

UNRAVELING THE MYSTERY OF SEAFOOD WITH TRANSPARENCY AND EDUCATION



We live in a world with a multitude of information at our fingertips which can be good or bad depending on various parameters such as credibility, transparency and intent. As a consequence, seafood, with its supply chain complexity and its lack of familiarity in many markets, is often labeled as risky and mysterious despite the health benefits touted by the medical profession. Many consumers often walk away from seafood as their protein choice because they feel it is too complicated.

All players within the seafood industry have an opportunity to mitigate the “mysterious” perception assigned to seafood through a unified effort to provide unbiased communication that promotes education and transparency. Educated buyers within the supply chain then create a driving force that pushes positive traits, like quality, value and accountability back to the source.

The recommendations in this document do not suggest that the challenges within the industry can be solved overnight but look to provide a basis for healthy discussion, research and self-assessment regarding one’s unique role and contribution within the supply chain. The ultimate goal is the promotion of products with perceived value that protect commerce, public health and safety, sustainability of the environment and social welfare.

It is not possible to cover every aspect of the seafood industry, so we focus on the major components affecting purchasing decisions within the supply chain: the selling and buying relationship, education, social accountability, sustainability, seafood fraud and training. Although many of these topics cover subjects that affect all players, the main focus is with companies at the end of the supply chain where seafood expertise may be lacking.

THE SELLING AND BUYING RELATIONSHIP

Naturally, selling and buying are two main catalysts that drive the economic success of a company and move product through commerce. Transparency and education



throughout all operations are crucial to maintaining a healthy relationship between buyers and sellers. Effective, honest communication creates a reciprocal subconscious investment between all parties involved with transactions. As good relationships develop so does the comfort level between each player, allowing for better scheduling, forecasts, productivity and overall efficiency.

Major players within the selling and buying processes include farmers/harvesters, processors (primary and secondary), importers/exporters, broker/traders, distributors, retail stores (supermarkets, independents) foodservices operators (restaurants, institutions) and consumers. With the possible exception of harvesters and consumers, all buyers eventually become sellers, which is why the transparency and knowledge shared during each transaction is absolutely critical to the next step in the chain. If, for example, a buyer purchases poor quality product unknowingly, he stands the chance of misrepresenting the product to his customers and jeopardizes his own brand integrity. The integrity of the supply chain is now compromised unless corrective action has taken place such as credit on short weight, reworking



of product or the repositioning of product at a level which reflects its true value. These corrective actions cause extra expense to both parties and disrupt the natural flow of the supply chain.

The following tips help promote a successful relationship between buyers and sellers:

1. Educate your customers on the benefits of your product according to their needs. Additionally, provide factual information regarding all aspects of the product including health, preparation and handling, safety and quality.
2. Never knowingly misrepresent the product you are selling. This puts company and brand integrity at risk while jeopardizing the relationship with the client.
3. Honesty and Integrity are priceless and build long lasting beneficial relationships which will pay off in the long run. Find suppliers and customers who share your ideals.
4. Prove your commitment to transparency. No one is perfect and no one expects you to be. Open dialogue is important in good times and bad.
5. Communicate with your suppliers and customers often. Let them know what you expect and what you can deliver.
6. Know your products thoroughly through a cohesive QA/risk management plan. This can be accomplished in house or through a reputable third party.
7. Make the critical quality assurance role dominant, ensuring your system is robust, up to date and respected by all individuals within the company.
8. Communicate product issues to your supplier. This information is vital in helping your supplier correct problems. Suppliers should also communicate corrective actions taken.
9. Make sure that all employees associated with the buying and selling process are properly trained in all aspects of the product and processes. Educated buyers and sellers protect the brand image and reputation of the company while creating a positive driving force for sales and revenue.

THE EDUCATION PLAYGROUND

Seafood education comes from many directions with a wide range of integrity and bias. Deciphering all the information in a reasonable timeframe is a seemingly impossible task to non-experts. Since many buyers and sellers at the end of the chain are not seafood experts, the need for transparency and education is critical. When using any information on seafood as an educational tool, several factors must be taken into consideration including source, validity of data and accuracy of information.

The Media: Mainstream, Social and Industry Many years ago mainstream media was deemed highly credible in regard to origin, content and thoroughness. With the advent of the internet, the mode of distribution for media information has been completely transformed. Information is readily available to anyone from anyone that has a computer. In order to survive, mainstream media has been forced to compete for readers at an unprecedented level. This pressure has resulted in information that is sensationalized to attract attention. Bias has now infiltrated this sector and we often see stories or articles leaning to the left or right. Negative publicity tends to sell and travel through the networks at a quicker pace. How many times have you been exposed to a headline that captures your attention only to find that it was just a part of the whole story and took on a new meaning after reading the entire article? Of course there are still many good articles out there in this market, but one must be prudent in forming an opinion or taking action by researching the facts to make sure content is accurate, thorough and up to date.

