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From water to consumer...

Tuna wranglers focus on sustainable ranching program

CLEANSEAS | sustainable seafood

Taking on the dangerous perils of the Southern Ocean to wrangle tuna are a group of fishermen with, what many call, one of the most dangerous jobs of the sea—herding southern bluefin tuna.

Featured on the National Geographic channel as a documentary, the "Tuna Cowboys" are shown chasing tuna worth in excess of US $5 million, faring the unpredictable seas and protecting their precious catch from the detrimental jaws of destructive and costly shark bites.

The valuable stock is herded from the ocean and penned, then guarded and returned safely to the tuna farm alive and unscathed. The tuna cowboys take on these dangers to cash in on their very valuable catch—one single bluefin can sell for $100,000 or more. However, these bounties were coming at a serious environmental cost to the populations of bluefin worldwide and stocks were being depleted at an alarming rate. Some conservationists decided not to stand by and let it happen.


Clean Seas Tuna Chairman Hagen Stehr holding a Yellowtail Kingfish.

Scientists at Australia's Clean Seas Tuna Ltd. have produced bluefin from hatched eggs. Moreover, Clean Seas has reported that its separate brood stock from the Southern Ocean have started spawning. Environmentalists have encouraged Clean Seas' efforts saying they may represent the best chance of staving off the tuna's extinction.

"The achievements are world firsts, and major stepping stones to present the world with a sustainable resource for the future," said company Chairman Hagen Stehr. "It is with confidence that Clean Seas Tuna will now accelerate the commercialization of its achievements to grow and produce

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Breeding a better bird...

Joyce Foods: old world farming and artisan processing

No doubt the organic food movement has steadily been increasing in the United States as recent data shows organic food sales grew 15.8% in 2008. In turn, it makes perfect sense to understand the success the "pastured poultry" movement has been experiencing as well.

One such program experiencing a positive interest is that of Label Rouge in France. In its simplest terms, it involves the preservation of slow growing of heritage animals for their traditional taste, old

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Center of the plate

Clean Seas Tuna Ltd., brings sustainable seafood to a whole new level


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URNER BARRY'S Reporter

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A true ocean beauty: the Quahog pearl

The quahog clam thrives in the Atlantic Ocean, particularly off the shores of Cape Cod and New Jersey, yet can be found anywhere from Canada's Gulf of St. Lawrence to Florida. The clam is usually marketed as a littleneck or cherrystone and can be eaten raw or used in chowder. While quahogs are abundant, an infrequent occurrence within the quahog is anything but; on rare occasions they have been known to produce purple pearls.

Technically, a pearl from a quahog is not a pearl. Gemologists say pearls must come from oysters or mussels. Quahogs are thick-shelled edible clams. "There's a handful of quahog pearls out there," said Gina Latendresse, president of the American Pearl Company in Nashville, Tenn. "That makes them very interesting and very rare."

Just as oysters or mussels grow by using minerals from their food, so does a quahog. The material created by the mantle is known as "nacre" and lines the inside of the shell. Also similar among oysters, mussels and clams is the manner in which pearls are formed. Within an oyster or muscle pearls begin when a parasite gets between the mantle and shell and the natural reaction of the mollusk is to protect itself and cover up the irritant with layers of the same nacre substance it uses to create the shell. However, in the quahog it is stained purple rather than the nacre color.

"Purple pearls of the quahog are said to be highly precious and their value is driven by their rarity."

Purple pearls of the quahog are said to be highly precious and their value is driven by their rarity. Some experts estimate that only 1 in 100,000 quahog clams contains a pearl, and 1 in 20 of those pearls is of gem quality.

"Here we have what is truly one of the rarest, most beautiful, and most precious of American gems, which is one of the best kept secrets in America," said Antoinette Matlins, author of *The Pearl Book: The Definitive Buying Guide*. "And it's something that people only now are beginning to learn about, understand, and seek."

The value of the purple pearl directly relates to its beauty, rarity and desirability. Some have placed the odd gem's worth at anywhere from $25,000 to $1 million with that being directly tied to one found by a Newport antique dealer, Alan Golash. Golash's partner reportedly purchased a $14 brooch in a Bristol antique shop which featured two purple quahog pearls, one which is suspected to be the largest known specimen in the world.

The Golash brooch is believed to be 150-200 years old, and is one of the featured items in the American Museum of Natural History's International Pearl Exhibit. The exhibition has been on world tour for much of the past four years at shows and museums with the Smithsonian Institution considering it in its "Natural Pearls" exhibit and gaining attention of the world's most prominent industry representatives.

Golash's purple pearl will most likely be auctioned in Hong Kong – the primary market for pearls. Until that piece sells, no one can say for certain what the market price might possibly be for it or the other rare pearls like it. UB

No Humpty Dumpty here...

Disney Eggs

By Greg Deppeler

While doing the weekly grocery shopping one Sunday not too long ago, being a Market Reporter for eggs, I spent some time observing shoppers as they browsed the contents of the egg area. Now, I can hardly vouch for the scientific validity of my observations, but they certainly are relevant to the topic of this article.

First, let me paint the background. The supermarket in question is a member of a regional chain, indigenous to the Northeastern sector of the United States. They carry standard white shell eggs, sizes large through jumbo, and also a few 18 count and 6 count offerings. Additionally, they stock a relatively broad array of what I term "specialty" eggs: browns, organic, free-range, vegetarian and others. Typically, a shopper takes no more than a quick glance at the various egg offerings, habitually locks their eyes onto the product(s) they usually acquire (for example, a white, large 12 pack), opens the carton, inspects the contents and, once satisfied there are no cracked eggs, places it in the shopping cart and meanders onward.

This particular shopping trip, however, I noticed a change in virtually every consumer's behavioral pattern. While glimpsing at the various offerings, the consumer would lock their gaze at a particular area, maybe nod knowingly, perhaps smile, and (once in a while) pick up and examine a product.

When consumer traffic subsided for a while, I quickly made my way to the egg counter, glanced about, and what was before me but a carton of eggs with a picture of Mickey Mouse on it! Holy Uncle Scrooge! Disney Eggs! I opened the carton and there, on each egg, was an imprint of a Disney character such as Mickey Mouse, Pluto and Snow White. Marketing at its finest—for a retail price of $3.65 or a little more than $0.30 per egg.

I decided to do some research on Disney Eggs, to learn more about them and consumer response to them. It appears that Disney's business plan is twofold: diversify, and make money. There is no denying the fact that the various Disney characters are among the most recognizable in the world, both by children and parents alike. If the Disney eggs are successful, the business plan will be a success as well.

"...there on each egg was an imprint of a Disney character..."

Disney produces their eggs according to strict nutritious food guidelines limiting the use of the Disney name and its characters to only those child-focused products that meet specific limits on calories, fat, saturated fat and sugar. According to a company official, the eggs have the quality endorsement of Eggland's Best with their all natural, all vegetarian patented hen feed which contains healthy grains, canola oil and an all-natural supplement of rice bran, alfalfa, sea kelp and Vitamin E. Disney says "Kids will love the eggs because of the Disney characters, but parents will appreciate their nutritional value as well so it appeals to the entire family."

Consumer acceptance is difficult to gauge. According to most of the blogs I've stumbled across during my electronic search, bloggers are almost universally aghast at the concept of Disney Eggs. Their points are: crack the egg, throw the shell away, and there goes the Disney character. Why pay nearly $4.00 when they can get twice the product (albeit a plain, ordinary egg) for about the same price; and most are not happy with this visible but yet somehow subliminal marketing plan to egg consumer's of youth.

The jury is still out. However, no one can argue that the egg, regardless of its origin, is an excellent and economical source of requisite protein. And, if a Disney character leads to the nutritional betterment of a child, why not? Consumers will be the ultimate decision makers by voting with their wallets. UB

Culinary vloggers take starring role on EatTurkey.com

Gena Knox, co-founder of Fire & Flavor, will be featured on www.eatturkey.com during June, August and September, in three different turkey cooking videos.

Contributed by the National Turkey Federation

Weekday meal planning just got one-step easier with five months of culinary video bloggers, or vloggers, on *www.eatturkey.com* that dish up a variety of turkey products for the center of the plate. The National Turkey Federation (NTF) launched the first video on May 4 with Dani Spies, a Los Angeles-based health and food coach, who creates a healthy Quinoa Stuffed Turkey Breast.

Vloggers, as the name suggests, are similar to bloggers but use video instead of words. "Vlogs continue to surge in popularity and bring great content to NTF's Web site," said Sherrie Rosenblatt, NTF's vice president of marketing and communications. "NTF continues to launch interactive materials that keep turkey top of mind, while making meal planning enjoyable and hassle free."

Spies' cooking philosophy is to "focus on the positive" and the abundance of delicious and nutritious opportunities in the kitchen. She reaches people who want to learn more about wholesome ingredients and simple cooking techniques. In July, Spies will light up the grill on *www.eatturkey.com* with her Greek Turkey Burger recipe.

TURKEY the perfect protein® eatturkey.com

Spies won't be the only creative vlogger on *www.eatturkey.com*. Gena Knox, co-founder of Fire & Flavor, brings three of her favorite turkey recipes to the mix. Knox has a knack for showing consumers how they can create meal combinations that are affordable and packed with flavor. Knox's videos will feature Herb Grilled Turkey Cutlets with Southern Panzanella Salad (June), Grilled Turkey Breast with Black Eyed Peas and Sweet Potato Salad (August), and Italian Turkey Sausage with Mushroom Risotto (September).

"These culinary enthusiasts vlog turkey's versatility and show how to enjoy these nutrient-rich products, while saving time and money," said Rosenblatt.

EatTurkey.com will grow its video section that will house all of the federation's turkey cooking videos and each individual video is given its own page. Viewers can download the recipe, find more recipes and visit the vloggers' Web site.

Visitors to *www.eatturkey.com* that sign up for the bi-monthly Recipe E-mail will receive announcements about Spies' and Knox's videos. Web site guests can sign up for the bi-monthly E-mail in the "consumer" section at *www.eatturkey.com*.

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Test your TURKEY knowledge

1. The turkey was first domesticated in:
- a. Canada
- b. Mexico
- c. England
- d. Brazil

2. A large group of turkeys is called a:
- a. School
- b. Pride
- c. Gaggle
- d. Flock

3. How many million turkeys are consumed each Thanksgiving?
- a. Forty- five
- b. Thirty
- c. Twenty
- d. Forty

4. Which has fewer calories, white meat or dark meat?

5. Which politician once proposed the turkey as the nation's official bird?
- a. Alexander Hamilton
- b. Ben Franklin
- c. Aaron Burr
- d. Ronald Reagan

6. In 2007, the average American ate how many pounds of turkey?
- a. 20.2
- b. 18.4
- c. 14.6
- d. 17.5

7. True or false: commercially raised turkeys can fly for short distances?

8. The most popular way to serve leftover turkey is as:
- a. In chili
- b. As a burger
- c. As a sandwich
- d. Reheated, with stuffing and mashed potatoes

9. True or false: All turkeys gobble.

10. A turkey egg hatches in how many days?
- a. 40
- b. 50
- c. 37
- d. 28

See answers on page 66

Best Aquaculture Practices program expands to include salmon farm certification

Contributed by
Global Aquaculture Alliance

With the development of standards for salmon farms under way, Best Aquaculture Practices certification is continuing to expand its reach and relevance. Salmon aquaculture supplies over two-thirds of the global demand for healthy fish.

"Since farmed salmon has become a major seafood item globally, it is essential to assure consumers that the salmon-farming industry operates to the highest standards," Dr. John Forster, chairman of the BAP Salmon Farm Technical Committee, said.

The Global Aquaculture Alliance, the leading standards-setting organization for aquaculture seafood, appointed Forster chairman of the new salmon committee in February. An internationally respected aquaculturist, Forster has been involved in all facets of the salmon business and interacted extensively with salmon businesses in Scotland, Chile, Canada and the United States.

One of Forster's first activities as chairman was to attend sessions on certification during the Aquaculture America trade show and conference in Seattle, Washington, USA. He also attended a World Wildlife Fund Salmon Dialogue before the International Boston Seafood Show in mid-March.

Following meetings with GAA officers and technical staff, Forster worked to establish a slate of potential members for the 12-member committee, which was presented for approval in late April to the BAP Standards Oversight Committee that oversees BAP standards development. An announcement of the final committee members was expected soon thereafter.

Farmed salmon has become a major seafood item globally.

GAA sought nominees with technical expertise in salmon aquaculture as well as experience with current environmental and social issues that relate to salmon farming around the world. The target composition of the BAP committee included a balance of varied stakeholders from regional industry associations, conservation or social justice nongovernmental organizations, and academic or regulatory groups.

The primary job of the Salmon Farm Technical Committee is to draft and update certification standards that will address specific salmon issues such as sea lice, containment and siting impacts, as well as environmental and social responsibility, food safety and traceability. The committee draft will be forwarded to the Standards Oversight Committee for review before 60 days of public comment.

To help the technical committee in establishing draft standards, GAA selected aquaculture specialist Dr. Claude Boyd of Auburn University in Alabama, USA, to complete an extensive literature review of international regulations and other standards related to salmon culture. Boyd helped write GAA's Codes of Practice for Responsible Shrimp Farming as well as draft versions of BAP's core standards.

Boyd is assembling documentation that will allow committee members to compare global best practices and positions on various issues and more quickly reach consensus on key points of the new BAP standards. He is also writing a "straw man" set of recommended standards upon which the committee can advance more developed standards.

Forster estimated that initial committee drafts will be done by June. A final committee draft should be available by September.

Like the BAP standards for shrimp, tilapia and catfish farms; seafood processing plants and shrimp hatcheries, the salmon standards will continuously evolve with advancing technology in a process open to stakeholder input.

In comments Forster made in GAA's *Global Aquaculture Advocate* magazine, he explained that BAP follows a model of "managed change" in which initial standards are based on the best information available and then improved "in step with advancing technology and new circumstances."

"To remove ambiguity," he said. "BAP certification standards are comprehensive and systematic. They address quantitative metrics for environmental, social, food safety and traceability issues. Such rigorous and objective standards assure consistent audits, which level the playing field for the benefit of the whole value chain."

"By coupling global standards that address critical issues with a demanding auditing process for salmon farming," GAA President George Chamberlain said, "we are trying to assure seafood retailers and consumers that all products from BAP facilities are responsibly produced in terms of social, environmental and food safety compliance—regardless of their country of origin."


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CANADA cultivates commerce

Canada is the second largest country in the world with a population of about 33 million people. For the last several years Canada has enjoyed solid economic growth and rich natural resources. Economically and technologically, the nation has developed parallel with the United States. Canada's principle trading partner is the United States.

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Fishing village in Nova Scotia, Canada

Canada has the world's longest coastline, largest freshwater system, and largest tidal range. With this aspect, Canada's aquaculture industry generates most of Canada's economic wealth. It has created thousands of jobs and has improved Canadian economy drastically. In 2006 alone the aquaculture industry generated 969 million dollars in direct sales.

"In 2006 alone the aquaculture industry generated 969 million dollars in direct sales."

Canadian aquaculture produces more than a dozen types of fresh, high-quality seafood year round, ranging from oysters to salmon to rainbow trout. Also, their aquaculture industry is governed by 73 pieces of legislation making it one of the most strictly regulated aquaculture industries in the world.

Salmon is the most important finfish grown by Canadian aquaculturists. Annually, salmon produces a volume of 118,058 tons and brings in 748 million dollars. Canada is the fourth largest salmon producer in the world. Salmon makes up 66.7% of Canadian aquaculture production while mussels make up 15.8%, oysters make up 8.5%, and trout accounts for 3.4%.

Aquaculture occurs in every province including the Yukon. British Columbia and New Brunswick are the top two provincial producers. British Columbia has the largest variety of aquaculture species. It is clear to see that aquaculture is imperative to the structure and function of Canada. UB

Canada / U.S. comparison

	Canada	U.S.
AREA	9,984,670 sq km	9,826,630 sq km
COASTLINE	202,080 km	19,924 km
POPULATION	33,487,208	307,212,123
LIFE EXPECTANCY	81.23 years	78.11 years
GDP	$1.564 trillion	$14.33 trillion
GDP (per capita)	$39,300	$47,000
AGRICULTURE AS A %GDP	2%	1.2%
AGRICULTURAL PRODUCTS	seafood, wheat, tobacco, fruits, hogs, cattle	fruit, wheat, corn, grains, poultry, beef, vegetables
LABOR FORCE	18.18 million	147.4 million
UNEMPLOYMENT RATE	6.1%	7.2%
OIL PRODUCTION / CONSUMPTION	3.425 / 2.37 (million bbl/day)	7.8 / 19.65 (million bbl/day)

Costco Food Courts consistently deliver

By David Wight

Reprinted with permission of "The Costco Connection," copyright 2009.

When it comes to cutting back on expenses during a recession, many families have turned to the big values always available at Costco Food Courts.

The food offered there is not only recession-proof, it's also inflation-proof. The hot dog and soda combo—an icon for the Food Court—has been sold for $1.50 since 1985. That combo has never been downsized—in fact, just the opposite. The price was originally based on a 12-ounce can of soda; today it's a 20-ounce fountain drink with free refills.

Likewise, when the 18-inch pizza was introduced in 1989 it cost the same $9.95 that it's sold for today. In price, weight and quality of ingredients, this pizza easily surpasses the competition. A family of four can make a meal of the pizza, with the addition of a couple of bucks for fountain drinks.

Costco sees the Food Court as a benefit that adds demonstrable value to membership. It is a regular destination for scores of members, and has become a tradition for many.

HISTORY LESSON

One of the earliest food-service trials consisted of a single hot dog cart in front of a San Diego warehouse in 1984. That cart was provided to the company by hot dog supplier Hebrew National.

It wasn't difficult to locate the first operator for an interview, because he's still a Costco employee. Jay de Geus is now a regional food-service supervisor, and has vivid memories about that early assignment.

"I had previously worked in catering to the airline industry, but left that to learn about being a merchant. After three months with the company, I got the call telling me that, since I was the only employee with food-service experience, they wanted me to run a hot dog cart," says Jay.

Studying the cart vendors at Balboa Park, home of the San Diego Zoo, gave Jay some ideas. "That first cart didn't even have a cash register, but I saw the park vendors used coin changers," he recalls.

Costco and Price Club had parallel hot dog cart services until the late '80s, when Costco introduced its Cafe 150, where most menu selections cost $1.50. Around that same time, Price Club rolled out its pizza kitchen concept—the format that became the model for all Costco Food Courts after the two companies merged in 1993, and which is still followed today.

NEWER VALUES

Along the way items have been added to the Food Court menu, but it's a very controlled business model aimed at streamlined service. It's much like the warehouse: the most popular and the best-quality items instead of a wide range of choices.

In addition to hot dogs and pizza, the turkey wrap, chicken bake and Caesar salad all offer big value. Loaded with fresh ingredients and priced less than $4, they outshine national fast-food offerings and gourmet burger excesses.

"The food offered there is not only recession-proof, it's also inflation-proof."

Internationally, Costco Food Courts look the same and have the same top-selling hot dogs and pizza, but with a few different items spicing up the menu. In Canada, it's poutine (French fries with gravy and cheese curds). The United Kingdom serves jacket potatoes—baked potatoes with special fillings—and cottage pies, Japan dishes up clam chowder and both Korea and Taiwan offer a variation of the chicken bake called a bulgogi bake—made with marinated grilled beef. A seafood-topped pizza is also a very popular item in Mexico and the Asian locations.

GOING FORWARD

Always looking for new efficiencies and ways to improve quality, the Food Court implements many changes behind the scenes.

"Reducing handling improves quality," says Bob Collins, Food Courts operations director. "Condiment freshness has been boosted by serving mustard, ketchup and relish in vacuum-packed bags. Also, the hot dog rolls are stored carefully so that the first time they are handled is to go into the steamer."

Dietary concerns are on the radar. Nutrition values are posted in those Food

Court locations where the law requires that. Improving those values is a challenge, but a recent initiative removed all non-naturally-occurring trans fats from the churros, croutons and salad dressing sold at the Food Court.

What about going green? A composting program for the Food Courts to recycle all waste except foil and plastic utensils is being tested. The key to success is being able to align with the right local partners to complete the process.

Another initiative concerns the fountain drink syrup. By switching to a higher-yield concentrate, 50 fewer truckloads will be coming to Costco depots in 2009, with the switch yielding a big reduction in cardboard waste as well.

How do you measure value? Price is a big part, as is product quality. Factor into that a business operation that is committed to constantly raising the bar for efficiency and improving the Food Court experience for Costco members.

"We are a member service that enhances the value of membership," says Alan Bubitz, Costco vice president of food services. "We continue to hold prices, give fantastic value and exceed member expectations of quality, service and cleanliness."

Note to self: Check that hot dog combo price again in 2034.

NEW DOG IN TOWN

The arrival of the new Kirkland Signature™ ¼ Pound Plus all-beef hot dog at Food Courts in many parts of the country has prompted Costco members to ask what happened to the kosher hot dog they've been eating for years, and the bigger question: Why did Costco mess with something that wasn't broken—or was it?

Worldwide in 2008, Costco sold more than 82 million quarter-pound hot dogs in its Food Courts. This year that number will be close to 90 million. Going forward, those numbers will continue to rise.

What's not rising is the availability of kosher raw materials and kosher production-plant capacity for making those hot dogs. Clearly the kosher meat industry never anticipated the high demand that Costco's continued growth represents.

The hot dog and soda combo—an icon of the Food Court—has been sold for $1.50 since 1985.

Costco, which had relied on the two national suppliers of kosher hot dogs since the mid-'80s, became concerned in 2007 over troubling signs in the kosher meat industry that ultimately led to a decrease in supply. A decision was made to investigate and develop Costco's own Kirkland Signature–brand hot dog.

Timing is everything, because by the end of 2008 three events had coincided: One of the original hot dog suppliers made the decision to quit the kosher meat business; one of the largest kosher raw-ingredient suppliers was closed down; and Costco was ready to test its new hot dog in a couple of warehouses.

Back when the original hot dog carts were conceived, the desire was to deliver a quality product. With hot dog industry standards at an all-time low in 1984, going with a kosher product was the best way to insure consistent quality at that time. Kosher—which literally means "fit" or "proper"—was a good starting point in addressing food safety concerns.

Today's standards for hot dogs have shifted in a positive way, reinforced by stricter product labeling and better-than-ever food safety guidelines.

As with the hundreds of other Kirkland Signature products, Costco has been able to focus on the best processing plants in the industry—all with full-time U.S. Department of Agriculture (USDA) Food Safety and Inspection Service supervision.

The new Kirkland Signature ¼ Pound Plus hot dogs are about 10 percent heavier and longer than the old quarter-pound hot dogs and are made from 100 percent beef with only fresh USDA Choice or better cuts. This high-quality hot dog has been developed without fillers, binders, phosphates, corn syrup, artificial color and artificial flavors, which are frequently found in other brands, including some of the kosher brands.

