barry, USDOC



FROZEN ATLANTIC SALMON FILLETS

Source: Urner Barry, USDOC

VS.



QUICK BITES

LET'S ORDER A PIZZA

We've all muttered to ourselves at some point during a hunger induced haze: "I could eat this whole pizza." Maybe some of us have even gone through with it. But there is no way that anyone could even make a dent in the latest monstrous creation from Pizza Hut. In January 2023 the chain created "The World's Largest Pizza," which came in at a shocking 13,990 square feet. To break the Guinness World Records title for "The World's Largest Pizza," Pizza Hut teamed up with YouTube star Airrack. The impressive pie is made up of approximately 13,653 pounds of dough, plus 4,948 pounds of sweet marinara sauce, over 8,800 pounds of cheese and about 630,496 regular and cupped pepperoni. The roughly 68,000 slices of pizza will be donated to several charities in the Los Angeles area.

SIGN HERE PLEASE

You've had Campbell's Chunky Spicy Chicken Noodle Soup. But you've never had anything like their new Ghost Pepper Chicken Noodle Soup. According to the Scoville heat unit scale, which is used to measure the spiciness of peppers, it's 13X spicier than the original Spicy Chicken Noodle Soup. It's so hot that Campbell's is making those interested in trying the soup sign a waiver!

"We've seen a tremendous response to our Chunky spicy lineup and fans keep asking for more," said Campbell's Chunky Brand Manager Kristina Moses. "As our spiciest soup to date from Chunky, Ghost Pepper Chicken Noodle answers the call for more heat and we're excited to see how many brave consumers are willing to sign the 'waiver' for the chance to try."

Only 500 cans of the limited time Ghost Pepper Chicken Noodle Soup are available to heat lovers. Each can comes with a "cool off kit," which includes a cooling towel, fan, sweatband, and tissues. We're sweating already.

Article contributed by **Amanda Buckle**
abuckle@urnerbarry.com

FOR THE "PLANT CURIOUS"

A new cookbook is making waves and it hasn't even been released yet. Social media influencer Danielle Brown of HealthyGirl Kitchen is set to release her cookbook "HealthyGirl Kitchen: 100+ Plant-Based Recipes to Live Your Healthiest Life" on May 16, and it's already at the top of Amazon's charts. Immediately following the presale announcement in late January, the book hit #1 in Vegan Vegetarian new releases and Natural Cooking, #3 in Quick and Easy Cooking, #2 in Cookbook New Releases, and #8 on all Cookbooks on Amazon. You don't have to be a "full fledged vegan" to enjoy Brown's new book. It's also for the "plant curious." [UB](#)



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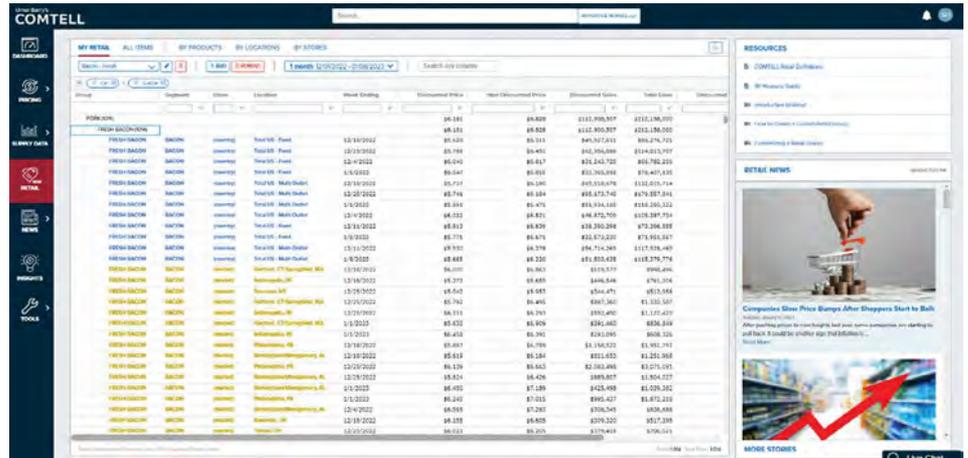
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DEDICATED RETAIL NEWS WIDGET

Hot off the press!

Brand new retail dashboard now available on COMTELL

Urner Barry is pleased to announce the release of a brand-new retail dashboard which features scanner data from IRI (Information Resources, Inc.), a leading global analytics and data provider in the retail space. Driven by feedback from COMTELL subscribers and requests for improvements to the prior coverage, we have completely overhauled the COMTELL retail intelligence to enhance both value and utility of data within the site.