Social media is now the new norm and a force that the seafood industry must embrace. The driving influence here is tremendous and must be incorporated into every business strategy. The type and source of information varies greatly and each carries its own degree of influence on the marketplace. Despite being very opinionated, this media category can be a great asset to companies if used wisely.

The **seafood industry** has many media outlets for information. Produced daily and readily available for little or no cost, participants within the supply chain have the ability to educate themselves and their clients regularly and remain up to date on current trends and happenings that affect their business. Editors of these publications often take on the tough issues with insightful commentaries that promote healthy discussion and debate.

Some tips to navigate and utilize all three types of media include:

1. Stay in touch with applicable media outlets daily. Remain informed about feature articles that affect your daily business and your clients.
2. Openly discuss information, whether good or bad, with your clients. Discussing tough issues provides an image of being proactive and aware.
3. Aim to become your client's reliable source of factual, educational information in the marketplace. This type of relationship builds trust and resulting sales and revenue will follow.
4. When reading articles, always consider the source of the information and research to determine accuracy and thoroughness. If you find an article to be subjective or misleading, do something about it. Write a comment that expresses your concern to the publisher. As seafood colleagues we must ensure that information provided to the public is accurate, transparent and complete. Remain active and communicative with industry associations that promote accurate information and good business practices.
5. Use information to benefit the consumption of seafood and your operation. This includes negative articles. For example, an article on seafood fraud could provide you the opportunity to discuss additional measures that your company has taken to prevent it. Proper timing of communication not only counteracts the negative article but demonstrates a proactive strategy for dealing with current issues in the marketplace.
6. Become an active contributor of information to the media through white papers, announcements, comments, etc. Consistently engage in conversation with colleagues, peers and industry experts.
7. Pay particular attention to communication coming from seafood industry media as it is often based on up-to-date information and provides great insight into current trends and issues affecting seafood.

Regulatory Information We all know this information is out there... somewhere. Finding it is not always easy and requires patience and a sense of adventure. To further complicate matters, it is constantly changing and often requires a seafood

expert to comprehend. Many companies have staff assigned to stay updated on regulatory issues and are wise to incorporate their knowledge into the sales platform. If this is not the case, explore working with a third-party expert to assist with the navigation of regulatory issues. This type of partnership can prove most beneficial and save you in the long run, enabling risk mitigation of the supply chain.

Private Industry Most information provided by this resource is geared toward specific product lines. Some companies have gone to greater lengths to explain what differentiates their products from others through videos and more detailed information. When reviewing company information about products, remember that it is coming from the seller's point of view. Don't hesitate to ask suppliers specific, detailed questions about their products and issues that address your specific needs like quality assurance and food safety. This type of interaction provides better transparency into the supplier including the knowledge and integrity contained within its organization. Good suppliers will welcome further engagement from clients regarding their programs and business philosophy.

Trade Industry Organizations This outlet provides good sources of information needed to educate oneself regarding many parameters essential to seafood businesses including seasonality, species information, consumer and market trends, regulatory issues and pricing. Retaining close ties with these organizations will provide additional brand exposure while increasing market knowledge, enabling adaptation to various business climates.

SOCIAL ACCOUNTABILITY

Emerging to the forefront over the past few years, the ultimate solution to this topic remains elusive. Many claim to have solved the problem and that it no longer exists within their supply chain. For a simple structure, this could very well be accurate. For more complex chains, it is not so simple. The seafood supply chain in global regions is vast, represented by a multitude of smaller suppliers feeding the pipeline. Monitoring every location to guarantee compliance with regulatory requirements is a daunting task. Social accountability is a problem within many industries outside of seafood. It is a global issue that requires the cooperation of government and industry leaders worldwide. Continuous pressure from all business partners is essential for maintaining accountability. Consumer awareness also plays a vital role and provides a driving force for improvements along the supply chain.



Research and question your suppliers' policies for social accountability. Obtain specific examples of how they ensure products come from responsible sources. Making sure they can answer your tough questions on this subject sends the message that this aspect is critical to the success of your program. Likewise, communicate this same message to your clients through daily communication and marketing materials. Participate in the task of educating consumers consistently about this important topic.

SUSTAINABILITY

Many clients and consumers demand sustainability, which creates a major driving force throughout the supply process. This force also generates some confusion in the numerous programs and certification schemes promoting sustainability. The concept has evolved into a business niche represented by many players. Without an unbiased central mechanism for education, many companies are left to sort through the information when developing product lines central to their operations.

Consumers rely on operators to do their homework in this area and provide a program that is credible. For suppliers at the beginning and middle of the supply chain, the actual scheme chosen is usually dictated by their clients. For sellers at the end of the chain, the task becomes more challenging when trying to align ecological scheme parameters with company goals and objectives. This would lead one to ask, "Are consumers really dictating one sustainability scheme over the other? Or are they simply wanting to see a good faith effort toward sustainability through a credible scheme?" This is the part where education plays a key role. Price may be the number one factor today for consumers, but with proper communication and knowledge provided at the point of sale, this pendulum can shift toward sustainability, social accountability and quality.