Everything about the new hot dog is high in quality. In blind taste tests against the older brands, the Kirkland Signature hot dog won consistently. You owe it to yourself to see if it lives up to your expectations of quality and value.

McRib: the classic McDonald's promotional product

Whether the mere mention of the McDonalds McRib brings to mind an urban legend, a divine gift to the taste buds, or an experiment in barbeque gone horribly wrong, one thing that cannot be denied is that, love it or hate it, the McRib has become a cultural phenomenon with a cult following all its own. As a limited edition sandwich available only at select stores during specific times of the year, some attribute the sandwich's popularity to its mysterious intrigue. Others place its success in its irresistible appeal to the senses, with some loyal followers claiming to enter a state of bliss after un-wrapping the savory treat from its paper shroud. Either way, the unconventional McRib has had a tight hold on the hearts of its fans, and it hasn't let go after 28 years.

After the successful introduction of the Chicken McNugget in 1979, executives at McDonald's Corporation looked to continue expanding their menu options with another top-selling culinary creation. It wasn't long before their creative ambitions gave birth to the pseudo-barbeque sandwich, soon to be known as the McRib. Instead of using pulled pork, the traditional staple of barbeque pork sandwiches, the artistic geniuses in charge fashioned the famously ridiculous patty molded to resemble a snack size rack of ribs. To compliment the light saltiness of this unorthodox patty, the molded meat is submerged in a sticky sweet barbeque sauce, topped with crunchy pickles, a smattering of scintillating onions, and served on a sesame seed bun. Enthusiasts of the McRib describe a rush of sensations when the combination of savory, salty, sweet, and sour flavors first hits the tongue.

Regardless of what its name and appearance may lead you to believe, very little actual rib meat can be found in the McRib. Made primarily from pork shoulder meat in large processing plants, the meat is chopped, seasoned, and formed into its signature patty before being flash-frozen for later reheating.

The sandwich originally test-marketed well in Nebraska and other Midwestern markets and was added to the restaurant's permanent menu throughout the United States in 1981. After several years of mediocre sales it was removed, only to eventually be brought back as a limited-time offering.

After the realization that the sandwich sold much better as a limited-time offering, McDonald's launched a series of stealth marketing campaigns. Over the following years, several highly publicized "Farewell Tours" were initiated declaring a final good-bye to the McRib, while they simultaneously sponsored a petition to "Save the McRib." Without fail, the supposedly extinct McRib would be resurrected, and go on to post impressive sales numbers.

The threat of never again being able to sink your teeth into the warm, gooey pork patty builds a sense of urgency amongst devotees and sends them running to stores in a fury. Since the McRib is a promotional sandwich, it is up to the discretion of each individual restaurant whether or not they will carry it. This scarcity and elusiveness has only increased the perceived value of the McRib, resulting in roving bands of pilgrims willing to drive for miles in search of a bone-free pork treat mecca. To aid loyal followers in their odyssey, one fellow hardcore enthusiast created a tracking Web site called the McRib Locator Map. At mcrib.kleincast.com, visitors can locate the closest participating McDonalds and report any recent findings of their own. UB

Savings significant to supermarket shoppers...

Meat remains staple as consumers change habits

Consumers regularly read grocery store ads to find deals on meat and poultry. ©iStockphoto.com/Jack Puccio

In its fourth edition of the "Power of Meat," a joint consumer survey from the Food Marketing Institute and American Meat Institute, results show that more than half of U.S. shoppers have changed the way they purchase meat, use more coupons, and spend more time searching through promotions looking for deals compared to a year ago.

The study, sponsored by Sealed Air's Cryovac Food Packaging Division, details the findings of a national online poll of 1,059 consumers conducted in November 2008. Interestingly enough, results indicated that shoppers who are changing their purchasing habits to save money tend to be of the middle-income bracket, aged 40-49, and come from larger households with children.

Of those customers who are changing their habits, more than 70% said they now regularly read grocery store ads and circulars to find deals on meat and poultry—33% have said they do so frequently and 38% responded very frequently. 69% of respondents said they stock up on meat when it is on sale; and 67 percent said they now buy less expensive cuts of meat than they used to.

Shoppers are said to be less brand-sensitive when buying meat—both in fresh and processed form. The trend towards private-label, pervasive in the food sector at large at the moment, was also in evidence for meats, with just 29% of shoppers preferring national brands of processed meats, like bacon and sausages, compared to 37% last year.

The study also indicated that people are turning to discount and warehouse retailers when they want to buy meat. Although full-service supermarkets are still said to account for 66% of meat purchases, some business has been lost to warehouse club stores. Yet supermarkets continue to have high retention rates in the meat department, with 88% of supermarket patrons also purchasing their meat and poultry there.

Despite the economic downturn, the study's findings show that meat continues to be a staple at American dinner tables with the average family having five dinners at home per week with approximately 3.9 of these including a meat item, down from 4.2 last year. Chicken and beef remain the top meat choices. UB

Giving customers leaner, healthier beef selections...

Utilizing cuts from the larger subprimals

Bringing the BAM program into your stores will involve showing the meat department how to cut the top loin, ribeye and sirloin into smaller more appealing portions.

Beef Checkoff-funded research demonstrates that today's consumers are mindful eaters. As such, this "food aware" group wants to make nutritious and healthy choices when purchasing beef and they are eager to try different foods and recipe ideas. In response to this group's willingness and the latest trends, the Beef Alternative Merchandising (BAM) program was developed as a way to utilize cuts from larger subprimals.

Beef Top Loin Petite Roast

Additionally, ribeye steaks and the New York strip have gotten bigger as a result of the ongoing trend of larger carcass sizes in the cattle industry (See Figure) and many customers have become frustrated with the middle meat cuts because of larger portion sizes, higher prices and thinner cuts.

As a way to capitalize on the middle meat downturn while creating more satisfying eating experiences for consumers Beef Alternative Merchandising (BAM) was launched, a project funded by the Beef Checkoff, for supermarket retailers to feature steaks, fillets and roasts from the Top Loin, Ribeye and Top Sirloin.

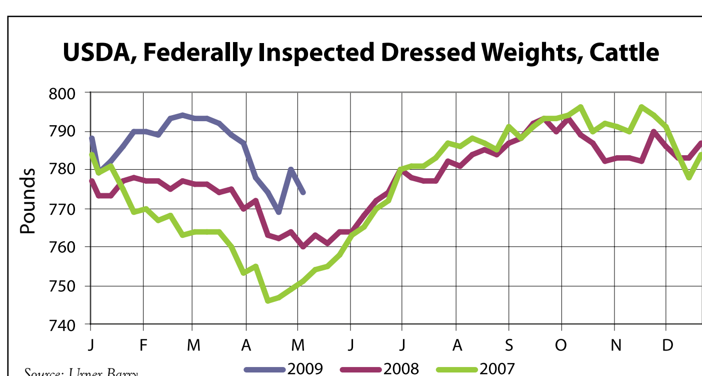
BAM is the result of extensive testing throughout 2008 with consumer surveys and focus groups revealing an enthusiastic response to this alternative merchandising technique. The steaks and filets are portioned into healthy 4 to 6 ounce sizes; while the petite roasts are prepared in quick-to-cook 1 ½ to 2 ½ pound sizes. With these versatile new cuts, BAM hopes to help retailers extend their line–adding a new filet category and give customers leaner, healthy beef selections.

BAM also hopes to allow retailers to increase profits by acting on the tips suggested through the consumer surveys, like showcasing new cuts as a "collection," including recipes and cooking tips and adding seasoning packets in the packages.

With the new BAM program, Beef Retail Team forecasts a renewed interest in beef and an increase in profits, as the new methods provide consumers with appealing portion sizes, leaner looking and more affordable cuts of their favorite steaks.

To date, consumer focus group panels have responded positively to the new cuts as the shoppers are well informed and value the taste and convenience. Many have found the new, innovative cuts easier to handle, and say the potential for eating more beef exists while staying well within USDA guidelines for a healthy diet. This new concept is currently being tested by some retailers across the country.

To learn more about this great new program including recipes, cutting charts, point-of-sale materials, and fresh and meal photography please visit www.beefretail.org. UB



The trend of larger carcass sizes in the cattle industry has led to bigger ribeye steaks and the New York strip.

Sandwich chains savor success

Foodservice consultancy firm, Technomic, recently reported a number of top limited-service sandwich chains overcame the downhill economy by exhibiting growth.

"Though the economy has moved from bad to worse, the limited-service sandwich segment is holding its own," says Darren Tristano, Executive Vice President at Technomic. "Its resilience comes from its ability to provide customers with a range of offerings from low cost to high end."

In its 2008 *Top 100 Limited-Service Sandwich Chains Restaurant Report*, Technomic states that in 2007, Subway added nearly a half billion dollars in revenue and 440 new units, and Quiznos registered the second highest sales growth with $261 million and 178 units.

"The top 100 sandwich chains have displayed an array of tactics for weathering the economic storm – from revising their pricing strategies, to making menu offerings more memorable and substantial to renovating their stores."

Other interesting findings of the report included:

The limited-service sandwich industry totaled $21.2 billion in sales in 2007, of which the Top 100 accounted for $18.8 billion, or 89% of the total.

Limited-service sandwich restaurants are focusing on making ordering easier. Within the top 100 chains, over a quarter have implemented online ordering at all or select store locations.

Sales for the Top 100 grew 6.4 percent, outperforming the overall sandwich industry's growth of 5.7 percent.

Within the limited-service sandwich segment, the sub, deli and sandwich sub-categories represented the greatest number of concepts.

The 2008 Technomic *Top 100 Limited-Service Sandwich Chains Restaurant Report* identifies the leading limited-service sandwich chains, analyzes top performers by sales and units, looks at important trends in the segment, and provides insight into where limited-service sandwich opportunities exist. UB

Making the rounds with *The Reporter*

National Turkey Federation's Annual Convention

This past February, *Urner Barry's Reporter* was on hand at the National Turkey Federation's Annual Convention. The event was held in Orlando, Florida at the Royal Pacific Resort. Despite the state of the economy nationally, and specific to the turkey industry, a full house was on hand for education, networking, and even a little fun.

During the event, the National Turkey Federation's (NTF) board of directors elected Walter "Gator" Pelletier to serve as the Federation's 2009 chairman. Pelletier is corporate secretary of Butterball, LLC, headquartered in Garner, N.C.

L to R: Nick Weaver, Louis Maxwell, Gordon Maxwell, Walter Pelletier

Pelletier spoke about the numerous issues that the industry will face during his reign—a balanced energy policy, food safety regulation, animal welfare, immigration reform and a brand new administration—all which will require a new industry attitude and a change in the manner in which the Federation and the turkey industry operate.

During his acceptance speech Pelletier quoted one of the industry's leaders, Louis Maxwell, about the benefits of NTF: "Louis commented that while he recognized NTF did not know how to grow turkeys, he didn't know how to work with the government on issues or get the industry to agree to speak with one voice. Makes for a pretty good team!"

The National Turkey Federation (NTF) honored Louis Maxwell, chairman of the board, and Gordon Maxwell, president, Goldsboro Milling Company, with the NTF Lifetime Achievement Award. These industry leaders received the award for their long-term, unselfish dedication to creative turkey production.

In presenting the award, Nick Weaver and Walter "Gator" Pelletier, who are executives with Goldsboro Milling Company, spoke about how the Maxwell's first cousins grew the business from a feed mill to a fully integrated turkey business.

MEATXPO 09

MEATXPO 09 was held on February 22-25, 2009 at the Palace Rio Suites Casino Resort in Las Vegas, NV. This NMA convention is held every other year. *Urner Barry's Reporter* was distributed throughout the convention.

The keynote speaker for this year's convention was Wesley Batista, President and CEO of JBS Swift & Company. Batista spoke on the topics of meat plants, growth, economic stagnation and cooperation.

The round table discussions proved a big hit as they covered topics pertinent to the food industry. The NMA also held its second University Students Cook-off during MEATXPO 09. Ten universities competed for the top prize which was won by Texas Tech for its blueberry sausage.

L to R: Barry Carpenter, Jim Maxey, Mike Gangel

NMA Scholarship recipients

Midwest Poultry Federation Convention

The Midwest Poultry Federation Convention is the largest regional poultry show in the United States. *Urner Barry's Reporter* was in attendance for the 2009 event which was held in St. Paul, Minnesota's River Centre, March 18-19. The convention brought together attendees and exhibitors from all levels of the poultry industry—egg layer, broiler, turkey, game bird and organic poultry production.

Midwest Poultry Federation 2009 Board of Directors. L to R: Allen Behl, Peter Rothfork, David Olson and David Holmgren

During the event a total of 18 exhibiting companies were honored for their long-time commitment to the MPF Convention. Awards were presented by MPF President Louis Arrington.

"On behalf of the MPF Board of Directors, I would like to express my sincere appreciation to these companies for their long-term commitment and dedication to the Midwest Poultry Federation Convention," said Arrington.

Pete Rothfork, Melrose, MN, was elected the 2009-2010 President of the Midwest Poultry Federation. Rothfork, who raises turkeys with his family also operates a feed mill in Melrose, and represents the Minnesota Turkey Research and Promotion Council on the MPF Board. Rothfork replaces outgoing president Dr. Louis Arrington, a retired poultry researcher at the University of Wisconsin-Madison.

NAMP Annual Conference

The North American Meat Processors Association's (NAMP) annual Management

Conference was held this year at the Drake Hotel in Chicago, March 27th – 29th. A significant increase in industry participation and attendance was exhibited as an e.coli conference was held in conjunction with it. The e.coli session informed the industry about new intervention technologies, regulatory compliance information, how to set up a successful testing program, and how to write purchasing specifications to ensure the safety of incoming raw materials. The Management Conference once again had several different learning tracts for Sales and Marketing, Owner Management, Operations, Finance and Quality Assurance. Mike Satzow of North Country Smokehouse was awarded the prestigious Richard L. Knowlton Innovation Award and Dr. Chris Calkins received the NAMP's Educator Award.

L to R: Mike Satzow, Michael Strauss

Mood of optimism in tough times pervades Boston Seafood Show

Despite pessimism reigning days prior to the inauguration of the 2009 International Boston Seafood Show, the mood among many companies was one of optimism - not that everything was rosy in terms of sales, but that the industry is making the necessary changes in focus and effort to deal with the recession. Many companies, as a matter of fact, decided to respond to the economic downturn by stepping up marketing and new product innovation just in time for the Boston Show. At the event, it seemed like the seafood industry was trading up as consumers were trading down.

As expected, the show did have lighter traffic, but the almost universal opinion of the exhibitors was that this had provided them with new opportunities to have more in-depth discussions with buyers and customers.

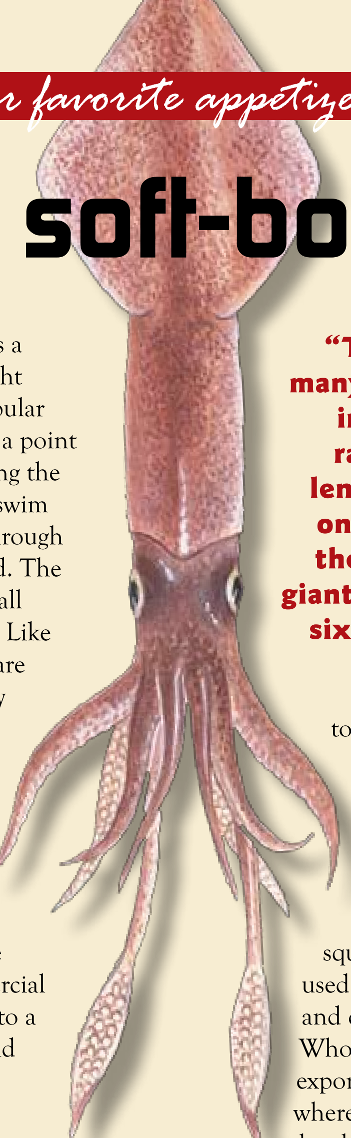
"...the mood among many companies was one of optimism."

Expo Carnes

In February of 2009, Urner Barry participated for the first time as an exhibitor in Expo Carnes, the largest meat show in Latin America, celebrated every two years in the industrialized city of Monterrey, Mexico. Organized by the Mexican Meat Council (Consejo Mexicano de la Carne) the show was a complete success for many, including Urner Barry, notwithstanding the global economic downturn. As a matter of fact,

exhibitor attendance was up by 10% from the previous affair according to event manager, Lisette Sierra. Urner Barry's Vice-president Joe Muldowney, along with the company's Latin American market specialist Angel Rubio, had the chance to reveal the new Comtell® Web site to potential customers who are in need of timely, unbiased, and accurate market information. It was also a great opportunity to meet with existing clients in order to learn about their specific needs. UB

Squid: soft-bodied cephalopod



Squid, also called calamari, is a cephalopod mollusk with eight arms, two tentacles and a tubular shaped body that narrows to a point and has two fleshy wings along the rear part of the body. Squid swim tail-first by pumping water through valves located near their head. The shells have evolved into a small bone or pen inside the body. Like octopus and cuttlefish, they are cephalopods. There are many species in all seas, ranging in length from one inch to the Chilean giant squid of six feet and 100 lbs. Even larger monsters are thought to live in very deep water. Squid grow fast and live only twelve to fourteen months. Commercial use is limited to squid of up to a couple of feet in length. Squid are wild caught, typically by trawl, seine or hook.

"There are many species in all seas, ranging in length from one inch to the Chilean giant squid of six feet and 100 lbs."

Squid have excellent shelf life if handled with reasonable care. They are little-affected by freezing, and their texture is unchanged even if the flesh is frozen and thawed a number of times. Fresh squid should have a sweet smell. It becomes rather pungent with age. Skin spots and color are not reliable guides to quality.

The tentacles, wings and mantle (body) are all edible. There is a thin, soft skin covering the body and wings, which is usually removed before cooking. The skin changes color dramatically after the squid is caught. This is a natural process and is not a symptom of decomposition. Squid may be "bleached" by soaking it in iced water. This reduces the color changes and whitens the skin.

COMMON PRODUCT FORMS

- Tubes & Tentacles
- Tubes
- Rings Only
- Rings & Tentacles
- Steaks

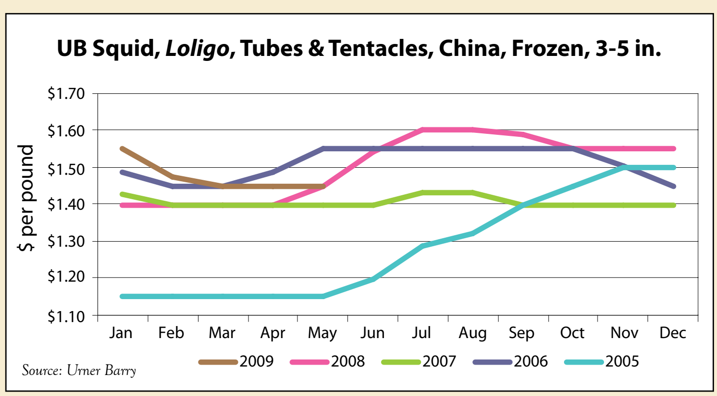
Squid is processed into tubes, rings and strips. Steaks, circular pieces cut from the mantles of large squid and usually tenderized with a needle machine, are also produced as a retail trade alternative to expensive abalone steaks. Fried calamari has become a mainstay on many restaurant menus, which has contributed to an explosion in domestic usage. A great deal of squid is frozen whole for bait, used by both sport fishermen and commercial line fishermen. Whole frozen squid is also exported to Asian countries where it is processed using cheap local labor, refrozen and sold back to the U.S. China (Taiwan included), Thailand and India account for roughly 76 percent of the squid imported into the U.S.; China (Taiwan included) alone represents 54 percent.

ACCEPTABLE NAMES FOR *LOLIGO* AND *ILLEX*

- Argentine Shortfin Squid
- Arrow Squid
- Bigeye Squid
- Boston Squid
- Broadtail Shortfin Squid
- California Market Squid
- Cape Horn Squid
- Chokka Squid
- Encornet Rouge Argentin
- European Squid
- Flying Squid
- Illex Squid
- Little Squid
- Longfin Inshore Squid
- Longfin Squid
- Medium Squid
- Midsize Squid
- Northern Shortfin Squid
- Opalescent Inshore Squid
- Patagonian Inshore Squid
- Slender Inshore Squid
- South African Squid
- Southern Shortfin Squid
- Squid
- Summer Squid
- Winter Squid

There are numerous squid species throughout the world's oceans, with *Loligo* and *Illex* being the most significant to the United States. In the U.S., squid, and squid products, are generally sold frozen (see most common product forms box). The two main types of available fresh on the U.S. market are *Loligo peallei* (North Atlantic *Loligo*) and *Loligo opalescens* (California Squid).

Squid is a versatile product that is not strongly flavored, but considered by many to possess a kind of sweetness. The meat is tender and succulent. Frozen tubes should be ivory-white throughout and have no distinct odor. Squid ink is used to color black pasta.



The explosion in domestic usage has resulted in a new trading range for squid. The price of squid, unlike many other seafood items, has remained rather constant during the most recent economic crisis.

Foodmarket.com top ten stories...

FoodMarket -- News from the Center of the Plate - Windows Internet Explorer

http://www.foodmarket.com/

FOODMARKET•COM News from the Center of the Plate — POWERED BY URNER BARRY'S COMTELL

TOP TEN

News | Weekly Summaries | Timelines | My Account | Advertising | About | Shop

Top stories based on subscriber hits February 19, 2009 through May 19, 2009

1. **Pilgrim's Pride Announces More Employment Cuts** - 4/6/09
2. **Reorganization plan at Pilgrim's Pride forces another plant closure** - 4/13/09
3. **US Beef Not Welcomed at Dept. Stores** - 4/13/09
4. **Trailer Found, 34,000 lbs of Chicken Gone** - 4/23/09
5. **Fire at North Star Foods Forces Town Evacuation** - 4/20/09
6. **KFC Coupon Customers Ask: Where's the Chicken?** - 5/7/09
7. **800 Lose Jobs in El Dorado's Pilgrim's Pride Plant** - 5/11/09
8. **Chicken Facility Plans Ruffling some Feathers** - 4/7/09
9. **Two Brazilian Poultry Processors File for Bankruptcy** - 5/5/09
10. **Smithfield Defends Itself against Swine Flu** - 4/30/09

Pork: International market

In the world of major proteins, pork continues to lead the charge in terms of both global consumption and growth. While the United States has the largest valued commercial hog production in the world, the expanding popularity of pork is not a product of domestic demand. Rather, the result of a growing desire for pork abroad, which U.S. farms are more than happy to fulfill.

With the world population rising and the global economy evolving, developing nations have acquired a greater taste for pork as a source of high-quality protein, and have looked towards the U.S. to supply it for them. In an industry that produces more pork than Americans can eat, almost all of the major packers have large export contracts with various countries around the globe. Approximately 24.4% of the total U.S. pork production was exported in 2008, up from only 3% in 1990.