Through the information from IRI, COMTELL now features a vastly larger database of retail items and related statistics. Compared to the prior coverage, COMTELL now includes history for hundreds more seafood items (an increase of over 1,000%) in addition to three to nearly five times as many red meat and poultry items. Lamb, veal, and sausage products are also now represented.

Each new item contains three years of history for average price, average discounted price, total sales dollars, total sales dollars for discounted products, and two distribution metrics. Additionally, the regional breakdown of the retail data has become considerably more detailed, as the prior coverage of 16 broad regions within the United States has now expanded to 67 domestic cities/regions and the main retailers located within.

COMTELL users have been providing insightful feedback on the new data that we are taking into consideration for future versions of the Retail Dashboard. Further enhancements may include:

Relate IRI retail items to UB/USDA wholesale items and charting capabilities

Easier for users to create comparison grids/charts between what UB quotes and what IRI provides.

Breakout pages

A concept for pages that would be theme based on the category or subcategory chosen.

Example: A page that would feature multiple charts and key metrics (52-wk highs, % movements over time, etc.) for the GROUND BEEF subcategory.

Automated alerts

Similar to "Quote Alerts" already on COMTELL, this feature would serve the user with alerts pertaining to noteworthy movement among the retail data.

Would be automatically calculated based on metrics such as standard deviations and % change.

Example: "The national discounted price of boneless chicken breasts has declined by 20% from the previous week."

If you would like to learn more about the new retail dashboard or have suggestion for improvements, please call us at 732-240-5330 or email our customer representatives at sales@urnerbary.com. UB

Article contributed by Sarah Hartig | shartig@urnerbary.com

Mintec and Urner Barry combine to create the market leading price reporting agency and data provider

The combined company will be a global market leader focused on the Agri/Food and FMCG end-markets, offering a set of proprietary data including benchmark prices, price forecasts, cost modelling and market insights, delivered through an innovative SaaS platform.

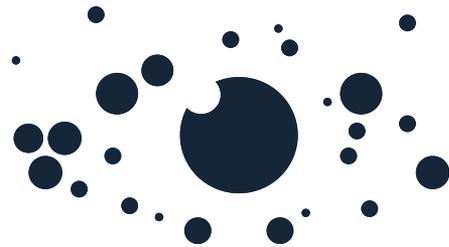
Mintec, the leading global provider of price data, analytics, and forecasts for agri-food, today announced the acquisition of AgriBriefing, which includes the brands Urner Barry, Strategie Grains, FeedInfo and Tropical Research Services. Building on previous acquisitions by Mintec—Kairos Commodities and CommoPrices—this establishes the combined company as the largest agri-food-focused PRA and global information provider with a unique portfolio of feed-to-food commodity prices, forecasts, cost modeling tools and fundamental market data, serving over 5,000 customers in 50 countries.

“We are delighted that Urner Barry has joined Mintec on this exciting journey. All of our combined customers can now further optimise their business strategy with access to even more robust and reliable price data and analytics for the key commodities they buy, sell, and consume,” said Spencer Wicks, CEO of Mintec. “By combining the extensive range of unique data and market intelligence available, we will be offering access to the most comprehensive solution and resource for businesses to navigate the global pressures impacting their costs and overall profitability.”

Headquartered in London, with offices in the U.S. and France, AgriBriefing comprises multiple global brands with a combined heritage of over 200 years specializing in agri-food supply chains through its products and proprietary data. Market leaders like Urner Barry, the original agri-food PRA founded in 1857 and the leading provider of North American protein price benchmarks across 4,100 proprietary prices, enable the protein industry to conduct business more effectively.

“This partnership is a fantastic combination of commodity intelligence companies that ensures our customers can stay on top of commodity price challenges and opportunities related to cost. It’s a natural home for us,” said Rory Brown, CEO of AgriBriefing.

“By joining forces with Mintec, our customers can now benefit from the world’s largest commodity price database, IOSCO-compliant proprietary prices and features that include cost modelling,



Mintec

Urner Barry
MARKET PRICES, NEWS, AND ANALYSIS

commodity and weather analysis, and extensive price forecasts,” said Joe Muldowney, CEO of Urner Barry. “The group’s strengths are in our deep understanding of the feed-to-food commodity markets and as the #1 IOSCO compliant price reporting agency. This is evident through the prominence of Urner Barry within the meat, plant protein, seafood and eggs sectors, and the extent to which our proprietary prices have become industry benchmarks.”

Through its diverse brands, the combined group will have a strengthened financial profile, product offering and customer base:

- The largest portfolio of agri-food commodity data assets spanning 650 commodities across 21,000 time series, including benchmarks globally.
- A growing footprint in North America, Europe, and Asia, with the U.S. its largest and fastest growing market.
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