SEAFOOD FRAUD

Fraud exists in every realm of business. The food industry is no exception and has been dealing with it for decades. From a seafood perspective, some of the most common forms of fraud include economic motivation (short weights, sizing, quality) and species substitution. Despite the expertise and knowledge in the marketplace, there is a tendency to only provide certain bits of information to consumers. The industry is exposed to study after study highlighting instances of seafood fraud with a special emphasis on species substitution. This immediately causes a surge in demand for

more transparency and additional traceability requirements through the entire supply chain for the industry. The entire supply chain is portrayed as being guilty of fraud which often is not the case. Wouldn't it be better if the sources of these studies went one step further to identify exactly where in the supply chain the fraud occurred before making recommendations that result in unnecessary additional costs which inflate prices and deter consumption? Experts within the industry realize that many instances of seafood fraud occur at the last point of sale. Elevated levels of enforcement would eliminate a great portion of the problem.

Seafood colleagues can work together to provide additional studies that expose the correct severity of the problem and pinpoint the weak links in the supply chain to increase pressure for conformity. As a follow-up, consumer education programs should be provided to reveal the true integrity that exists with many players involved with seafood.

TRAINING

One of the most important sectors of the industry that seldom gets the attention it deserves is training. Robust training programs provide valuable knowledge for employees and result in a great return on investment when visualized long term. Many measurable parameters can be used to justify the investment in training including customer satisfaction (product and service), revenue, profitability, shrinkage, productivity, returns, recalls and employee turnover.



The following table shows the integrated relationship of education and transparency within the various facets of the seafood supply chain.

LINK	KEY ROLES	EDUCATION COMPONENT	DRIVER CREATED FOR
Harvester / Farmer	Direct Labor (Deck hands, farm workers)	Food Safety & GMPs, Processing Techniques, Product Knowledge, Social Accountability, Regulatory Issues	Productivity, Safety, Quality, Yield
	Sales	Product Knowledge, Sustainability, Social Accountability, Regulatory Issues	Client Communication Sales and Service Transparency Inventory Turnover
Processor (Primary & Secondary)	Buyer	Product Knowledge, Market Pricing, Regulatory Issues, Sustainability, Social Accountability	Quality, Safety, Yield, Transparency
	Direct Labor (Production Line/ Receiving and Shipping Workers)	Food Safety & GMPs, Processing Techniques, Product Knowledge	Productivity, Safety, Quality, Yield
	Quality Assurance	Product Knowledge Food Safety & GMPs Seafood HACCP Regulatory Issues	Quality Transparency Safety
	Sales	Product Knowledge Sustainability Social Accountability Regulatory Issues	Client Communication Sales and Service Transparency Inventory Turnover
Operators (Retail & Foodservice)	Buyer	Product Knowledge, Market Pricing, Regulatory Issues	Quality, Safety, Transparency, Sustainability
	Quality Assurance	Product Knowledge, Food Safety & GMPs, Seafood HACCP, Regulatory Issues	Quality, Transparency, Safety
	Sales (Deli Counter, Wait Staff)	Product Knowledge, Sustainability, Social Accountability, Regulatory Issues	Consumer education, Sales and Service, Transparency, Sustainability, Social Accountability
Operators (Institutional)	Buyer	Product Knowledge, Market Pricing, Regulatory Issues, Sustainability, Social Accountability	Quality Safety, Transparency, Sustainability, Social Accountability
Consumer	Buyer	Product Knowledge, Sustainability, Social Accountability	Quality, Sustainability, Social Accountability, Transparency

Up-to-date education and training in all sectors benefits everyone. Proper planning and resource management can result in training platforms that contribute to the bottom line consistently with the metrics mentioned earlier. Without it, companies expose themselves to the marketplace in relation to questionable suppliers, low quality products, food safety risks and regulatory issues. To put it simply, they have the potential to become the weak link in the supply chain.



About the Author

Jeff Brammer is the Business Unit Manager of North American Seafood Operations at NSF International. He has 33 years of experience in the seafood industry including international procurement, costing analysis, production processes, quality assurance, operations, and sales and marketing. NSF provides customizable solutions to help the seafood industry mitigate risk, ensure compliance and improve product quality, safety and customer satisfaction throughout the supply chain. Key services include training and education, consulting, product inspection, testing and auditing. With a

mission centered on public health and safety, NSF provides seafood knowledge from decades of actual “hands-on” experience. NSF International is launching a major seafood education initiative in 2017 designed to promote factual knowledge to every segment of the industry from processors to consumers. For more information, contact seafoodhq@nsf.org.

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