As U.S. farmers have expanded their operations to export to other countries, they have also re-evaluated their business methods to cater to the specific demands of other cultures. Variety items, that aren't in demand among American consumers and would have otherwise ended up as processing materials in the U.S., are finding a home abroad. Many countries consider these items a delicacy and are willing to pay premiums for them. Pork variety meat sold for an average of $8.21 more per hog in export markets last year than it otherwise would have sold for in the U.S.

2008 marked the 17th consecutive record-setting year of increased export numbers, setting the bar at over 4.6 billion pounds of exported pork valued at nearly $4.9 billion. These increases can be traced to both existing customers and new customers coming into the market. China was a major driving force which exhibited a huge swell in demand. A growing population in both size and affluence, along with a drop in domestic production due to disease related issues and a decline in the Chinese swine herd, resulted in extraordinary gains in exports to China. Much like China, other developing countries found the opportunity to take advantage of the low value of the U.S. dollar and their own economic prosperity as well.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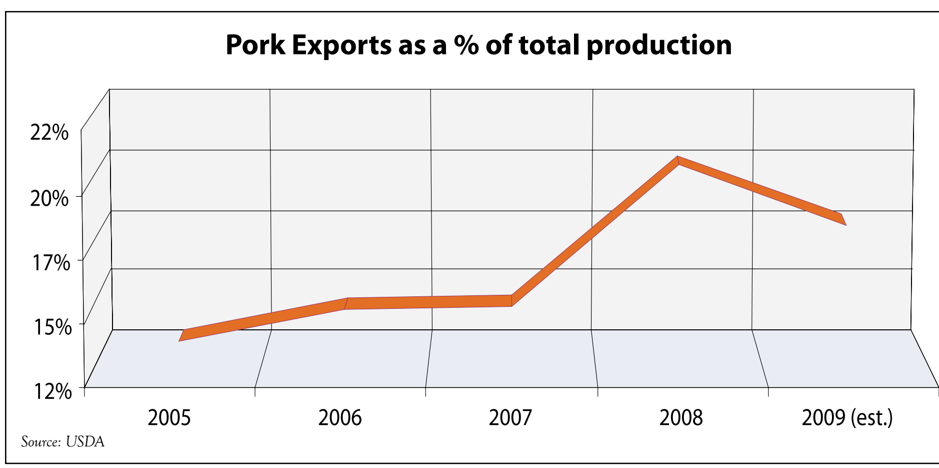
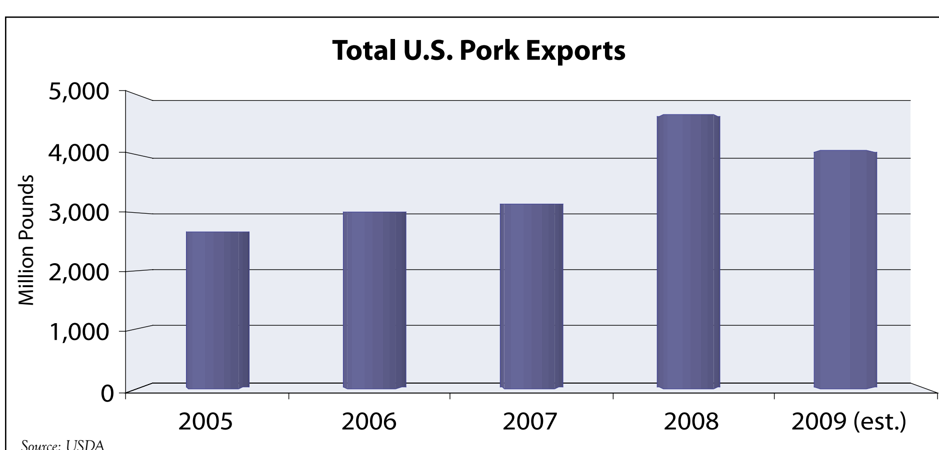
Although 2008 witnessed incredible growth, forecasts for 2009 have the industry looking at the first year-over-year decline in the history of U.S. net exports. The Livestock, Dairy, and Poultry Outlook published recently by the USDA, predicts that total U.S. exports for 2009 will be near 4.1 billion pounds, a 13% decline from 2008. Estimated export numbers for the first quarter of 2009 have already given validation to that trend, with a 6.5% decline when compared to the first quarter of 2008.

This change in direction can largely be attributed to the global economic slide that we have experienced. All of the major countries which are importers of U.S. pork are suffering from declines in GDP and land value, and increases in unemployment.

Pork exports to Russia in the first quarter of 2009 declined 45% in volume compared





enjoys America's pork

to the first quarter of 2008. Exports to China were down about 79% from the same period in 2008. In addition to slumping economies, both countries have made deliberate efforts to increase domestic pork production and reduce their reliance on imports.

Both Japan and Mexico, however, continue to make year-over-year gains and remain the top two destinations for U.S. pork. A total of 343 million pounds were exported to Japan in Q1 of 2009, outpacing Q1 of 2008 by 9.7%. Mexico showed even more remarkable growth as its first quarter volume surged close to 60% over Q1 2008, to 215 million pounds.

Even though total exports are down compared to 2008, exports for 2009 are still on pace to be high in comparison to recent years' history. The USDA's Livestock, Dairy, and Poultry Outlook forecasts a 29% increase over 2007, and so far, the first quarter of 2009 has realized an increase of 30.5%.

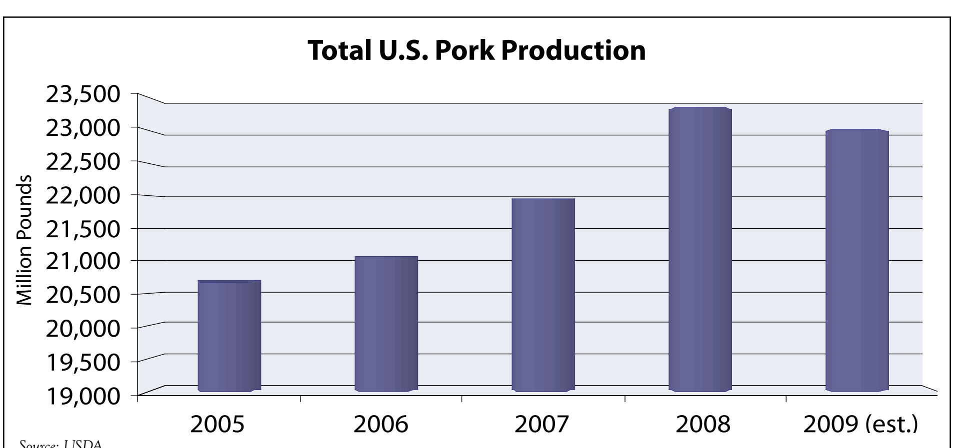
In order to keep up with the expanding global demand for pork, U.S. pork production has steadily increased year-over-year since 2000, with 2008 setting a record level 23.347 billion pounds of pork produced. 2009 is predicted to be the year that bucks this trend though, with the USDA Livestock, Dairy, and Poultry Outlook forecasting a 2.4% loss in production from a year ago. With slower-to-declining economic growth anticipated in the United States and in major pork importing countries, producers have reduced their breeding herds, and lower spring-summer farrowings are projected. In addition, U.S. imports of Canadian finishing hogs are expected to decline in 2009. This reduction is likely attributable to continuing industry liquidations, along with the enforcement of the U.S. Country of Origin Labeling Law which has made many U.S. finishing plants opt away from Canadian hogs.

"2008 marked the 17th consecutive record-setting year of increased export numbers..."

During the last week of April 2009, the pork world was sprung with an industry shaking situation which, unlike changes in exports or production, was quick to develop and could not be foreseen. Outbreaks in Mexico, the U.S. and many other parts of the world of the H1N1 flu, originally given the misleading name, "swine flu," caused panic throughout the pork industry. The new strain is believed to be a mix of swine, bird and human viruses, and although it is respiratory in nature and has nothing to do with eating food, the pork industry has felt the brunt of the public misunderstanding about the virus. Retail pork sales were off dramatically in many parts of the U.S. and other parts of the world as consumers reacted out of fear by avoiding pork products. Several foreign governments were also quick to overreact and restrict U.S. pork imports, further hindering an already declining export market.

While the industry has begun to bounce back from the initial blow of the virus and regain some of the immediate losses that were incurred, the long-term implications of the H1N1 flu remain unclear. The seasonal rally that is normally well underway by the end of May is still just a hope for the future. It also remains to be seen whether or not a summer rally will be as large as it otherwise would have been before the market was disrupted by the flu situation.

Regardless of the recent setbacks the pork industry has experienced, the simple fact remains that the world still wants its pork. With the exception of an extraordinary 2008, forecasts for the upcoming year are very strong relative to recent history, further validating pork's position as a powerhouse of protein worldwide.



Source: USDA

Burger beef bolstered by strong consumer demand

CURRENCY, COMPETING MARKETS AND RUN-UP IN COMMODITY PRICES AFFECT IMPORTED BEEF VALUES

Looking at a chart of imported beef values in 2008 one might think they are looking at relief of Mount Everest. The first part of the year was characterized by steep inclines resulting from an extremely weak U.S. dollar and competition from overseas markets. This included Russia which found itself with renewed buying power as oil prices surged and that country's economy flourished.

The period of October 16, 2007 through July 22, 2008 saw record advances on imported beef prices. July 22 marked the top of the Blend Cow 90s, an item commonly used as a benchmark in the imported beef complex. The market did not plateau for long, but rather peaked and immediately started losing value. The rate of decline was much faster than the advance. Importers of boneless beef could only find solace in the fact that they had relatively light inventories on hand during the decline; nevertheless the write-down existing inventory was significant. Several factors contributed to the decline, including the fallout in commodity market prices. Exporting countries returned to the U.S. when demand from other markets faltered and the U.S. dollar regained some of its value, making U.S. bids more attractive to overseas sellers. These factors further pressured the marketplace.

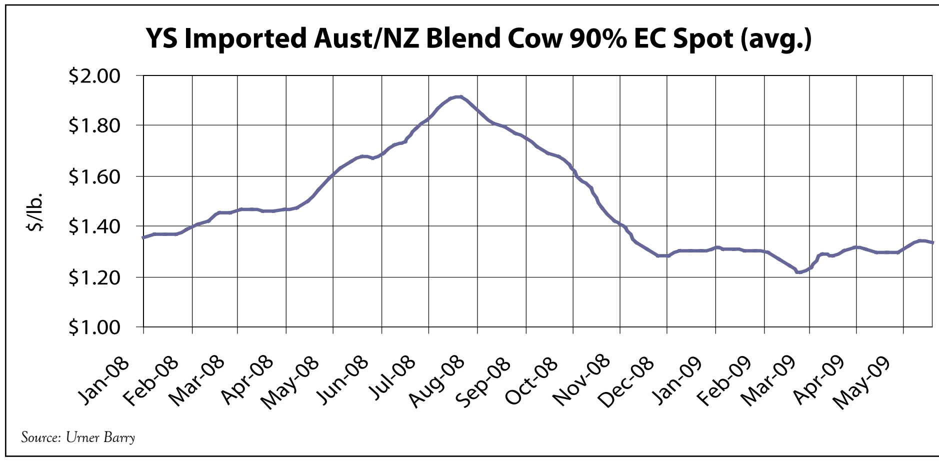
2009 has presented the imported beef market with both new challenges and new opportunities. The recent market crash occurring on both the commodities and financial markets had many food traders increasing their efforts to manage their risk. In some instances, buyers achieved this by committing only for their most immediate needs. In doing this they felt that their purchase price would be "no higher than the market" The lack of forward buying coupled with diminishing retail usage of imported grinding materials exerted weakness on the market for the first quarter of the year.

COUNTRY OF ORIGIN LABELING DIMINISHES IMPORTED BEEF USAGE AT RETAIL STORES

2009 saw the start of mandatory Country of Origin Labeling for many food items sold at retail, including ground beef. Retailers have shown a preference to merchandise product with a "Made in the USA" label. This has affected movement of imported product that was historically used as an ingredient in retail ground beef. Furthermore, some buyers try to diminish the risk of non-compliance with this new law by carrying the least amount of labels possible. In several instances this has resulted in the exclusion of imported raw materials from retail ground beef.

DEMAND FOR LOWER PRICED PROCESSED FOODS BUOYS FAT TRIM VALUES

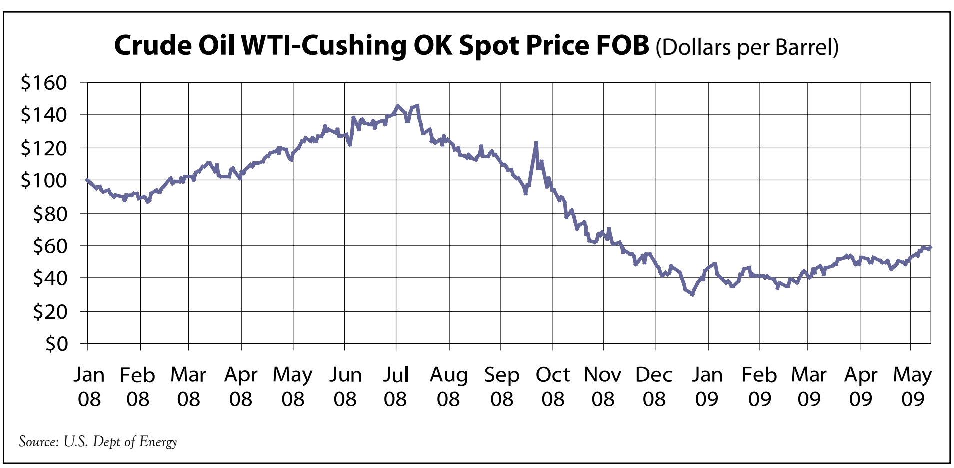
50% beef trimmings are a by-product of the fabrication of steaks and roasts. Fresh 50% beef trimmings opened Q1 2009 with prices trending higher when compared to the previous quarter. The January 2009 average price was $77.31/cwt – roughly 33% higher than 2008 and 19.5% higher than the five-year average. The large increase can be attributed to strong consumer demand for lower cost processed foods including items like hot dogs, of which 50% beef trimmings are an ingredient. While prices did decline in February, they bounced back even higher in March. The average price for the month of March was $81.95. Demand was notably more active for the second half of Q1 when compared to seasonal past performances. Participants continue to keep a close eye on the fed cattle market in an effort to determine slaughter and the amount of fat trim that will be available in the second half of 2009.

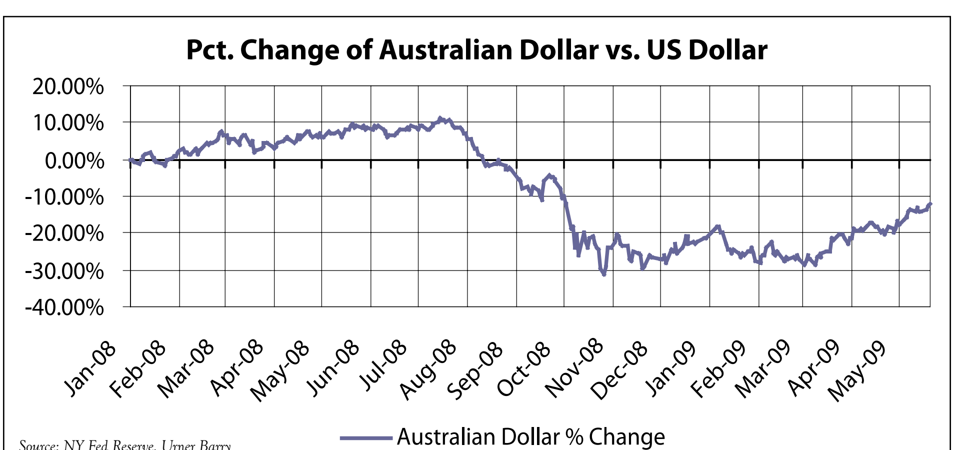


DEMAND FOR GROUND BEEF HELPS TO ABSORB ADDITIONAL DOMESTIC COW SLAUGHTER

Fresh 90s started off the first quarter of 2009 with a little better undertone. The strength in that market was largely attributed to the limited availability and changing usage of imported beef resulting from Country of Origin Labeling for ground beef. The average price for the month of January 2009 was $143.67/cwt; just slightly higher than January 2008. Cow and bull slaughter levels remained well above both 2008 and the five-year average. The monthly average prices dipped below 2008 levels in both February and March as demand fell short of a lot of participants' expectations.

Dairy prices have been low and because of this, the dairy sector has been systematically culling the dairy cow herd to help support prices. Dairy cows are commonly used in the production of lean boneless beef and the culling of the herd has injected more animals into the livestock markets which in turn puts more 90% boneless beef into the meat markets. Despite the additional supplies fresh 90s market values have been resilient as increased supply is fairly well matched with demand. UB

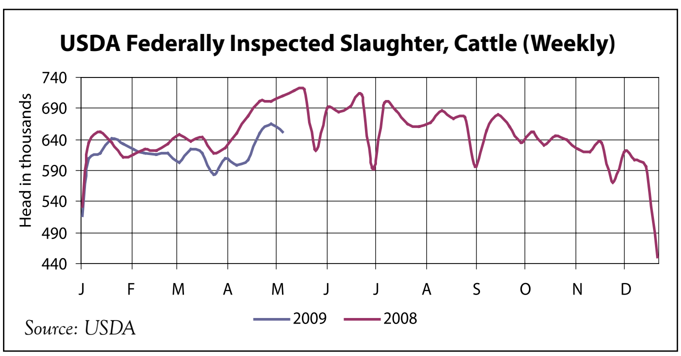




Boxed beef: What's in store?

The title for this year's Boxed Beef Outlook is meant as a "double entendre;" What direction will beef markets and demand for beef take as the summer and fall months arrive? What features will we see at both the retail meat displays and foodservice establishments going forward?

As the domestic economy attempts to regain solid footing, consumers of beef have remained very conservative with their expenditures. Retail movement has remained unexciting for some time now, and most analysts project the same sentiment going forward. Ground beef, has, and will be considered a value given



Source: USDA

the retail price point and flexible meal options. The foodservice sector of the beef market has lost a large share of revenue, as many families have chosen to eat at home more often. Reacting to waning revenue, menus now look a little different. Case in fact, some "white table cloth" style restaurants have added gourmet-style hamburgers made from Angus beef to their lunch menus - a diversion from typical offerings. Less expensive steak cuts such as the boneless sirloin steaks (fabricated from the top butt) have made their way onto quite a few menus since the downturn in the economy, with restaurant owners presenting alternatives to costlier steaks such as the strip, rib eye, or porterhouse steak.

If not for marked improvements with export markets over the past year or so, beef processors would have faced a more daunting task when selling beef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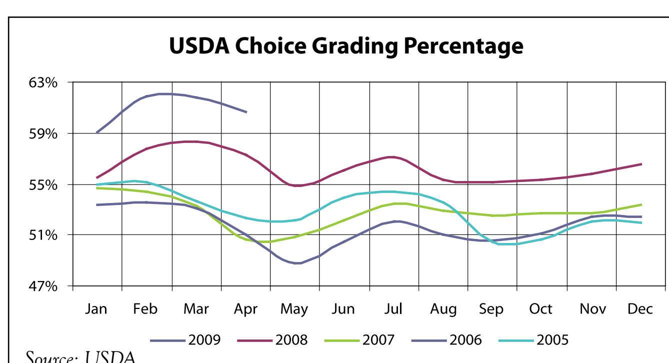
domestically. Beef packers have struggled with negative operating margins for many months, finally moving closer to breakeven/positive territory as spring demand for middle meats arrived in the second quarter of 2009. Sales to Canada, Mexico, and South Korea have returned to very near the volumes seen prior to the closure of borders in 2003 when BSE was reported.

Beef processors have attempted to mitigate their losses by maintaining reduced slaughter schedules. Year-over-year changes in chain speeds have occurred; with a 3% reduction in federally inspected slaughter taken place this year so far when compared to the similar time frame in 2008. Total beef production however, dipped only 2% lower so far in 2009 when compared to 2008 data, as market-ready cattle have entered processing facilities at seasonally high carcass weights. Cattle weights throughout the bulk of 2009 have trended near historical high levels, placing additional product on the spot-market. Carcass cattle weights in the winter and spring of 2009 have averaged over 15 pounds more than the animals entering the slaughter mix in the same period in 2008, and approximately 27 pounds heavier when contrasted with the seasonal average over a five year span. Carcass weights are expected to decline in the back half of 2009, but remain above past seasonal performances.

At times, the choice grading percentage tipped the scales over 62%. In 2009, the choice grading percentage has averaged nearly 4% over the same period in 2008 and over 6% more that the 5-year seasonal average. Given the volumes of choice grading cattle exiting the feedlots so far in 2009, the choice/select spread has at times favored the select side of the equation.

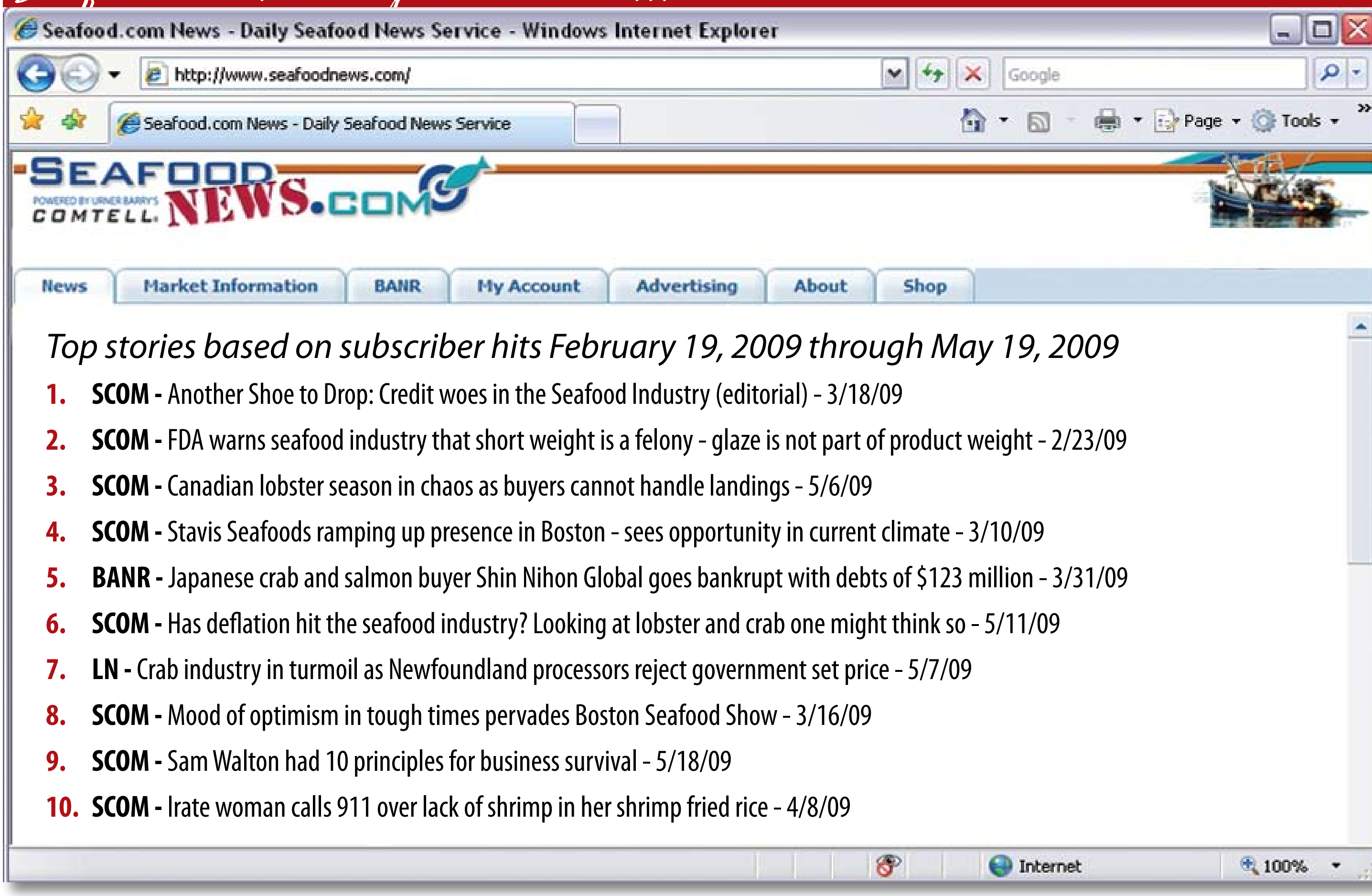
"As the domestic economy attempts to regain solid footing, consumers of beef have remained very conservative with their expenditures."

When taking all of the aforementioned data into consideration, no wonder beef buyers and sellers alike have found themselves struggling to find stability. Throw out the history books, beef markets have changed and may not ever resemble historical pasts thanks to economic conditions. What's in store going forward is anyone's guess at this point. UB



Source: USDA

Seafoodnews.com top ten stories...



Top stories based on subscriber hits February 19, 2009 through May 19, 2009

1. **SCOM -** Another Shoe to Drop: Credit woes in the Seafood Industry (editorial) - 3/18/09
2. **SCOM -** FDA warns seafood industry that short weight is a felony - glaze is not part of product weight - 2/23/09
3. **SCOM -** Canadian lobster season in chaos as buyers cannot handle landings - 5/6/09
4. **SCOM -** Stavis Seafoods ramping up presence in Boston - sees opportunity in current climate - 3/10/09
5. **BANR -** Japanese crab and salmon buyer Shin Nihon Global goes bankrupt with debts of $123 million - 3/31/09
6. **SCOM -** Has deflation hit the seafood industry? Looking at lobster and crab one might think so - 5/11/09
7. **LN -** Crab industry in turmoil as Newfoundland processors reject government set price - 5/7/09
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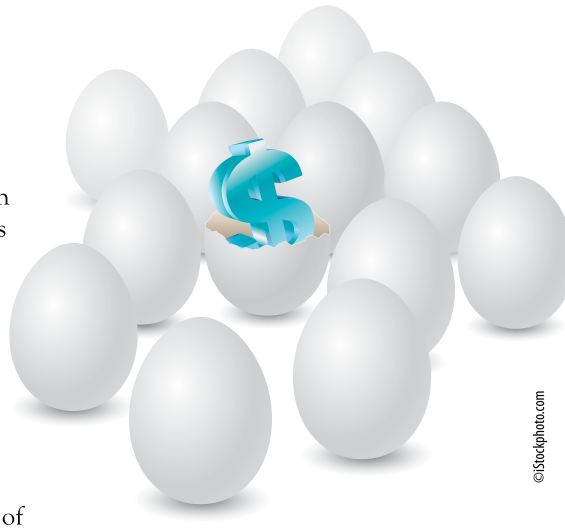
Egg Outlook 2009: It's all about the economy

By Greg Deppeler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In last year's *Outlook* issue of *The Reporter*, we delved into the changes in the egg industry over the past 50 years; its migration into an oligopolistic framework; the functions and methodologies of, and employed by, a market reporter; and the nuances of the price discovery process.

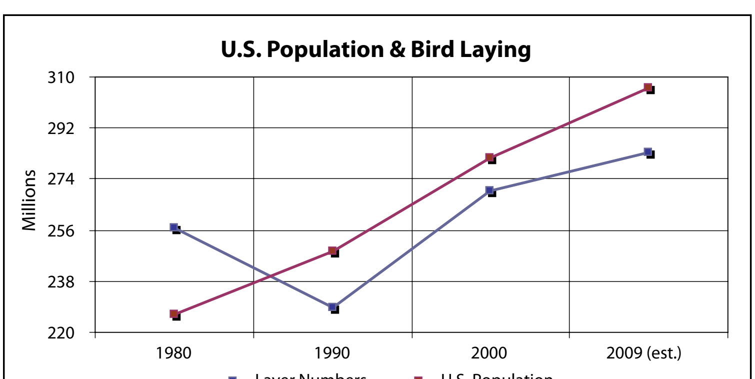
Some interesting dynamics are currently affecting the egg industry, with the prevailing economic climate being the dominant one. The budget of the nation is in a deficit-spending mode; banks and other financial institutions were lax in their fiduciary responsibilities, and required government monies to remain solvent; once proud industrial giants also received government funds; the stock market lost approximately 45% of its total value; the housing market tanked; unemployment rose dramatically; and a host of other factors contributed to the present situation. In short, the average consumer is economically hammered, and is forced to stretch disposable income as far as possible. The changes in the economic climate affect the egg industry quite dramatically in fact, in both inter-industry and intra-industry ways. We will briefly examine both.

INTER-INDUSTRY:

Eggs are an excellent source of protein and other desirable nutrients. Faced with the reality that people must still eat, households presently endeavor to stretch spending dollars as far as possible. In so doing, some difficult choices are encountered. "Center-of-the plate" foodstuffs have traditionally been the source of protein for people, but wary shoppers are attempting to obtain protein by purchasing alternative items. Supermarkets are offering more economical cuts of meat within a particular line (beef, for example) and consumers are opting for these choices or selecting different lines (chicken instead of beef) as their purchasing option within the meat family. Eggs are being positioned by wholesalers and retailers alike as a viable alternative to meat. A few advertisements state "have breakfast for dinner at least once a week, and make sure to include eggs, which can be prepared in so many easy, tasty ways."

INTRA-INDUSTRY:

Many different options are available within the egg marketplace. Various sizes are offered (small through jumbo); different colors (white, brown); different formats (regular shell or liquid); and various pedigrees (regular, organic, cage free, free range, and others). Depending upon many factors which may add to the value-added composition of the specific product, the price range of the available products can vary widely. In general, a specialty egg (cage free, etc.) costs about double what a plain generic egg does. Recognizing the price differentials, and attempting to stretch their purchasing dollars, consumers are eschewing the acquisition of specialty eggs and opting for the genetic offering, where they can get twice the product volume, and therefore twice the available protein, for the same economic posture.



Source: USDA, U.S. Census Bureau

Whether or not this will be a long-term trend cannot be determined. What we do know is that, with the change in consumer choices, sales of specialty eggs have plummeted to the point where supplies are diverted to other channels. Additionally, if consumers don't view the consumption of regular eggs as less than appetizing in terms of taste, appearance, and so forth, history has shown that they will tend to stick with the selected option when times improve. If this is the case, the intra-industry landmark may be forever altered.

EPILOGUE:

Classical Keynesian economics teaches that the intersection of the supply and demand curves for any commodity is called the equilibrium point, and that it can be maneuvered either higher or lower depending upon which side of the economic equation is dominant. In the egg industry, per capita consumption is generally static (the demand side), leaving the supply side of the economic equation mostly in control. Periods of peak demand, such as Thanksgiving, Christmas and Easter, generally find more birds in production, laying more eggs, until the demand wanes, and birds are taken out of service. Theoretically, the industry can absorb the addition of three million birds per annum, due to the net growth in population, without any detriment to economic values. However, forecasts tendered by industry experts indicate that there will be more than an incremental six million birds during some months this year, indicating that the supply side of the economic equation will, indeed, be dominant, typically keeping prices at consumer-friendly levels, and aiding the consumer in the stretching of their disposable income. UB

Chicken 2009: Tough times

The last 12 months have proven to be some of the most trying times the chicken industry has faced in recent memory. Hindsight is 20/20, but looking back at the events that unfolded no one would have imagined the repercussions that would ensue. It is a well known fact that chicken processors are low cost driven entrepreneurs. Soybean and corn conversions are the prime components in maximizing feed to protein ratios. The ethanol mandate that swept through the country in 2008 resulted in negative implications through the entire economy. Corn and soybean futures soared to record highs while creating a domino effect that undercut the fabric of our economy. Five dollar gasoline, the real estate crash, defaults on credit swaps, the collapse of the car industry, and more, have all contributed to a shrinking and retreating customer base.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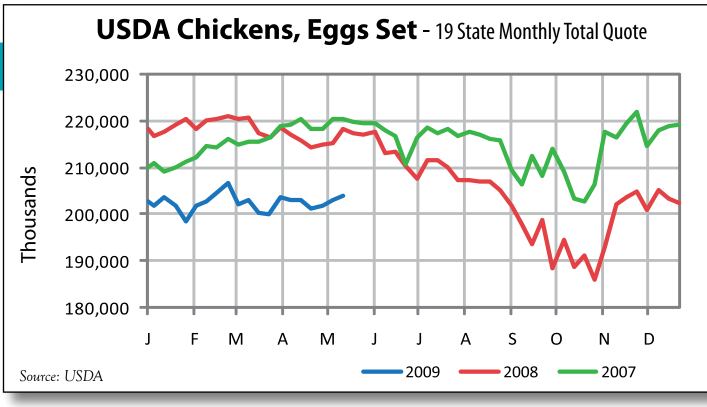
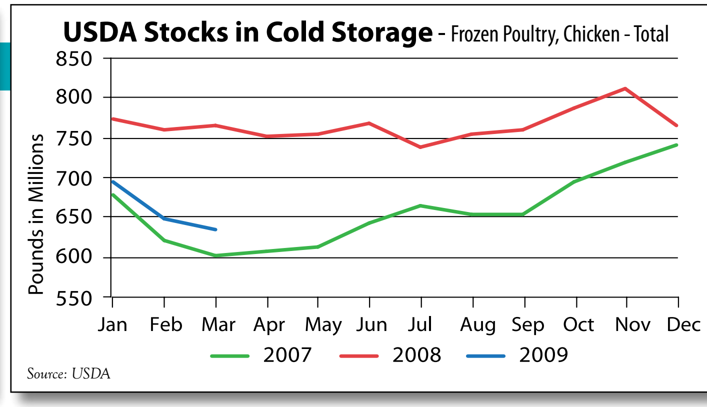
Early speculation had chicken well positioned to initially benefit from dining preferences as buyers scaled back on their expenditures for food. Industry players were short sighted in underestimating the full ramifications the recession would have on the entire economy. The foodservice sector, which is the major component in consumption, was hardest hit resulting in chapter 11 filings and poor quarterly reports. Consumer spending eroded even further than expected leaving plants to face challenges in marketing ample supplies to a highly selective marketplace. It became apparent that traditional seasonal demand patterns would do little to change the supply/demand ratio.

What's interesting is that export markets for leg quarters were able to reach record highs in 2008. The weak dollar, compared to other currencies, gave overseas buyers increased buying power for much of the year. Despite such strong pricing on dark meat, the industry suffered heavy losses





and was unable to overcome grain and other expenses associated with input costs. When Pilgrim's Pride, the largest poultry producer in the United States, announced they were in Chapter 11 protection it was eye opening and shocking for everyone to see just how fragile the industry is and, for that matter, the economy had become. From these dire straits the industry started to rectify the situation by reducing egg sets and chick placements.

> **"The food service sector, which is the major component in consumption, was hardest hit..."**

This tack along with curtailing live bird sizes enabled reductions in cold storage stocks and was the first step to getting the industry's house in order. In doing so, prices on major line items were severely depressed. Fresh product was especially burdensome forcing plants to keep pushing product out just to generate cash flow in order to pay down grain and other expenses associated with production. Wings and tenders benefitted the most from these cutbacks. Being the smallest percentage of the bird, availability was stretched to the point that wings were able to attain all-time pricing as quoted by Urner Barry. Trim and chunk meat values have held up well, so well that supplies have barely kept pace in meeting industry requirements.

The primary focus for the industry for the balance of 2009 is to return to profitability. This should be accomplished by the on-going commitment to regulating supply stocks and better match the sensitive nature of business found in the food service and fast food sectors. Hedging against a volatile grain market is a big obstacle for the industry in fulfilling these expectations. A bigger factor to overcome, however, is how quickly the economy rebounds in the last two quarters of 2009. That will determine the mindset of the consumer in embracing chicken at all levels of the food chain. UB

Turkey:
An optimistic horizon after a frustrating year

The turkey market has been anything but predictable during the course of the last 18 months. While there is a widely diverse set of high-quality turkey products available to foodservice channels and the everyday consumer, economic conditions, over-production and resulting high storage figures have severely hampered the ability to market turkey products at prices that will justify the expenditures.

The past year has seen little difference in the big picture for the turkey market but, increasingly, indications are surfacing that change is coming. Heavy bird weights during the past several months have negated the reductions in turkey head being slaughtered but, that too, is evolving. Demands on sellers to clear breast meat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have been heavy. Further processor requirements have been regular at best and cautious consumer spending patterns attributed to the present economy have not contributed to movement.

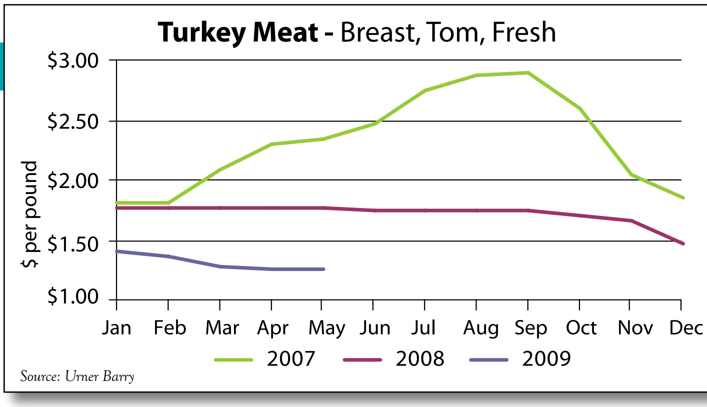
Earlier in the year the devaluation of the dollar and increased world-wide demand for U.S. turkey products resulted in very good export demand. High or record high prices for items including thigh meat, drums, necks and two joint wings were in place much of the year. For the most part, that situation is still in place today. Recently, however, the devaluation of the peso and the advance of the dollar have made export related negotiations increasingly stressful and demand more selective from Mexican buyers.

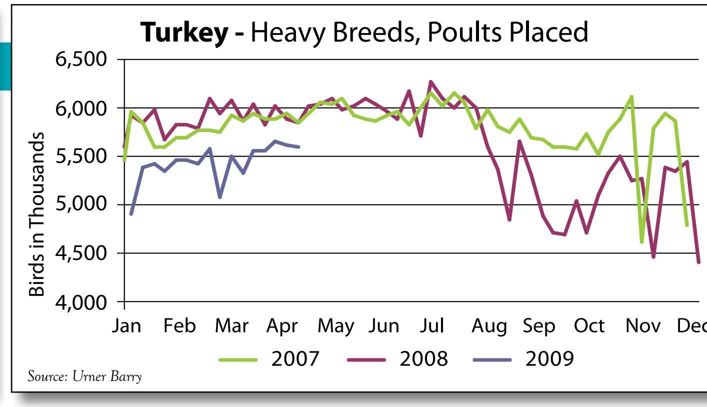
The 2009 market year has been, and likely will continue to be, speculative and conservative on the buying side. Whole bird quotations hit their quarterly low in early January at about $.73/lb., only $.01 below 2008. Yet unlike 2008, heavy inventories and price sensitive buyers slowed negotiations and lent caution during negotiations. Availability was characterized as being at least adequate with much of this coming from carryover due to poor fourth quarter ’08 demand and ample inventories. Forward pricing is being generated at higher levels but tends to range at least $.05 behind last year. Breast meat requirements were spotty for most of the first quarter and, at the end of March, showed few signs of improvement. The quarter averaged about $.50/lb. behind last year as heavier bird weights and continued poor demand patterns hampered movement. Consumer spending habits favored lower cost turkey products produced from white meat and trim items. The strengthening dollar reduced export inquiries but domestic grinding needs allowed for consistently good demand and items like drums, thigh meat and other traditional export items found solid support. Tails were exceptions as traditional South Pacific buying needs were curtailed. Trade sentiment was mixed at times reflecting very good demand and at other times exhibiting buyer caution in the face of adequate supplies and unfavorable developments in exchange rates between the dollar and traditionally traded foreign currencies.

Lower input costs, primarily fuel and feed, are bettering bottom line returns but have not been sufficient to offset the effects of the present economy. With that said, there are encouraging signs on the horizon. Most notable are the cutbacks in poult placements which YTD 2009 are down 9%, an impressive number that could not come any sooner during trying times for the industry.

As a result of the cutbacks at the hatchery level and despite excellent livability and conversion, these lower numbers are beginning to show up in the slaughter figures. According to the most recently available data, YTD RTC slaughter is down

Continued on page 36





Turkey outlook

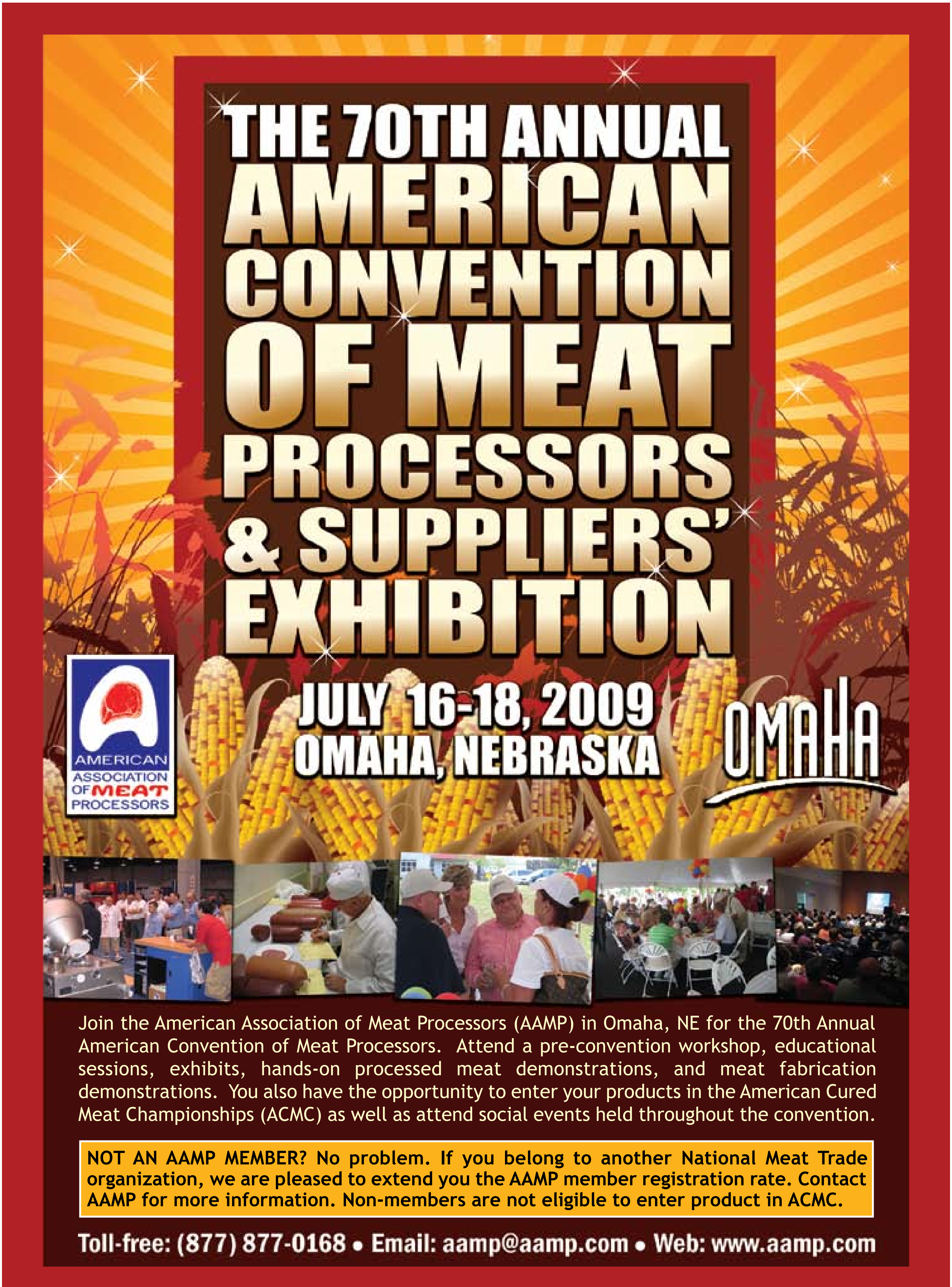
Continued from page 34

about 13%. This data is a little skewed as there were fewer days during February '09 than in the previous year. But overall, slaughter is retreating and if hatch report figures prove to be accurate, this trend should be well in place through at least early June.

The early April announcement by the U.S. Department of Agriculture regarding their intent to make an emergency purchase to be distributed to USDA food assistance recipients is reason for industry encouragement in the coming months. Up to $60 million dollars is earmarked to purchase frozen breast meat inventories and create a much needed outlet for turkey breast meat items. Within days of the announcement, the undertone to breast meat improved and sellers started to regain confidence.

In the meantime, cold storage holdings have been irregular in the first quarter but, even with margin for error, are running above last year. Although the "other" category, as reported by the USDA, is running 3% below 2008; whole birds are currently being reported at 40% above 2008. By historical standards, whole bird storage holdings are the highest they've been since 1994. This has proven a challenge to processors both in terms of their ability to market toms and hens and as it concerns their ROI. Travel budgets, advertising and other "non-critical" expenditures have been reduced or cut from budgets as processors make attempts to return to profitability.

The turkey industry will be facing many challenges in the coming months. Although little can be done to boost the pressures associated with the economy and consumer spending, the industry has made great strides in controlling production. The results are just now beginning to show and turkey industry insiders are hopeful for tangible positive bottom line results during 2009. UB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Tilapia market recovering gradually

In the aftermath of 2008's devastating winter in China, the tilapia market suffered its worst supply shock since it became a mainstream species. This market was already slated to increase due to the increasing costs of feed and transportation; the supply shock simply exacerbated the problem of an inevitable cost-passing scheme to unprecedented levels. Since October of 2008, however, this situation has eased considerably with supplies and prices gradually adjusting—though not entirely—to pre-inflation levels. The picture into the future is somewhat of a mixed bag primarily due to the uncertainty of the current economic environment.

On the frozen fillet and wholefish market, there were three main driving forces that led to higher prices throughout 2008. First, rising costs of feed and transportation were adding upward pricing pressure. Secondly,

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assuming that demand remained constant for a certain level of available supply during the first quarter of 2008, the dramatic spike in prices that resulted from a large drop in imports in March makes perfect sense (figure 1). This situation helped producers and packers alleviate shrinking margins and thus passed rising costs along the supply chain. Lastly, prices kept going up until the final stages of 2008's 2Q as supplies, although gradually recuperating, continued to be short. Additionally, the demand level for frozen product, conjointly with the lack of supply during these months resulted, not only in higher prices, but also in importers seeking alternative sources for product. For example, imports of frozen wholefish from Thailand and Central and South America surged astonishingly, and some distributors switched to fresh product whenever available.

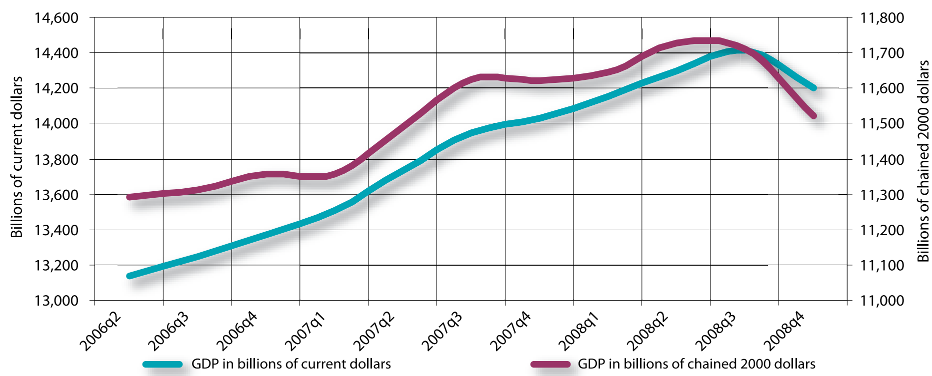
Such situations resulted in spillover effects on the fresh fillet market, which itself was experiencing a similar situation to that of frozen fillets from China. Rising feed and transportation costs were shrinking profit margins to the point where some producers had no option but to go out of business. In fact, the closure of some farms in Ecuador, the largest producer at that time, caused supply from that country to fall approximately 28%. As a result, prices began to rise and thus helped producers' margins to stop contracting by passing on rising costs along the distribution stages (figure 2). Imports of fresh fillets from other countries like Honduras, Costa Rica, and Colombia increased significantly in order to cover the lost supply from Ecuador; in fact, Honduras surpassed Ecuador as the largest provider of fresh fillets in 2008. All these factors were the main factors driving up prices until the beginning of the last quarter of 2008.

After almost seven months of constant rising price levels—prices spiked 47%—which by definition can be labeled as inflation, the frozen fillet market finally began trending lower during the last quarter of 2008 (figure 1). On one side, supply levels improved and the number of offerings increased; this situation supported importers to shop around for the best price. Given the strong demand for frozen fillets from China, producers were forced to harvest fish quickly ultimately resulting in an abundance of smaller sized fillets; larger sized fillets came down initially, but have since remained limited and steady.

The fresh market, on the other hand, has shown more resilience. Although pricing did fall slightly in November, overall pricing schemes have remained relatively steady due to virtually a flat supply. Therefore, we can assume that because the market commanded higher prices in 2008 amid a flat supply, demand in fact expanded. In 2009, however, supply is 13% below last year's level, and prices for 3-5s and 5-7s have decreased slightly.

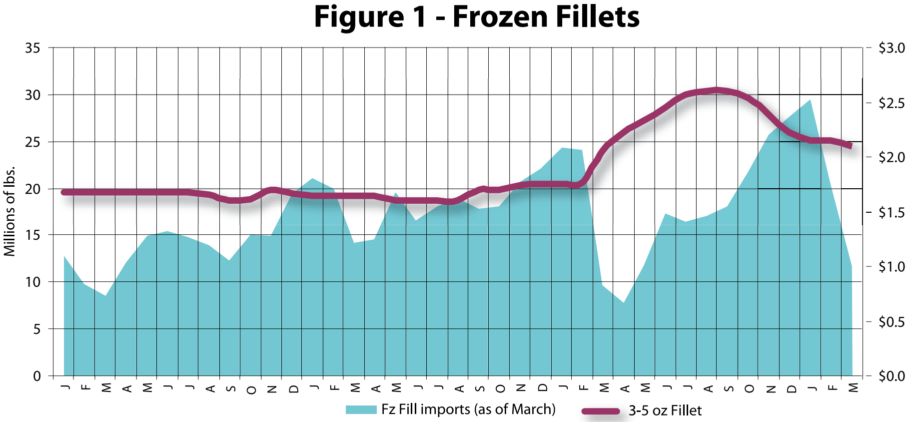
Since the last quarter of 2008, and in the midst of the financial crisis, bargaining power has increased significantly for those businesses that are financially sound; there are too many companies chasing too few dollars. Also, energy and feed prices have collapsed since the beginning of the fourth quarter amid a contracting economy (figure 3). Although that has eased somewhat the costs of transportation, and to a minor extent feed, tighter credit conditions are just adding obstacles to the stabilization of the tilapia market. UB

Figure 3 - U.S. Gross Domestic Product



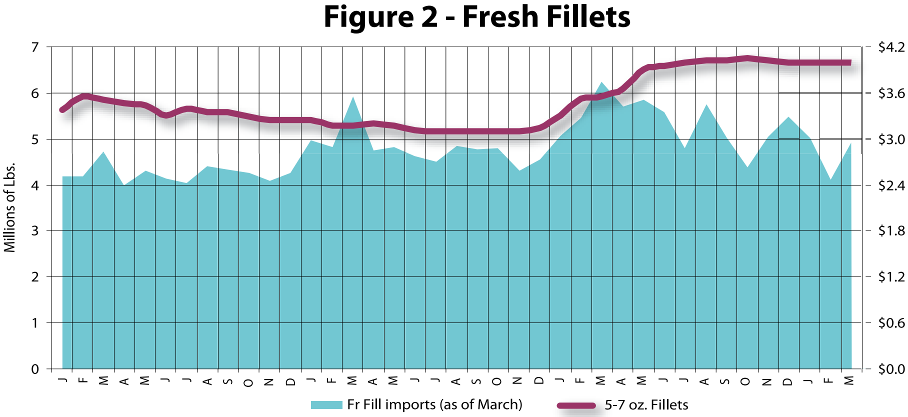
Source: Bureau of Economic Analysis, USDOC

Figure 1 - Frozen Fillets



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

Figure 2 - Fresh Fillets



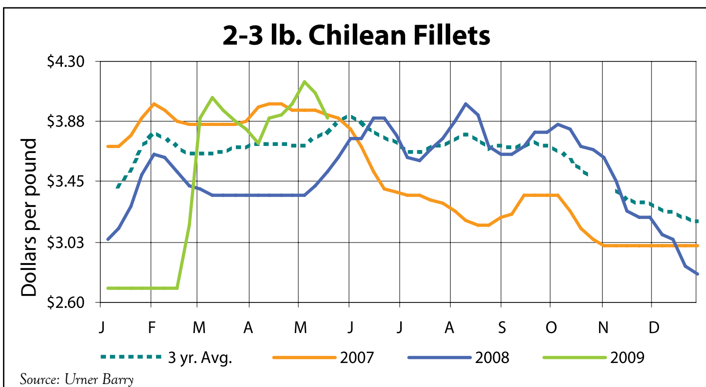
Source: U.S. Census Bureau, USDOC, Urner Barry

The world of Salmon is changing...

FARMED SALMON

The farmed salmon world is changing almost constantly. Who is the United States' primary farmed salmon supplier? The answer to this question appears to differ weekly, but currently it seems to be Norway. Chile ended 2008 4.6% lower than 2007. Predictions for decreases in 2009 are anywhere from 20% or greater due to the ISA outbreak that has crippled the Chilean farmed salmon industry. The situation in Chile, however, does change weekly. The spot market has witnessed a few weeks where Chilean fillets were readily available, but March imports indicated that 2009 fresh fillet imports were behind 2008 by 17.3% year to date.

The new primary supplier for many buyers in the U.S. is Norway; which has stepped in, in a big way. The FAO reports that for the first time in over six years, U.S. consumers are able to buy Norwegian salmon on a consistent basis. The Norwegian Seafood Export Council (NSEC) is reported to be investing $1.5 million USD in the U.S. market.



Source: Urner Barry

March imports show fresh fillets out of Norway have increased 256.5% over 2008 year to date levels. On April 30th the NSEC reported a value of USD $31.2 million since the beginning of the year—an increase of 168%. Branch manager Borge Gronbech of NSEC told FAO that due to the sharp drop in Chilean production, there is a renewed interest in salmon from Norway and "We will therefore work rapidly so that the salmon market in the U.S. is not weakened."

Global salmon and seafood supplier Marine Harvest issued a detailed report at the end of the first quarter of 2009 that paints a picture of a resilient demand for salmon in the main consumer markets, and good operational results in all areas except Chile. Marine Harvest does report that the ISA epidemic is winding down and plans are now being formulated for rebuilding in Chile. Marine Harvest's projection for total salmon production in 2009 predicts a 9% growth in Norway and a 67% decline in Chile. Overall, Marine Harvest believes that with the reductions in Chile, global supply is expected to decrease 7% in 2009.

WILD SALMON

2008 was a disappointing year for the wild salmon industry. Many wild salmon species in Alaska did not reach their expected landings. Pink salmon saved the day as the overall total ended up higher than that projected for wild salmon in 2008.

The projection was lower because '08 was considered a "down" year for pinks due to their two-year life cycle. The table below consists of forecasts for 2009 indicating a strong projection for pinks.

2009 looks to continue to be challenging for salmon overall. The decrease in imports and wild salmon landings could accompany a decrease in annual consumption for 2008. Consumption numbers for seafood are not currently available, but if there is less supply and higher prices, consumption usually decreases. With imports declining again for 2009, the downward trend in annual consumption for salmon could continue. UB

Alaska Wild Salmon Harvest Projections and Actual Harvests*

	2008 Projections	2008 Actual	2009 Projections
King	672	351	427
Sockeye	47,189	39,023	38,167
Coho	4,422	4,398	4,678
Pink	61,552	84,051	113,198
Chum	18,722	18,233	18,559
Total	**132,557**	**146,056**	**175,029**

*In thousands of fish

Source: Alaska Department of Fish and Game

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Cod on the rebound

Cod stocks around the world appear to be on the rebound; strongly in some areas. However, at the same time as supplies are increasing, the market prices for cod have been declining precipitously. Although the production trend for cod continues to decline; it has steadied somewhat since 2000 and appears to be sustaining a consistent level.

Atlantic cod production far outstrips Pacific cod production; however, declines in Pacific cod production have been far less steep.

Quotas for the joint Norwegian and Russian Atlantic cod fishery in the Barents Sea which were 430,000 MT in 2008 have been increased to 525,000 MT in 2009 and will reportedly increase in 2010 and 2011 by another 50,000 MT each year. The Iceland cod quota has also been increased for 2009 by 30,000 MT to 160,000 MT in response to that country's dire economic situation, but the increase is reported to be in line with the recovery plans for the stock.

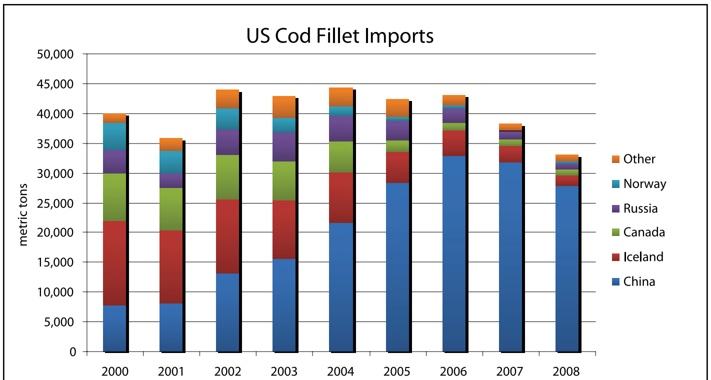
Norway, Russia, and Iceland represent over three quarters of Atlantic cod production; all three have announced increases to their fishing quotas.

So despite recent declines in cod production which led to historically high prices; there appears to be a rebound in stocks that will result in greater production from the biggest players.

Of course most of the U.S.'s cod fillet imports come from China where H&G cod from all over the world is shipped for processing and then exported. Chinese imports have grown over the years at the expense of imports from Iceland, where prices became prohibitive, and Canada, which has seen the resource decline.

Imports of Atlantic cod have seen a precipitous decline. The drop in frozen Atlantic cod fillet imports into the U.S. can be attributed mostly to a redistribution of production to Europe where markets have been generally stronger than what the U.S. market has been willing to pay. Also cuts in production quotas have played a significant role in lessening imports.

Requirements for cod in the U.S. market have increasingly been fulfilled by Pacific cod fillet caught in U.S. waters and processed in China.



Source: USDOC

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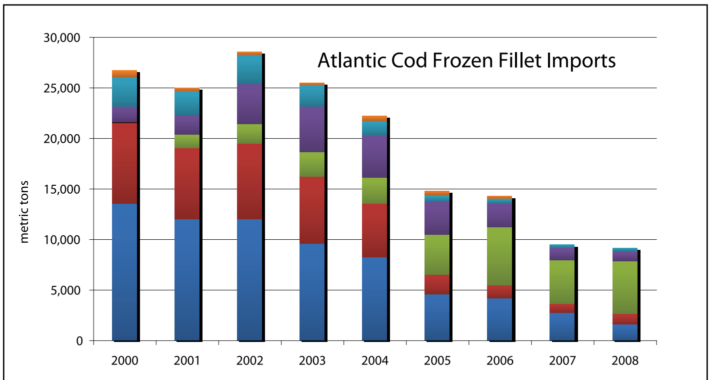
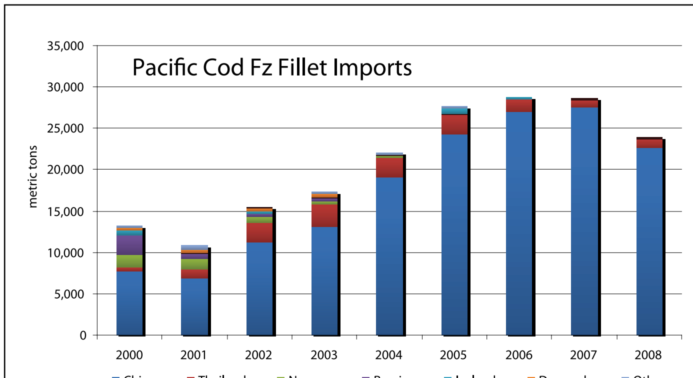
Seafood consumption has generally experienced growth. Alaskan pollock consumption has also experienced growth, in many cases at the expense of cod especially in some sectors such as foodservice, in particular fast-food. Cod consumption continues to decline. In sharp contrast, farm-raised tilapia consumption has been increasing sharply and can be found on many U.S. menus and at retail. Certainly part of the reasoning for tilapia's growth is its price point, particularly in relation to cod.

Globally, and in the U.S., cod market prices have trended higher for years. Last fall, consistent with the widespread recession and accelerated by the collapse of Iceland's economy and banking system, cod prices began to fall dramatically.

One of the first markets to be affected was the salted fish market in Portugal and Brazil and generally in Europe. Sellers with high-priced inventories met buyer resistance to the high prices, especially as economic conditions worsened. Consumers cut back on purchases. Demand from the sellers dried up as they struggled to move off those burdensome, high-priced inventories. Supplies backed



Source: USDOC



Source: USDOC

up along the entire supply chain and replacement offering prices began to drop precipitously. This condition has repeated itself for fresh cod into the UK, as well as all of the other cod forms, most importantly frozen cod fillets.

Many anticipate that cod prices have yet to stabilize. Importers in the U.S. have been trying to move off inventories of high-priced cod ahead of lower priced supplies from China which is expected to arrive May. In addition, single frozen cod from Iceland is increasingly being offered into the long ignored U.S. market due to a dull European demand. Distribution for premium priced single frozen cod will have to be developed and will likely involve the discounting of product in order to buy market share.

Remarkably coinciding with ample inventories all along the supply chain and declining prices; cod stocks, as stated, appear to be rebounding strongly. Lower prices should stimulate and balance an increasing supply by improving demand.

Foodservice demand for seafood including cod will likely continue to struggle as a result of the recession. A bright spot may be in fast-food or QSR where that segment has done very well in the poor economy. Although retail is touted by many as a bright spot; for seafood recent data from the seafood counters as stated by John Sackton in Seafoodnews.com, *Seafood Losing Out as Consumers Trade Down to Other Proteins at Retail*, show it to be the only fresh food segment in relation to poultry, meats, eggs, etc. that has registered recent declines.

POLLOCK

Although catches of Alaskan pollock appear stable this belies the fact of more current data. The Total Allowable Catch (TAC) for Alaskan pollock was reduced from 2007 to 2008 by almost 30% to 1 million metric tons. This precipitated a similar increase in the price of pollock products including fish blocks, fillets and surimi.

Currently the 2009 season has been cut an additional 19% from 2008 to only 815,000 metric tons for 2009, the lowest catch level since U.S. federal management of the fishery began in 1977. However, the North Pacific Fishery Management Council is predicting that the 2010 TAC will rise to 1.2 million metric tons.

Although prices for Alaskan pollock in the U.S. rose sharply from the 2007 season to 2008 as domestic sources competed for product with overseas markets, pricing in Europe was less affected due to the weakness of the U.S. dollar. Demand in Europe, despite the increase in price, remained largely unaffected if not improved until the very end of 2008, when a consumer reaction to higher prices set in. With further cuts in the Alaskan pollock supply set for the 2009 season prices are expected to remain high, however, changing economic conditions and a relatively strong U.S. dollar could impact demand in both Europe and the U.S. Yet pollock remains a value among groundfish species.

After declining since the late 90s, the Russian pollock fishery in the Bering Sea and Sea of Okhotsk; historically larger than the Alaskan fishery, has recently been improving, especially in the Sea of Okhotsk. The Russian fishery supplies most of the raw material to Chinese producers which is then processed and shipped all over the world. Chinese twice-frozen processed pollock products have seen some increases in price however not relative to U.S. Alaskan pollock. Single frozen Russian pollock production is increasing and an effort to have the fishery MSC certified; if it is successful, could change the dynamics of the whitefish market. The Russian government is also strongly encouraging domestic processing and trying to reduce exports of unprocessed frozen pollock to China.

"...there appears to be a rebound in stocks that will result in greater production from the biggest players."

Although a third of cod's production, haddock production has been on the rise and prices have been weak in the U.S. and inventories are reported burdensome. UB

Shrimp: Challenging market with unsettled forces

The white shrimp market has been stable thus far in 2009. Adequate inventories for a quieting demand of Asian shrimp were carried over from 2008 so that higher replacement costs from Thailand and Indonesia have had minimal affect on the U.S. spot market. Offerings from Asia with few exceptions remain strong and disconnected with the current U.S. spot market. Although the market has been generally steady, supplies in the U.S., especially for value-added items, have been dwindling. Currently, holes are developing in some inventories. However, as seasonal production in Asia ramps up in May, offerings should improve and replacement pricing is expected to moderate. However, this assumes traditional production levels. Recent news of white spot issues in Indonesia may impact shrimp production especially early in the cycle. Additionally, low prices may also discourage some production.

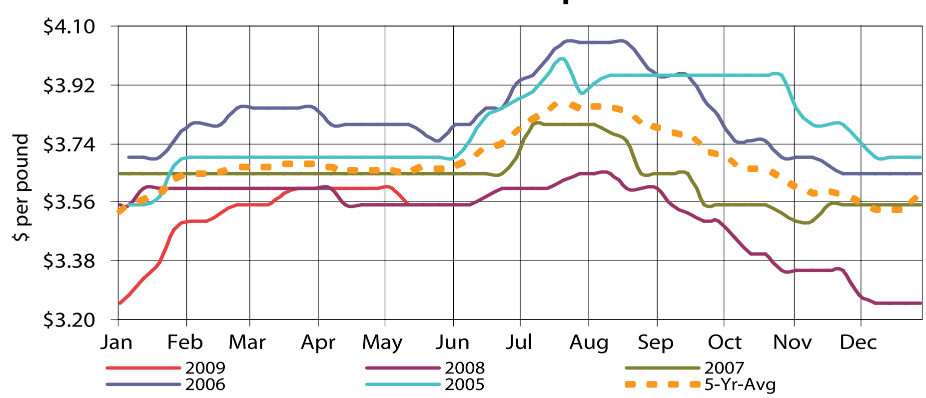
"Black tiger shrimp production is a fraction of what it was only a few years ago."

So we approach the heart of the Asian white production season with a generally stable market albeit at historically low price levels. Production levels are in some question but so is recessionary demand in the U.S. Therefore, the market appears to remain challenging with various forces remaining unsettled.

HLSO Latin American shrimp have also been mostly steady in 2009 although 36-40 count and larger shrimp have recently been weak as Ecuadorean production has moved into larger count shrimp. While many producing countries' exports to the U.S. are lower through March; imports from Ecuador, Mexico and Peru are all higher on a year-to-date basis. Ample imports and competitive price

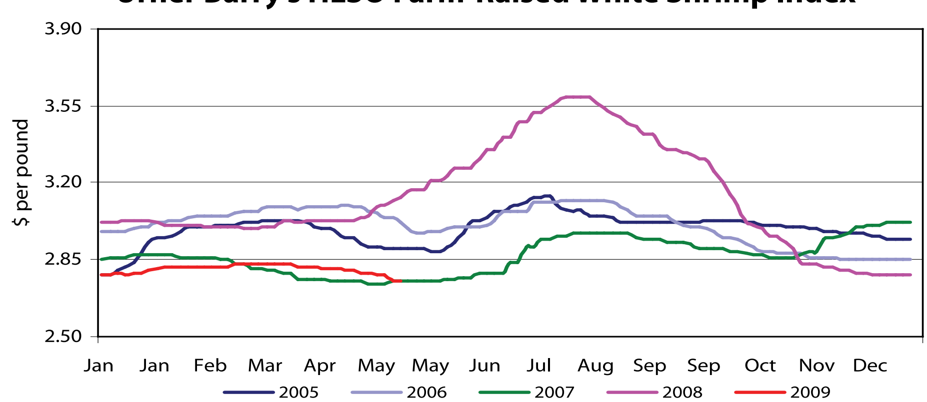
Continued on page 46

Asian White Shrimp 26-30



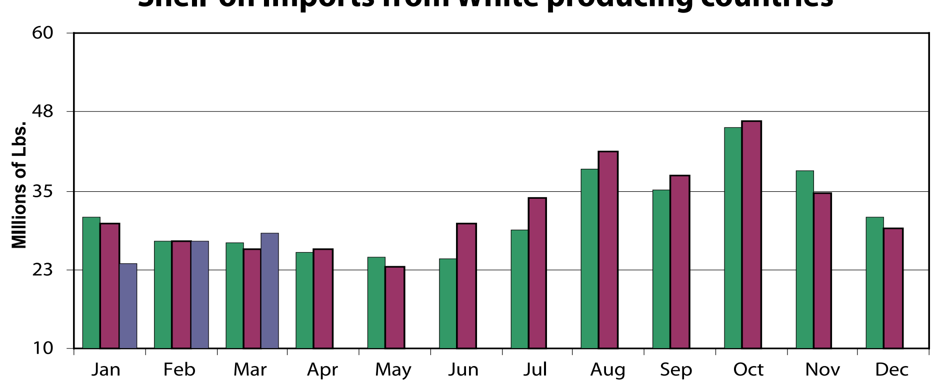
Source: Urner Barry

Urner Barry's HLSO Farm-Raised White Shrimp Index

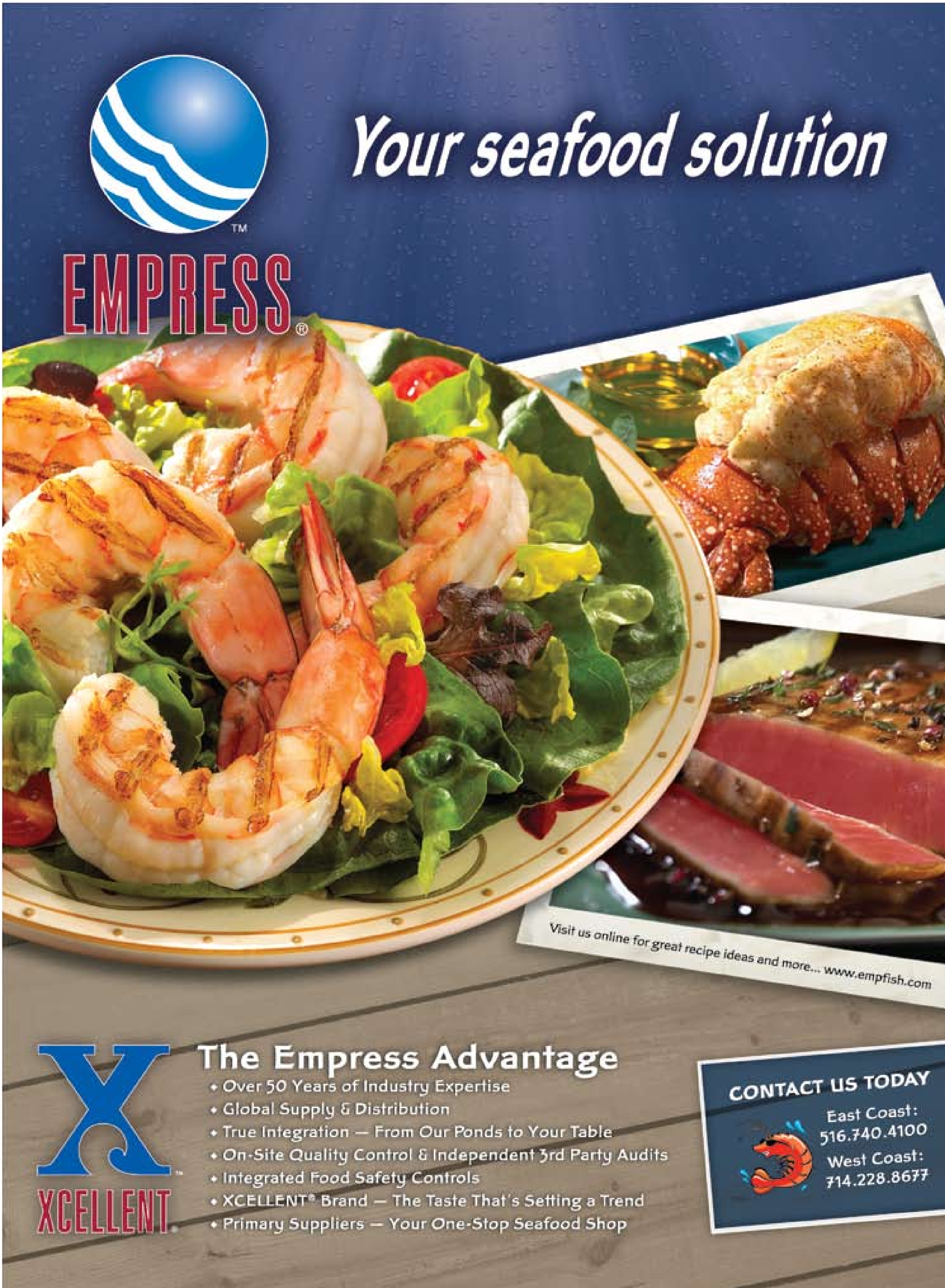


Source: Urner Barry

Shell-on Imports from White producing countries



Source: U.S. Census, USDOC



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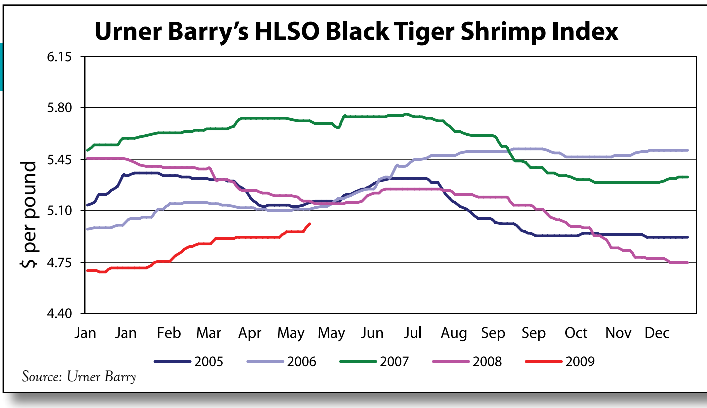
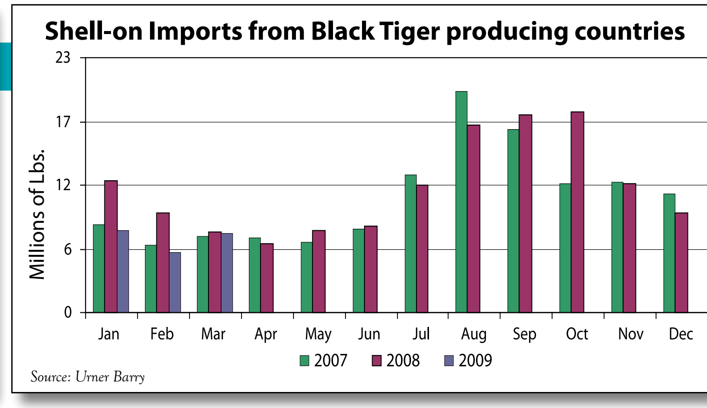




Shrimp outlook

Continued from page 44

offerings have moderated requirements for Asian whites, especially HLSO shrimp. Central America will ramp up their shrimp production shortly, so supplies from the region should remain ample.

Black tiger shrimp production is a fraction of what it was only a few years ago. As white shrimp have become increasingly productive and able to sustain larger count sizes at lower price levels, demand has shifted to white shrimp. However, there remains a significant market for black tigers especially for food service demands. A limited supply during the off season has firmed the market thus far in 2009. New season production and offerings will begin arriving into the U.S. in June. However, black tiger production from the major producing countries of Vietnam, India, Indonesia, and Bangladesh has by most accounts been falling, exacerbated by the trend in Vietnam and Indonesia to produce white shrimp.

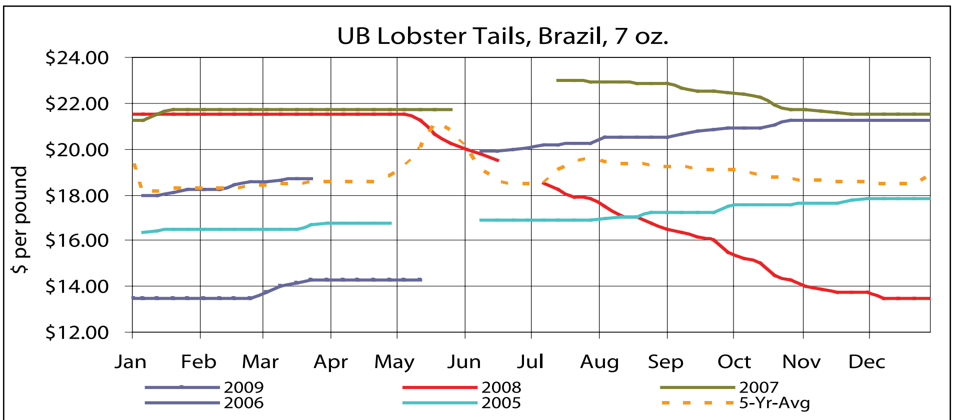
Here again, although the market has been strong, it is historically low. New season production could be limited by both a switch to white shrimp and historically low prices which could discourage production. Therefore given an uncertain demand the market is unsettled.

Continuing economic uncertainty and especially rising unemployment has made business planning highly uncertain. Importers and their customers as well, have limited inventories to "just-in-time" so as not to tie up credit and mitigate swings in the shrimp market. This is limiting available supplies in the U.S. market so if demand should spike there is a case for a firm market as supplies will take time to catch up with demand. UB

Lobster tails fall victim to economic conditions

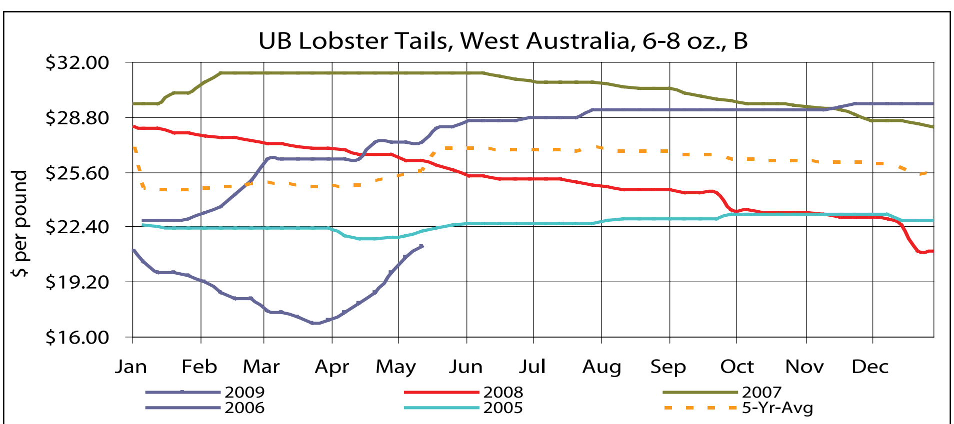
The lobster tail market is comprised of three areas: warm water tails, cold water tails, and North American lobster tails. Each one of these markets operates most independently from each other; however, there are some relationships that increase when markets are at extremes.

The lobster tail market generally peaked in 2007 and maintained strong levels in early 2008. By the spring of 2008 the lobster tail market began a seasonal slide lower as new season production and supplies became available. However, by the fall the seasonal slide turned into a capitulation to the U.S. recessionary economic conditions and a dull demand.



Source: Urner Barry

Fishing begins for warm water tails in Brazil on June 1 with supplies beginning to be available late June early July. The season in Honduras and Nicaragua will begin shortly thereafter. Currently, remaining inventories are either closely held for commitments or being moved off ahead of new season production. Based on previous season levels it appears that the market could reopen at relatively low levels.

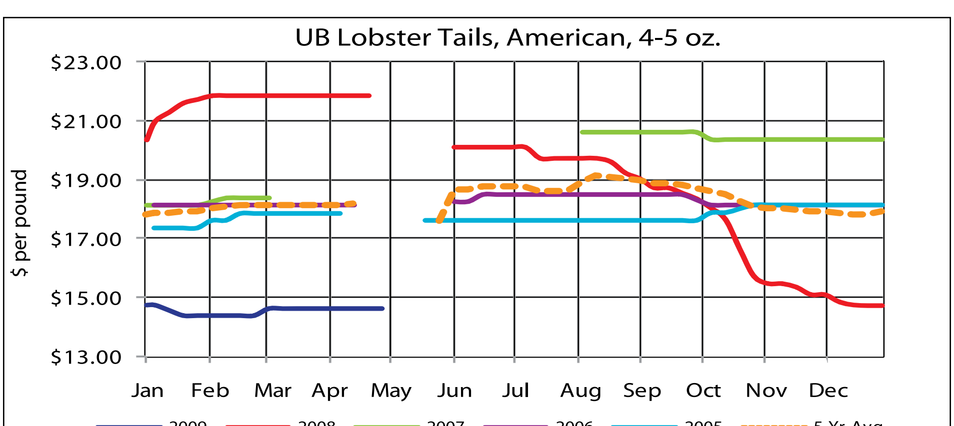


Source: Urner Barry

Fishing for Canadian lobster tails began on May 1st and seasonal openings will follow for North American tails. Early reports indicate initial offerings are unsettled but trending either at or below the previous season levels.

> **"It appears that low-priced offerings stimulated increased buying interest..."**

Finally, after months of declining markets, West Australian tails have turned higher during the Spring of 2009. It appears that low-priced offerings stimulated increased buying interest which combined with limited production and boosted quotations well off the lows. The market continues strong with limited offerings. UB

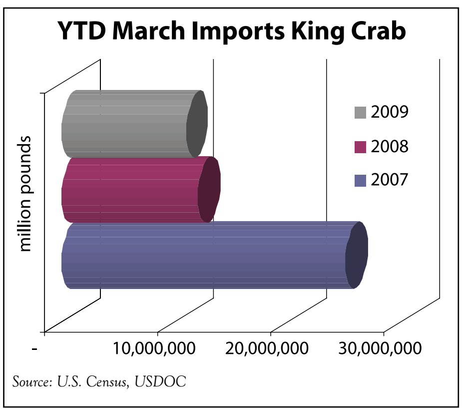


Source: Urner Barry

Crab consumption continues to rise

KING CRAB

The lack of imported crab continues to be a driving force behind strong prices in the red king crab market. However, current levels are not as strong as 2008 which saw an average for 20-24 count crab at $8.39 for the year. 2009 pricing is trending lower, but it is not because the market is seeing additional product. Demand for red king crab appears to have decreased.

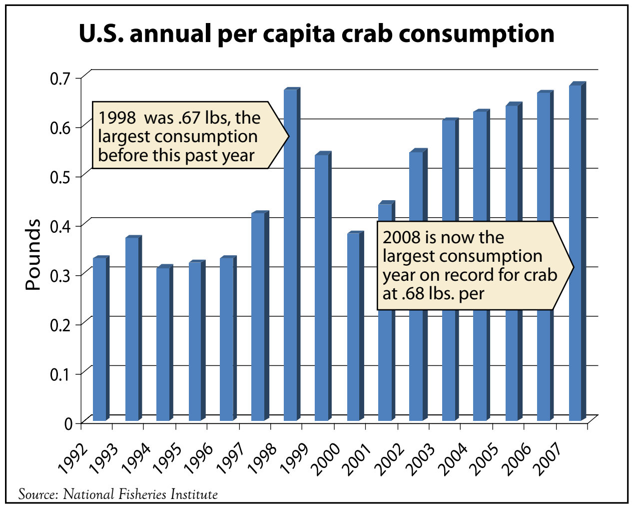


The lack of imported product is due almost entirely to the continuation of Russian crackdown on illegal crab fishing. Crabbing has been suspended in the Barents Sea which began January 1, 2009 and will not resume until August 31, 2009.

Concurrently in Russia, an investigation into a company allegedly accused of illegally catching and selling crab in the amount of 70% of Russia's crab market between January 2006 and January 2007 is coming to an end.

Moving forward, mid-smaller sized red king crab appears to be about steady to barely steady. A few significantly lower offerings and sales are noted but mostly on larger volume sales. A quiet to dull demand looks to be attributing to the lower quotations even though supplies are much lower than last year at this same time. A few market participants report that with increased demand, supplies would then become very short, very quickly.

The Alaskan king crab market saw the quota remain virtually the same as last season at 18.3 million pounds. Demand remained fairly firm for Alaskan product and Japan was also a reasonably active buyer as well.



SNOW CRAB

The market currently has a fully adequate to ample supply of snow (opilio) crab from both Alaska and eastern Canada. Last year at this time, supplies from Alaska were barely adequate and almost sold out for the season. However this year, due in part to severe weather that affected harvesting, Alaskan crab came to the U.S. market a slightly later than usual. The Canadian snow crab market started two weeks earlier than usual. This scenario, coupled with a dull demand and a weaker dollar, is causing a barely steady market situation.

AK opilio pricing is currently trending at $3.60-3.75 as compared to 2007 and 2008 where pricing ranged from $4.25-4.50. 2009 is still higher than in 2006 where quotations were closer to the $3 level. The quota for the 2008/09 Alaskan season dropped slightly and the Eastern Canadian quota is about the same as the previous season.

Similar to the king crab situation, snow crab supplies have decreased, however, pricing has dropped.

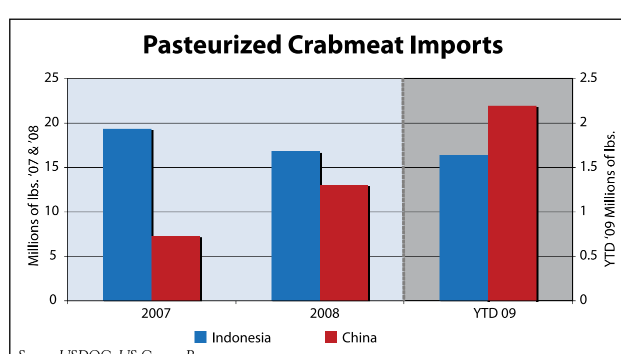
CRABMEAT

Recent declines in demand for Indonesian meat have been reported while buying interest for Chinese meat gained momentum. This was evidenced by the increase in imports coming from China and the decline from Indonesia. Market prices for Chinese meat were more competitive than Indonesian meat.

Imports from China continue to increase with a 42% YTD hike. Conversely, Indonesian YTD totals have dwindled by 50%. Overall, totals of pasteurized meat have been declining and in January 2009 showed a 22% decrease from 2008 YTD totals. Imports for the last several months have followed this trend, with China gaining more market share and Indonesia losing ground. The start of 2009 has shown China's share of the market as 46% greater than Indonesia.

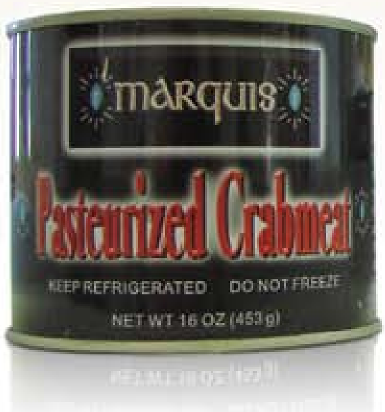
Venezuela, who was the leader of fresh meat, imported 67% less meat in January 2009 than this time last year. January 2009 showed that total imports declined by 63% YTD. Clearly, Venezuela's decrease in the market share has significantly impacted the total fresh market. Lackluster demand and a sharp decline in market prices impacted importers' buying decisions.

Following brisk sales in the summer of 2008, curtailed demand along with weak pricing was seen for the remainder of the year and continued into the first quarter of 2009. Sharp declines in fresh were noted in the beginning of 2009 which were followed by a period of settling.



5 Elements of a Successful Crabmeat Program

Quality + Consistency + Value + Supply + Origin



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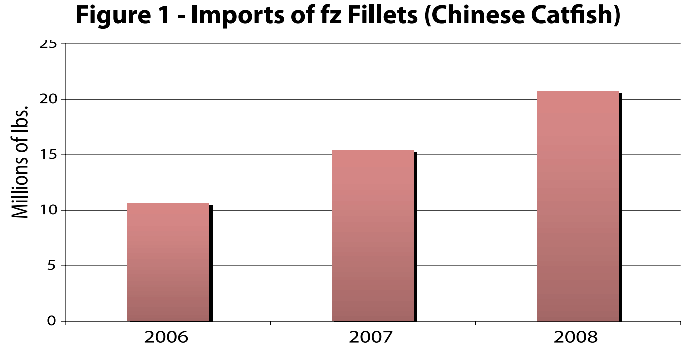
Chinese Catfish market awaits results of trade laws

The catfish market is in a peculiar situation. Aside from the specifics on market prices, supply, and demand, the ongoing battle between domestic production and imported product will likely take a big turn starting in 2010 because of the inclusion of "catfish" into the Meat Act of the already passed Farm Bill of 2008. This means that the USDA will now take responsibility for everything labeled as "catfish," including imports. Yet, there are many questions remaining, and hence uncertainty exists as to what will happen to imported product once the new regulations are issued in December 2009.

Marketwise, in 2008 China sent approximately five million pounds more of channel catfish to the U.S. than the previous year. This represents an increase of almost 35% when compared to 2007 (figure 1). Buyers and sellers agree that an oversupply of product exists in the U.S. As a result, prices have come off slightly. Until recent months, prices have been reported at significantly lower levels to those listed by Urner Barry; these, however, have been reported for carried inventories and offered mostly for volume sales. Currently, inventories are continuously depleting and the previous oversupply situation has eased significantly; YTD imports in 2009 are considerably lower to those of 2008 and 2007 (figure 2), lending an element of support to pricing. Imports of *pangasius*, another type of catfish, yet not allowed to be labeled as such in the U.S., also soared in 2008. This specie, according to many sellers, has been well accepted by the American consumer.

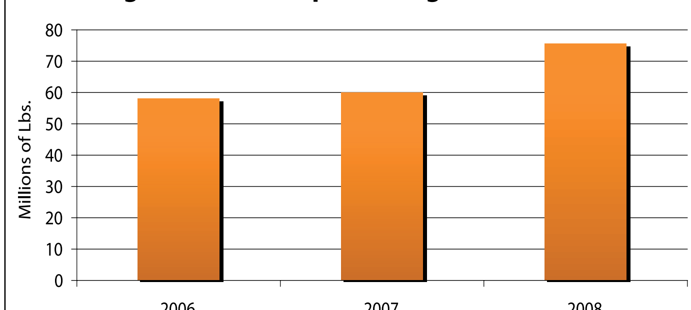
In 2008, imports of *pangasius* from the largest producing country, Vietnam, were 47% above those from last year. The market overall, ended 26% above 2007 and is poised to continue growing if trade barriers are not implemented by the end of 2009 (figure 3). Although pricing held a generally soft undertone in 2008, this year has proven to have remained steady to firm at times. 3-5s are less available than larger-sized fillets due to lower levels of pond reseedings. Although prices were on the weak side throughout 2008, supply growth has outpaced the rate of falling prices, leading us to assume that demand is stronger when compared to a year ago. Finally, but not least, Russia lifted its ban on imports of *pangasius*, which could

Figure 1 - Imports of fz Fillets (Chinese Catfish)



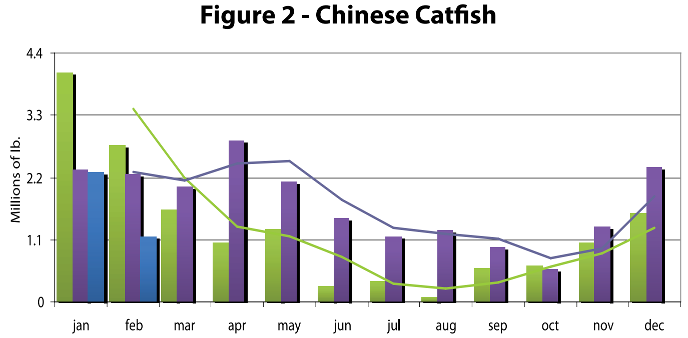
Source US Census Bureau

Figure 3 - Total Imports Pangasius Fz Fillets



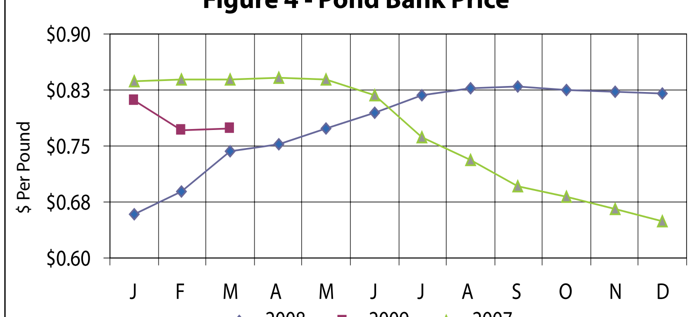
Source US Census Bureau, USDOC

Figure 2 - Chinese Catfish



Source US Census Bureau

Figure 4 - Pond Bank Price



Source Agricultural Statistics Board, NASS, USDA ultimately affect supply in the U.S.

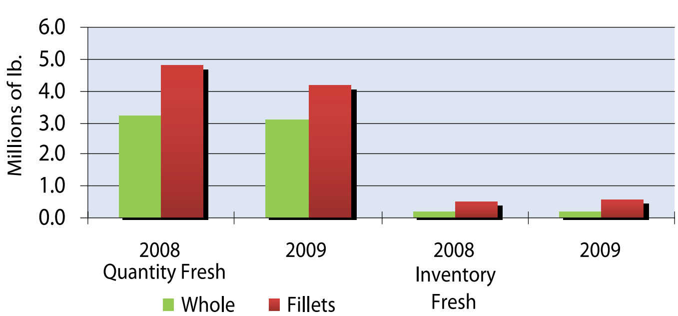
> **"Buyers and sellers agree that an oversupply of product exists in the U.S."**

The domestic catfish market showed a 16% decrease in fish processed for the first quarter of 2009 vs. 2008. Although the pond bank price has declined in the first quarter of 2009, it is 4% higher than it was for this period of 2008 (figure 4). The total inventory of fresh fish was up by nearly 7% and 22% for frozen (figure 5 & 6). The increased inventory was due to the increase of stored fillets. Nuggets and wholefish inventories both declined.

The first quarter of 2009 saw active sales which are typical for the Lenten season. Some buyers reported that the supply of nuggets was short prior to and during Lent. Post holiday sales dropped and supplies were more readily available. The pond bank price dropped following Lent and some discounts of fillets and nuggets have been offered. The market for frozen fillets continued to be sluggish as sellers competed with lower priced imports.

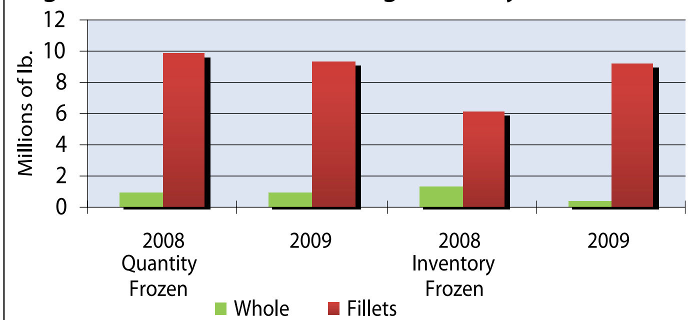
Importers, buyers, domestic producers, and everyone involved in these markets are rather attentive to future occurrences of trade laws. In the mean time, the impacts of lower pond reseeding of *pangasius* in Vietnam, as well as the effects of Russia lifting the ban on Vietnamese imports are yet to be seen in the U.S. UB

Figure 5 - Fresh Sales & Ending Inventory (wholefish and fillets)



Source Agricultural Statistics Board, NASS, USDA

Figure 6 - Frozen Sales & Ending Inventory (wholefish and fillets)



Source Agricultural Statistics Board, NASS, USDA

The inspiring prowess of meat

By Greg Deppeler

As you, the reader, perused the articles in this issue of *The Reporter*, you probably were baffled by the title of this story. Quite frankly, when the topic was discussed at one of our round-table sessions I was perplexed, but boldly accepted the assignment. “Oh, well,” I shrugged, and then ventured ahead to investigate what products could possibly have been inspired by meat.

“...adventurous combinations have included hot dogs immersed in gin or vodka...”

Meat is a center-of-the-plate staple. Be it the humble hot dog, the esoteric beef wellington, or anything in the spectrum in between. Some brave, or foolhardy (take your pick) souls have attempted to take the essence of meat and apply it to other products.

Take, for example, that potent potable known as a cocktail. The casual dining chain, Applebee’s has (at various times) offered a “Mucho Mary,” which is a Bloody Mary containing olives stuffed not with the normal pimentos, but with pieces of Slim Jim. At a restaurant in San Francisco known as Blondie’s Bar and No Grill, martinis are also enhanced by beef jerky stuffed olives. The Circle Bar in New Orleans has taken the traditional dirty martini to a new plateau by combining the gin and vermouth with jerky juice.

Other adventurous combinations have included hot dogs immersed in either gin or vodka for varying lengths of time before consumption; putting bacon in the bottle of alcohol for a period of time before pouring the cocktail; and putting Spam in the libation for several hours before consumption.

Impressed with these bizarre findings, I challenged myself to uncover the most absurd (at least to my way of thinking) product ever to be inspired by meat. My search was short-lived. That bastion of the fast food industry, Burger King, outdid itself when it announced in late 2008 a fragrance called “Flame,” whose inspiration is rooted in the product called The Whopper. Its purported marketing line, designed to get the attention of consumers, was “the scent of seduction with a hint of flame-broiled meat.” Priced at under $4.00 before tax, the fragrance met with somewhat limited acceptance by consumers. As one pundit was quick to point out “You can get the same effect by wearing a Whopper under each arm.” UB

From the recipe box...

Bacon Explosion

Bacon bonanza brings brilliance to BBQ

Receiving much attention in recent months from various sites on the Web is a recipe that as the creators of it say, "is not for the faint of heart." The Bacon Explosion has become a popular creation for bacon and barbeque enthusiasts alike. It has been called an outrageous, comforting, and easy to make dish that involves a perfect medley of pork.

According to its creators, Jason Day and Aaron Chronister, the Internet has been set aflame ever since the Bacon Explosion was posted on their Web site www.bbqaddicts.com in December of last year. In fact, a recent news article printed that in one month alone the site received over 1.5 million hits. Additionally, a fan page exists on Facebook, and YouTube features over 100 home videos of individuals with their own variations of this meaty monster.

Urner Barry's Reporter couldn't resist the temptation either. Staff members cooked up the barbequed bacon bonanza for themselves. Word of caution for all those who attempt the recipe, if you are the least bit concerned about how healthy this dish is, it is not a meal for you. In fact, it is absolutely opposite of that. On the contrary, if you are a bacon enthusiast than this could be the answer to your dreams. UB

BACON EXPLOSION

INGREDIENTS:

2 pounds thick cut bacon

2 pounds loose Italian sausage

1 jar of your favorite barbeque sauce

1 jar barbeque seasoning

PREPARATION:

Lay out approximately seven pieces of bacon as close together as possible.

Weave same amount across making sure the weave is tight and you end up with a nice square shape to work with.

Sprinkle with barbeque seasoning.

Spread two pounds of Italian sausage to the outer edges of the bacon creating a patty that is the same thickness all the way across.

Fry any remaining bacon slices and crumble the cooked bacon into bite-sized pieces and place on top of sausage layer.

Drizzle barbeque sauce on top of the bacon pieces and then sprinkle more of the barbeque seasoning.

Carefully separate the front edge of the sausage layer from the bacon weave and begin rolling backwards trying to keep the sausage as tight as possible.

Pinch together the seams and ends to seal all the goodness inside. To complete the process, roll the sausage forward, completely wrapping it in the bacon weave. Make sure it sits with the seam facing down to help keep it sealed.

Sprinkle the outside of the weave with barbeque seasoning.

Cook at 225 degrees for approximately 2.5 hours, or about one hour for each inch of thickness. Once it is fully cooked, glaze the bacon weave with the barbeque sauce, applying with a basting brush. Sweet sauces are loaded with sugar to give your meal a nice glossy finish. If you are using a spicy and vinegar-based sauce, add a bit of honey.

Slice the Bacon Explosion into quarter to half-inch rounds to serve.

Q and A with... National Chicken Council's Bill Roenigk

Bill Roenigk

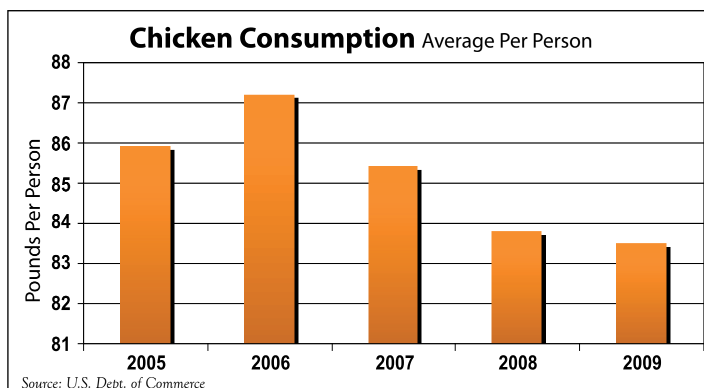
URNER BARRY'S REPORTER: *With many, if not most, broiler companies returning to more profitable positions, what are the important issues that could jeopardize or short-circuit a more favorable financial picture for the companies over the next six to 12 months?*

BILL ROENIGK: It took quite a while for the broiler industry to find a bottom before it could begin to bounce upward. With the general economy being soft, it may take longer than usual for the broiler market to fully recover.

Helping to achieve a favorable financial bounce upward has been an unprecedented adjustment in broiler production this year. Not since 1973, 36 years ago, has broiler production on an annual basis decreased from the previous year. It is especially worthy to note that it has taken the sharpest production adjustment on record to begin to bring supply into better balance with demand.

On the supply side the greatest risk continues to be higher and more volatile feed costs. Corn and soybean crops may prove adequate for feed, fuel, and export needs this year, but without a more rational renewable fuels policy, the risks to all of U.S. animal agriculture will continue to increase in 2010 and beyond. Also, on the supply side labor issues, if not addressed by Congress and the Administration in a comprehensive and fair manner, could tilt operating and regulatory costs into an unmanageable zone for companies. More specifically, secret ballots must continue to be the rule regarding workers votes involving union issues and companies must not be penalized for hiring workers when the company has properly followed the rules regarding a workers' documentation for eligibility to work.

On the demand side, a general economy that is on a strong path to recovery would stimulate better consumer demand for chicken, especially at foodservice. Export demand for U.S. poultry set a record in 2008 and it is unlikely the high level of last year will be matched for the next two or three years. Nonetheless, given the challenging economic situations for many countries around the world, including important markets for U.S. chicken leg quarters, it is interesting how well U.S. poultry exports are performing. The bottom line is that, for world consumers if they want to eat animal protein, there is no better value than U.S. chicken leg quarters.



Source: U.S. Dept. of Commerce

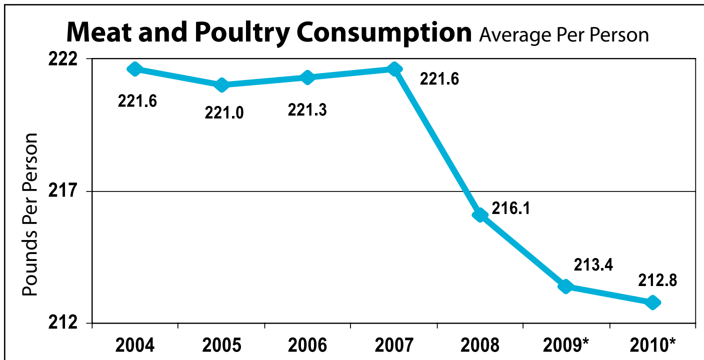
UBR: *Consumption of chicken is the highest of any meat, but has slipped from a high-water mark in 2006. Can chicken on a per person basis resume an upward track toward higher consumption and, perhaps, top the previous high level?*

BR: At the risk of appearing over-confident and being accused of not fully pointing-out the many perils that could work against higher consumption, let me answer by saying "yes" and "yes." It may help to take a look at two simple graphs. The first is average per person consumption of chicken for 2006 through projected 2010 and the second is average per person consumption for all the meats (chicken, beef, pork, turkey, veal, and lamb) added together.

Chicken consumption in 2009 could be off about 5 pounds from the record level in 2006. Getting those 5 pounds back and then building on top of that previous record level will require a sound and growing U.S. economy and an array of new, value-added products that match-up better with American's changing food pattern and lifestyle, both at-home and away-from-home eating. Consumers have acquired new perspectives from the economy's difficulties, and lasting shifts in consumer spending will continue long after the economy is fully back on its feet. Marketers not aware of the new "norms" will have a much more difficult time thriving in the post-recession environment. Looking forward, I am confident that chicken at foodservice will come back even stronger in the future than before the tough economic times

"The bottom line is that, for world consumers if they want to eat animal protein, there is no better value than U.S. chicken leg quarters."

took its toll on the away-from-home food dollar. Measurably more than 40 percent of the chicken marketed domestically moves to consumers through foodservice, commercial-feeding operations, and similar market outlets. New chicken products have and will continue to overcome consumers' perception that they should put a limit on the number of times they eat chicken in a week or a two-week time period. In my mind, consumers have a ways to go before being saturated with chicken, both at-home and away-from-home eating. So, bottom line is that in 2010 chicken consumption will turn upward and re-gain its positive track. However, to reach 88 pounds will take more than a couple of years.



Source: U.S. Dept. of Commerce

Chicken, of course, is not alone in dealing with the consumption challenges. Meat and poultry consumption combined reached a peak in 2007 but this year will decrease more than 8 pounds per person on average from the record level in 2007. Unlike chicken, total meat and poultry could continue to slip next year and even beyond 2010.

A big factor that is not discussed very much is the downturn in the cattle cycle. Beef analysts tell me it will be 2013 or more likely 2014, before beef supplies return to the level seen last year. Beef will become relatively more expensive as fed cattle availability tightens. Beef is giving chicken a competitive advantage, a wide window of opportunity if you will, over the next few years. It is an opening that should not be missed.

UBR: *To sum-up, what will be chicken demand over the next few years?*

BR: I'm glad you saved the toughest question for last. But, luckily, I have a response, although not really an answer. The National Chicken Council has an outside consultant looking specifically at trying to answer that question. Results from the study are to be made available during summer 2009. I encourage interested readers to stay tuned for the information from the study. The study is analyzing a number of critical factors impacting the consumers' demand for chicken, and it will be very helpful for all of us to better understand the relative importance of those major influences as we move into the next decade. UB

Joe's Stone Crab: You gotta eat it to believe it!

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By Jim Buffum

There are restaurants, and there are RESTAURANTS! Joe's Stone Crab is one of those places that have been around forever, 97 years, and it has evolved into a destination for those traveling to the Miami Beach area. The specialty chain was founded by Joe Weiss as he left his family behind in New York City to open a fish place on the beach in Miami. He later brought the family down and they helped him to build a dining establishment that is known worldwide.

The stone crab for which they are famous is only one part, although it's a big part, of their menu. Everything they serve is outstanding from the Caesar's salad to their key lime pie. I have had the opportunity to eat there on a number of occasions, and have never been let down.

The service is old school, with the waiters taking excellent care of each and every customer. Don't be surprised if you see a famous politician, or your favorite actor or singer sitting at the table next to you. They all go to Joe's.

A little bit about the stone crab: Only one claw of the male may be removed at a time so that it can defend itself, and it takes 12 to 24 months for it to regenerate the claw to legal size again. The females are thrown back to keep the specie going. The crab season goes from October 15 to May 15 and that pretty much mirrors when the restaurant is open in Miami. These crabs are great to eat, and with their tantalizing mustard dipping sauce you will be in seventh heaven.

There are only three Joe's: Miami, Chicago and Las Vegas. The original one in Miami provides a truly unique dining extravaganza that will leave you craving more of those stone crabs. They don't take reservations at the Miami restaurant, so be prepared to wait in line with your favorite movie star. The wait is well worth it. You will get to meet some very interesting characters during your time in line which makes the time fly by.

Joe's® STONE CRAB

If you don't live near one of the establishments—and have that craving, don't fret. You can order them online and they will ship them along with a number of side dishes and desserts. It's become a tradition, such as on Christmas Eve, for some families as they always look forward to this treat and are never disappointed. As families grow over the years and son as well as daughter in-laws join the fray, it's probably not you personality bringing them back home but the stone crabs from Joe's! UB

Butterball, LLC's approach to food safety and *listeria* prevention

By: Lee Johnson, Ph.D
Director of Technical Services

Recent product recalls for peanut butter, pistachio nuts and various types of meat have forced many food manufacturers to critique their safety standards and processes. In lieu of increased media attention on food-borne illnesses, manufacturers have struggled with proving the effectiveness of their food safety protocols.

The country's leading turkey producer—Butterball, LLC—has overcome these challenges by developing a system of innovative technologies and strategies to control *Listeria monocytogenes* and other food hazards. Butterball's multi-component approach includes general sanitation practices, environmental monitoring, the Hazard Analysis and Critical Control Point (HACCP) system and a variety of bacteria prevention technologies.

The first component of Butterball's *Listeria* prevention practice is the general sanitation verification process. This testing cycle is designed to indicate if the facility's cleaning methods effectively reduce the growth of *Listeria* and other food bacteria. Routine surface and equipment checks are performed throughout the processing lines to ensure that all harmful organisms are located and eradicated. Facility employees perform these tests daily until negative readings are obtained and no harmful bacteria are detected on vital processing surfaces.

Butterball's environmental monitoring plan compliments the general sanitation process as it thoroughly examines three zones to identify potential areas where *Listeria* can develop. Zone one includes areas where poultry products are in direct contact with the processing equipment, while zone two and three are considered "non-direct" locations. These areas or pieces of equipment are further away from processing lines, but still pose risks for *Listeria* growth on surfaces such as drains, floors, pallets, forklifts, conveyor belts and table tops.

Throughout each of the three zones, employees conduct weekly checks at sampling sites, or niche points, where potential risks for *Listeria* contamination exist. Although zones two and three do not involve direct contact with poultry products, performing sanitation tests on these surrounding areas proactively locates bacteria growth on unsuspecting surfaces that can potentially spread to vital processing areas.

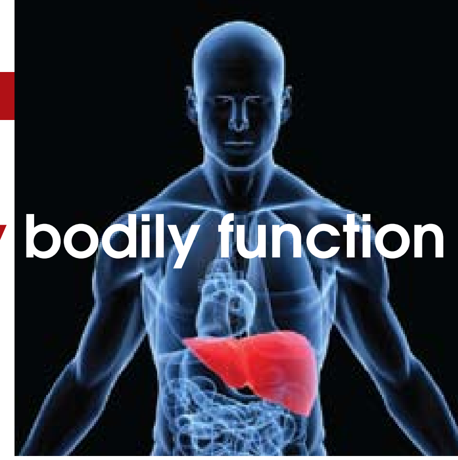
Routine equipment examinations also coincide with Butterball's general sanitation and environmental monitoring plans. Before new equipment is installed, it is evaluated for its sanitation and maintenance needs. Factors that influence the purchase of equipment include if it is difficult to clean and if the facility is equipped to implement effective cleaning procedures for it. Each quarter, all equipment pieces are deconstructed for "swab tests" on various machine parts. This inspection allows the facility to locate additional *Listeria* growth areas that may not be identified through the normal sanitation processes.

Butterball also utilizes Hazard Analysis Critical Control Point (HACCP) as the third element of its production process. HACCP is a mainstream food safety procedure developed to prevent contamination risks throughout the manufacturing process known as "Critical Control Points." The procedure is compiled of seven steps that identify stages in the production process that are most vulnerable to *Listeria*, other harmful food bacteria and foreign objects. Butterball employs this strategy by using specialized ovens and equipment designed to identify and eliminate dangerous contaminates in the products.

The fourth part of Butterball's food safety program is the implementation of technologies that reduce the ability of bacteria to grow on the poultry products. Butterball's facilities are equipped with special technologies that reduce or kill bacteria on the product's surface through infrared ovens or post-pasteurization systems. This equipment helps to treat cooked products in the package to ensure that it is free of contaminants and the risk of *Listeria* has been eliminated before the product's distribution phase.

Butterball is committed to providing safe products for is many consumers by utilizing a variety of innovative food protection processes such as HACCP, environmental monitoring, sanitation and equipment examinations and food monitoring technologies. While maintaining some of the most extensive poultry processing facilities in the country, Butterball has successfully attained recognition for its thorough food safety initiatives from the USDA. Although the food manufacturing industry will face new challenges in the coming years, Butterball's commitment to producing high-quality products will help it endure those challenges and remain the most notable turkey producer in the United States. UB

Folate: Fortify foods for healthy bodily function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Liver is held in very high regard not only for its tremendous storehouse of nutrients but for its delicious taste and texture.

Folate is a water-soluble B vitamin that naturally occurs in food. It is a general term for vitamin B9. The synthetic form if this, which is found in supplements, is known as folic acid. This nutrient is necessary to prevent anemia, help produce and maintain new cells, and is highly instrumental in making DNA and RNA – the building block of cells. For this reason, folate plays a significant part in the prevention of birth defects.

Folate is highly important in other roles. It lowers the level of homocysteine in the body, which, when elevated, has been linked to greater risk for stroke and heart disease. Medical researchers have suggested that too little folate in the diet may be a causal factor in certain cancers, like breast cancer, colon cancer and pancreatic cancer. Folate can also help address the cell destroying aspects of methotrexate, which is used in high doses to kill cancer cells, and in low doses to treat a number of autoimmune diseases

A deficiency in folic acid ranks among the highest of all vitamin deficiencies in North America. So important is this vitamin to our diet that the Federal Drug Administration passed an order for certain grain products to be fortified with it, as it was found that folic acid can be tolerated well by the body. Since January of 1998, floate-fortified breads, flours and cereal products have been on store shelves. Yet, despite the inclusion of this vitamin to our food, it is essential that we still consume more via proper foods or further supplementation.

While it is true that green, leafy vegetables such as spinach and kale are good sources of folate, there are other staples of the American diet that prove to be good sources as well. Legumes, yeast, mushrooms, organ meat (beef liver, kidney), orange juice, and tomato juice all provide significant amounts. Just three and a half ounces of chicken liver is an excellent source as it provides 193% of the Daily Value recommended. Beef liver is another fine source with 3.5 ounces providing 54% of one's daily value necessary for good function; and one large whole egg provides 6%. As always, eating a variety of foods is the best way to ensure a healthy diet. UB

SPAM® changed the world

It's no secret that times are tough and the economy is hitting everyone's pockets a little harder these days. As a result, people are pinching their pennies, and trying to cutback wherever and however they can. One of the biggest financial hurdles lies within a place over the last year we have grown to hate—the supermarket.

With food prices soaring, there are endless ways to cut your food budget in half—purchase regular items instead of organic, only buy items that are on sale, shop with coupons, look for generic brands instead of brand names. Yet, there is one food item whose popularity seems to be flourishing while wallets are shrinking—SPAM.

Throughout history SPAM, a gelatinous 12oz. pre-cooked rectangle of spiced pork, has been a staple during recessions, wars, and hard times. A cheap protein, SPAM is the perfect way to put a meal on the table and save money at the same time. The fact that SPAM can last for years before going bad is also an attractive attribute to shoppers on a budget.

Hormel Food's Corporation created America's very first "canned ham" in 1926. Eleven years later, Jay C. Hormel (son of company founder George Hormel) created a canned meat product that was a mixture of chopped pork shoulder and ham that did not require refrigeration. At the time it was considered an innovative product "fated to save lives, win wars, and balance diets of people worldwide." Being that the country was in the midst of the Great Depression, SPAM was slated as a meal that would help cut costs and promote maintaining good health.

Originally, Hormel quickly lost control to other meat packers who were creating their own version of canned lunch meat, so they held a contest to come up with a catchy, original name. Kenneth Daigneau received $100 for entering the name SPAM, which was voted as the winning title. Hormel then launched an extremely high-profile marketing and advertising effort, and promoted SPAM as the "miracle meat." The rest is history.

SPAM really gained in popularity with militaries and armies around the world. Because it isn't processed and it doesn't need refrigeration, it was easy for the military to get protein to soldiers necessary to maintain strength, and extremely convenient to transport. SPAM, as a brand, has also been a huge supporter of our current troops. Additionally, more SPAM is consumed per person in Hawaii than in any other state in the United States. The Aloha State eats a whopping seven million cans per year!

Over the years new types of SPAM have been introduced. Smoke-flavored SPAM was created in 1971. Following that, a low salt/low sodium SPAM was introduced in 1986. The 1990s saw the creation of SPAM breakfast strips and SPAM lite. In addition to Classic other varieties available are SPAM Hot & Spicy, SPAM Oven Roasted Turkey, Hickory Smoked, and SPAM Spread, plus others depending on the region.

Today, Hormel is enjoying a renewed demand for the "wonder meat." Since July of 2008, two shifts of workers have been making SPAM every single day, and it has been reported that this schedule will remain in effect indefinitely. Over 150,000 cans are produced daily. A 12 oz. can of SPAM sells for about $2.40. SPAM may not be the most glamorous of foods, but one this is certain, in this stale economy, that will remain fresh and reliable. UB

West Coast oyster varieties

In the last issue of *Urner Barry's Reporter* we focused on East Coast oysters, while here in this publication we will focus on West Coast varieties. Just as when speaking of East Coast species, numerous types of West Coast oysters exist and they can be found in an abundant amount of areas. The five major areas for West Coast oysters are British Columbia, California, Washington State; Hood Canal & Southern Puget Sound, Washington State; North Puget Sound, Washington State; Willapa Bay and Oregon. Within each area there are different varieties of oysters. Their flavor is a product of their environment which is why oysters are named for the area where they are found.

Washington State accounts for a largest variety of West Coast oysters. The three major areas are: Hood Canal & Southern Puget Sound, North Puget Sound, and Willapa Bay and Oregon. The product of each of these areas is quite distinct in its flavor. Southern Puget Sound oysters are known for their full, rich and intense flavor. Hood Canal oysters are somewhat different than those from Southern Puget Sound in that they are saltier, less sweet and considered very firm for a West Coast oyster. The brackish, cold, oxygenated water creates these distinguished varieties. For the real oyster lover, look for the full flavor of Barron Point, Baywater Sweet, Chelsea Gem, Dabob Bay, Dosewallips, Eagle Rock, Eld Inlet, Gold Creek, Hama Hama, Hammersley Inlet, Olympia, Pebble Cove, Quilcene, Sister Point, Skookum, Totten Inlet, or Wildcat Cove oysters. Another area of Washington State oysters is North Puget Sound. Unlike the Southern Puget Sound, oysters from this area are brinier and lighter flavored. For those who are looking for an easy start, Drayton Harbor, Judd Cove, Naked Roy's Beach, Otter Cove, Penn Cove Select, Samish Bay, Snow Creek, and West Cott Bay may be some varieties to try. The area of Washington State that began the oyster industry in 1850 is now known as Willapa Bay and Oregon. This area was quite popular because of its easy access and low tides. It makes for easy oyster harvesting. The oyster business in this area is old school and many oysters are dredged and shucked for their meats. Oyster varieties from this area are Elkhorn, Netarts Bay, Oysterville Select, Willapa Bay and Yaquina Bay.

"Their flavor is a product of their environment which is why oysters are named for the area where they are found."

British Columbia accounts for a large variety of oysters as well. Although the selection may be vast, the flavor of oysters from this area is quite consistent. The majority of oysters from BC farms are from the Strait of Georgia which is somewhat

Pacific Coast Oysters.

protected. It keeps the water cold and fresh which yields mild and clean oysters. The smooth flavor of oysters from this region are said to be well-liked by those who eat West Coast oysters. The flavor is slightly salty and slightly sweet, neither is overwhelming and their smoothness adds to their popularity. The varieties of oysters from BC are; Chefs Creek, Denman Island, Emerald Cove, Fanny Bay, Imperial Eagle Channel, Kusshi, Malaspina, Nootka Sound, Pearl Bay, Phantom Creek, Quadra Island, Ship's Point, Sinku, Stellar Bay, and Summer Ice.

Although California is a large part of the West Coast, it is the smallest contributor to West Coast oysters. The reason for this is the lack of bays along the coast. The three main varieties of oysters from California are Drake's Bay, Hog Island Sweetwater, and Tomales Bay oysters.

The wide selection of oysters that are available from the West Coast certainly offers a flavor suited for just about everyone's taste. Sampling is probably the best way to find the variety of oysters that is most suited for each individual palate.

No butt about it, pork rinds rank high among snack foods

The increasingly popular snack food made from deep-fried hog skin, otherwise known as the pork rind, has come a long way in the past few decades. Puffy, crispy, and resembling an off colored Styrofoam packing peanut, the pork rind may not be the most eye appealing option as far as commercial snack foods go. What it lacks aesthetically though, it makes up for with powerful flavor and a texture that is said to melt on your tongue after the initial crunch. For years the gnarly pork rind was often perceived as the uncouth, slightly embarrassing, trailer park-dwelling second cousin of the cleaner, classier potato chip. However, today's pork rind has successfully expanded out from its original blue-collar consumer base, to be included in the cuisine of a broad range of social and economic strata, both domestic and abroad.

" ...today's pork rind has successfully expanded out from its original blue-collar consumer base..."

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While some believe that the origins of the pork rind can be traced back several centuries to Mexico, after the introduction of pork by the Spaniards, its roots in America are most commonly linked to the home butchering of hogs in the rural south. Pork rinds were initially produced as a by-product of rendering pork fat into lard, and often sold at local butchers and supermarkets. Today's version of the snack is processed much like beef jerky. Salt is applied to the raw skins before being placed in a commercial dehydrator at low heat for several hours. Once dehydrated, the skins are cut into small, hard pellets which are later reconstituted as pork rinds. When snack food producers and vendors place these pellets into large vats of 400 degree cooking oil, the pellets will transform into puffy, crispy pieces that are ready to be eaten.

The popularity of pork rinds experienced a surge, first in 1988 when President George H.W. Bush announced his fondness for the snack, and later in the 1990s when high protein, low carbohydrate diets such as the Atkins Diet became the latest craze. With a nutritional profile claiming 9 grams of protein, 5 grams of fat, and 0 grams of carbohydrates per serving, the pork rind became the perfect replacement for the crunchy, carbohydrate loaded snack foods such as pretzels and chips that dieters craved. While pork rinds have received ample criticism regarding their high fat content, defenders are quick to point out that over half of the fat is monounsaturated, the kind of "good fat" that is associated with olive oil.

For a product that barely registered on the snack food radar years back, pork rinds have now successfully secured their spot in the snack aisle. With an expansion in popularity, came an expansion in the variety of flavors and styles to choose from. No longer just a fixture at truck stops and liquor stores, high-end grocery stores offer the pork rind connoisseur a myriad of options to choose from such as chili lime, sour cream and chives, and jalapeno and cheddar gourmet pork rinds. One quick internet lookup revealed 55 different flavors, all complete with reviews on taste and aroma.

For those who find that they still can't get enough of the rind, imaginative gourmands are using pork rinds as a main ingredient in everything from meatballs, salads, fried chicken coating, and imitation French toast. If you have a particularly adventurous palate, you might want to try the recipe for frozen pork rind-chocolate-cheese-maple-bacon-jalapeno fondue served with anchovies, it's said to be a real crowd pleaser at parties. UB

Not your ordinary short rib...

Chef Jack Delby:

A veritable culinary industry guru

When it comes to innovation and creativity, there is one chef who has risen above all the rest. Tasked with impressing an academy of his American Culinary Federation colleague chefs, Executive Chef Jack J. Delby of The Renaissance Schaumburg Hotel and Convention Center worked with Buedel Fine Meats and Provisions to create a never before seen French Cut Veal Short Rib that has gained him national recognition and accolades.

The French Cut Veal Short Rib was hand crafted in a unique fabrication process by Buedel's processing plant to Chef Delby's exacting specifications. Chef Delby paired the veal short rib with veal tenderloin and mustard spaetzel. The final result of this creativity delivered a breathtaking dish called Veal Duet with Mustard Spaetzle, Apple, Carrot, Brussels, Bacon & Natural Jus.

Chef Delby and The Schaumberg Renaissance Hotel and Convention Center, hosted the American Culinary Federation Central Regional Conference and Academy of Chefs Dinner where he competed for Central Region Chef of the Year. On Sunday, February 22, 2009, Chef Delby was honored with the prestigious 2009 American Culinary Federation Regional Chef of the Year award at the annual AAC Central Regional Dinner held in his honor, where his award-winning veal short rib dish was served. The next step is the National Chef of the Year competition held this coming July at the Orlando World Center in Orlando, Florida.

"Chef Delby was honored with the prestigious 2009 American Culinary Federation Regional Chef of the Year award..."

Chef Delby has more than 20 years experience in the culinary industry honing his skills for the past 15 years with Marriott International Corporation. Chef Delby received his education at Loyola University, Chicago, where he was enrolled in a basic management program and at Washburne Trade School in Chicago, where he was enrolled in a chef-training program. An active member of American Culinary Federation since 1994, Chef Delby has held various board positions with the American Culinary Federation Chicago Chefs of Cuisine. He has hosted numerous "Chef of the Year," American Academy of Chefs and Escoffier Dinners. He has received numerous culinary awards, including Renaissance Hotel's Chef of the Year, 2006; ACF Chicago Chefs of Cuisine Inc.'s Chef of the Year, 2000; and Marriott Hotel's Chef of the Year, 1999. He currently serves as the Executive Chef at the Renaissance Hotel in Schaumburg, in Illinois, where he has won many prestigious awards including the 1999 and 2006 "Award of Culinary Excellence" from Marriott hotels. UB

Chef Jack Delby

Forecasting and importing workshops held as part of NIGHT at the RACES

February 27th commemorated the 28th installment of Night at the Races at Meadowlands Racetrack in East Rutherford, NJ, sponsored by Urner Barry. This year's event welcomed members from the meat, poultry and seafood industries who gathered with associates at what has become a well-anticipated annual affair.

> **"Urner Barry takes pride each year in hosting an event where industry colleagues are able to gather with old and new friends..."**

Dating back to 1982, the history behind the Night at the Races involves a group known as the West Washington Market Men's Club, a social club for men who worked in New York's 14th Street meat district. This group began to meet on a regular basis as a means for members to network and share their knowledge of what was transpiring in the industry—and from those meetings a yearly evening for a Night at the Races was born.

The group disbanded in 2002, but not before the event grew to achieve an overwhelming following. Through a relationship with Urner Barry's Senior Vice President, Michael O'Shaughnessy, who is also a former President of the West Washington Market Men's Club, Urner Barry graciously agreed to continue the tradition and now hosts this historic industry happening.

Complete with a plentiful variety of fine foods including fresh carved meats, seafood and desserts, Urner Barry takes pride each year in hosting an event where industry colleagues are able to gather with old and new friends while they dine and place bets from the beautiful Pegasus restaurant overlooking the track.

Prior to this year's affair Urner Barry played host to two other events held outside the Meadowlands - a Seafood Import Workshop featuring the expertise of Richard Gutting and Mary Snyder. Attendees to the import workshop gained an overview and detailed understanding of how to keep their companies in compliance with the complicated mix of import regulations. They also came away from the session with workbooks and materials to help keep them in compliance going forward.

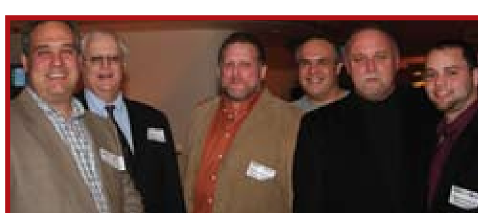
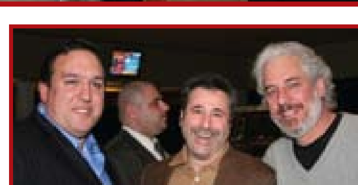
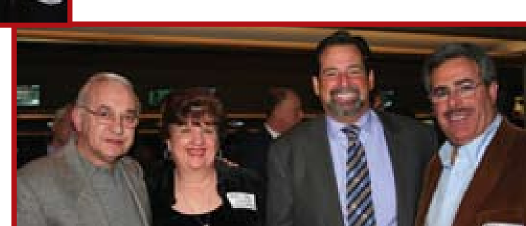
At the Obsono Forecasting Workshop Cattle-Fax's Brett Stuart and Case Gable talked about some of the changes in the market and risks going forward. Among other things the presentation covered the unwinding of the commodities markets, shifts in consumer buying patterns, export markets, feed prices, ethanol and its impact on food costs. Ultimately the session gave individual forecasts for beef, poultry and pork items.

In addition to this outlook, Urner Barry's own Russ Whitman delivered a speech on the state of the poultry industry and Janice Brown spoke regarding the seafood industry.


Night at the Races attendees from the food industry gather annually for a pleasurable evening of networking.



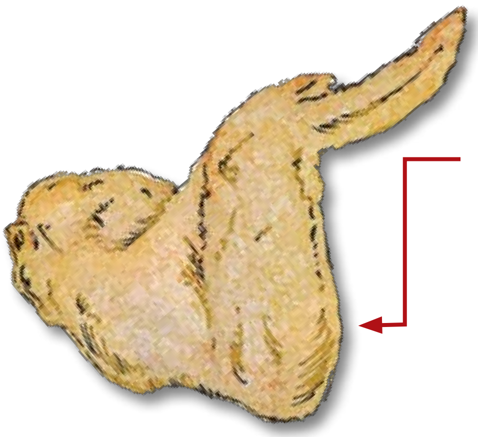


Just the facts...

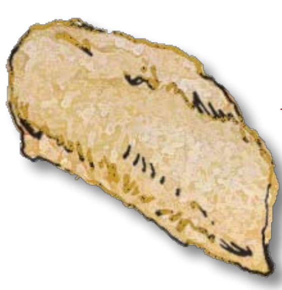
The Reporter's Guide to...
Chicken Wings

The whole wing consists of three joints or segments, each of which plays a role in the merchandising of the chicken wing to the consumer, whether through foodservice channels, retail or fast food.



Whole Wing The wing will have all the muscle and skin intact. It is separated from the carcass at the point where it joins the scapula bone or, as most will recognize it as, the shoulder of the chicken. Traditionally speaking, whole wings are placed through retailers to the consumer.

First Joint The first joint of the wing contains the humerus bone. In industry and consumer slang this is often referred to as the "drumette" and is prized among "buffalo" wing aficionados for its ease of handling and darker flavor as well as texture.



Second Joint The second or middle joint includes the ulna and radius bones. While not as popular at foodservice establishments from a consumer standpoint, the combination of the drumette and the second joint, is what is collectively known as "party wings" and represent what are commonplace offerings on menus from fast food to foodservice at many establishments across the states and into the more "westernized" restaurants in the Caribbean and around the globe.

Wing Tip The third joint or, wing tip, is somewhat of anomaly. Sellers may provide whole wings with or without the wingtip attached, unless requested otherwise by the purchaser. Although utilization is very minimal in the United States, wing tips are often traded as an export item to various points around the globe. China is by far the largest importer of U.S. wing tips. UB

Tuna wranglers

Continued from page 1

southern bluefin tuna."

Clean Seas has long been associated with premium seafood. The company's results are part of the vision of founder and Australian seafood industry icon Hagen Stehr. Hagen and son Marcus, have been farming the prized southern bluefin tuna since the inception of this unique, sustainable ranching program in the early 1990s. Clean Seas is one of the world's aquaculture leaders. In addition to southern bluefin tuna, they produce Yellowtail Kingfish (Hiramasa) and Mulloway (Suzuki), which are sold fresh and frozen in the global marketplace. Not only is this family of sustainable fish produced by world's best-practice methods, but they are also undeniably delicious.

(Top) Juvenile southern bluefin tuna propogated at Clean Seas' Arno Bay hatchery. (Bottom) Yellowtail Kingfish. (Far Right) Flat tuna blocks are an example of the exceptional product one can expect from Clean Seas Tuna.

As Australia's leading fish farmers, Clean Seas is at the forefront of environmental best practice. A wild caught brood stock ensures clean, natural genetics.

The state-of-the-art hatchery facilities in Arno Bay produce fingerlings of the highest quality. The fish are transferred to an open water culture environment, strategically located in the Spencer Gulf and managed by a team of aquaculture professionals. Here, they enjoy a stress free environment, created through low stocking densities, daily monitoring and a pollution free environment.

Currently, Clean Seas has larvae and fertilized eggs in its hatchery that, if they all grow into saleable fish, the company would have in its tanks 20 times the number of fish the whole of the Australian southern bluefin tuna industry produces in a year!

Stehr says all of the big hurdles have now been jumped, "First people said we couldn't get the males to spermiate, then they said we wouldn't get fertilized eggs, but we have done more than that and have larvae that are growing."

Clean Seas has evolved into an integrated operation covering all aspects of fish farming from water to plate. The company expects to "go commercial" with their tuna babies later this year when the temperature of the sea rises so the juveniles can be placed into the sea cages. UB

Answers to the quiz on page 9:

1. Mexico
2. A flock
3. 45
4. White meat has fewer calories and less fat than dark meat.
5. Ben Franklin, in a letter to his daughter.
6. 17.5
7. False. Only a wild turkey can fly, a domesticated turkey cannot.
8. As a sandwich
9. False. Only the male turkey gobbles, the female emits a clicking noise.
10. 28 days

Joyce Foods

Continued from page 1

world farming methods on small farms and artisan processing, including air chilling. These birds have the best genetics behind them, are fed without fillers, raised in all-natural open range environments, in small groups and with no antibiotics.

In the United States, North Carolina's Joyce Foods utilizes the Label Rouge method and because of the program's practices the company can provide information to consumers on taste, health benefits and nutrition as well as on social issues such as support of local farms.

Joyce Foods' CEO Ron Joyce informed *Urner Barry's Reporter* that he and a French geneticist worked together to learn everything possible about the breed. With this knowledge, they chose a Label Rouge breed of chicken, Poulet Rouge Fermier, a red-feathered French heritage breed with a distinctive naked or featherless neck. The naked neck breeds have much thinner skin than most other breeds, giving them an additional culinary advantage. Joyce Foods breeds, processes, hatches and raises the birds on several farms in Chatham County. They are predominantly sold up and down the East Coast with their main target being fine dining and dedicated chefs.

Why are Joyce's birds different than other organic or free-range birds? The difference, he says, lies in matching the right breed with the right growing practices. It is the bird's longer growing period coupled with strict standards and restrictions on feed, housing and outdoor access that work together to create what many feel is a superior tasting product. Joyce Foods' products are also in line with many of the ethical concerns that face the industry today. Though not technically part of the Label Rouge program set up for heritage breeds in France, Joyce Foods does voluntarily follow the program's strict guidelines. Not only does the program require the use of a heritage breed, but it also dictates the birds' diet, housing number and a minimum amount of time to be spent outside. Moreover, the program also states that the birds travel no greater than two hours or 64 miles to the processing plant and they generally sell within 2-3 days of processing.

Because of the birds' genetics and their longer grow-out period they have a slightly smaller and elongated breast than industrial chickens and their legs are longer. Their dark meat is darker and especially flavorful and their skin is less fatty.

Hen used by Joyce Foods for breeding to produce the Poulet Rouge broiler.

Chickens are not the only products raised on Joyce Foods' farms. The company also raises guinea hen, Pintade Fermiere, and pheasant, Faisan Blanc Fermier. All birds are slow-growing heritage breeds that are part of the Epicure Reserve product line which is dedicated to the preservation of heritage breeds, old world farming and artisan processing. All birds in the Epicure Reserve Product line are air-chilled without being dipped or sprayed with chlorinated water.

Joyce Foods vows that truly only the finest birds are packed as the Poulet Rouge Fermier. UB

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