

Seattle Fish Company of New Mexico: A Commitment to Sustainable Seafood

INTRODUCTION

Established in 1987, Seattle Fish Company of New Mexico distributes fresh and frozen fish and seafood to supermarkets, hotels, and restaurants across New Mexico and West Texas. Although there are several Seattle Fish Companies located across the United States, Seattle Fish Company of New Mexico is independently owned and operated. Seattle Fish Company of New Mexico has estimated annual sales of \$20-50 million and 51 total employees. Seattle Fish Company of New Mexico's slogan, "Sourced globally. Delivered locally" captures this company's commitment to providing the highest quality seafood through global sourcing and traceability to ensure freshness. Although this company is fairly small, it has a big impact on the social issues of sustainable seafood and is a shining example of a sustainable company based in New Mexico.

Sustainability refers to the potential long-term well-being of the natural environment as well as the interaction among nature and individuals, organizations, and business strategies. Sustainable business practices include the assessment and improvement of business strategies, economic sectors, work practices, technologies, and lifestyles while maintaining the natural environment. The nature of the seafood industry and international fishing markets create unique challenges for Seattle Fish Company of New Mexico in terms of sustainability and social responsibility. These challenges include sourcing seafood products that are farmed or fished in environmentally and socially responsible ways. This is a major concern because overfishing threatens entire populations of fish species and possibly the future viability of commercial fishing. In order to protect the security of the fishing industry and future seafood supplies, immediate and drastic changes are needed from the fisheries to the end consumer.

Fortunately, Seattle Fish Company of New Mexico's CEO, President, and co-founder, Craig Risk, has met these challenges with forward-thinking initiatives aimed at making the company a leader in sustainability. Seattle Fish Company of New Mexico was the first New Mexico food distributor to receive the Marine Stewardship Council (MSC) Chain of Custody certification, allowing them to offer fully traceable, certified sustainable seafood. This certification, along with partnerships with national and local environmental organizations, shows that the company is committed to the wellbeing of the natural environment as well as their consumers. Although Seattle Fish Company of New Mexico is only one organization, it influences members of its supply chain and other important stakeholders to make positive impacts on the commercial fishing and food service industries and within the local community.

SEAFOOD PROCESSING AND SAFETY

Seattle Fish Company of New Mexico is an industry leader in seafood distribution in the Southwest. The company's organizational culture promotes sustainability and is strongly supported and implemented by upper management, especially Craig Risk. His commitment to sustainability and industry best practices is evident in the operations of the business. Seattle Fish Company of New

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Mexico's Albuquerque plant illustrates how the company values sustainability. Mike Romero is the plant manager and began working at Seattle Fish Company in 1992. Mr. Romero has been there for 18 years and many employees have also been with the company for over a decade. This long-term employee retention is a testament to the operations of Seattle Fish Company of New Mexico and the environment of loyalty and respect it creates for its employees.

In order to operate in the most efficient manner and ensure the freshest product, Seattle Fish Company of New Mexico has specially designed facilities. The Albuquerque plant has 17,000 square feet of space and is used for fresh production, refrigerated and frozen storage, and receiving and loading. A modern rack system that improves inventory control uses 2,500 square feet of the facility, and products stored in various product-specific temperature zones take up another 5,000 square feet. The processing occurs in a 2,500 square foot production facility. Additionally, the El Paso facility is more than 5,000 square feet. Both facilities have well-managed temperature and sanitation controls as well as unique layouts to make processing and delivery for the food service and retail industries more efficient.

It is valuable to understand how Seattle Fish Company of New Mexico actually processes fish and seafood to understand the company's initiatives and goals. Although the FDA makes unannounced visits, Seattle Fish Company of New Mexico believes that it should regulate sanitation and tracking on its own because it is part of providing a superior product. Before the fish and seafood shipments enter the plant, they are checked in by name, date, and time to prevent food contamination. The temperature of the fish must stay below 50 degrees throughout the entire supply chain; this constant temperature control and monitoring is called a rigid cold chain. Seattle Fish Company of New Mexico has several devices that ensure its products are constantly monitored and of the highest quality. Once the fish and seafood enters the plant, the fish is kept at 40 degrees; anything above 46 degrees sets off an alarm. Also, each employee has a personal thermometer that is calibrated weekly and is used to constantly check the fish. An energy-efficient automatic door in the refrigeration warehouse helps to ensure the entire inventory stays at the proper temperature.

Once product arrives, 90 percent is weighed and packed with fresh ice. Weighing the fish is an important step in the traceability process, which is the foundation of MSC sustainability certification. When the MSC conducts independent audits, they compare the actual received catch weight with what the fishery reported. 98 percent of boxes received have tags stating the method of production and country of origin. Higher-risk seafood such as shellfish and tuna have additional labeling requirements, and Seattle Fish Company of New Mexico must keep records of these shipments for two years. The majority of labels have a barcode format so they can be electronically invoiced, which facilitates the creation of daily inventory.

The fish received by Seattle Fish Company of New Mexico are usually whole and must be eviscerated and beheaded at the plant to ensure freshness. Before the fish is filleted, employees examine the gills, body texture, and eye condition to ensure quality and freshness. According to Risk, Seattle Fish Company of New Mexico previously had a relationship with a company that recycled the fish waste, but the service is no longer available because it was not cost-effective in the Southwest.

A major part of the company's food safety hazard program is that the workers have access to their own buckets of an iodine-based sanitizer used to clean their hands and their tools. Tools such as knives are also checked weekly for broken tips or handles that may harbor bacteria. Another critical safeguard is an annual water sample to guard against contamination from coliform and ecoli for

the water used in the ice machine, because ice is a major ingredient for seafood and touches the fish and seafood directly. Seattle Fish Company of New Mexico's comprehensive safety system and the continuity provided by seasoned employees means mistakes in any part of the process are very rare.

SUSTAINABLE SEAFOOD ISSUES

In addition to an outstanding production process, Seattle Fish Company of New Mexico is focused on environmental stewardship as the way of the future in the seafood industry. Craig Risk understands that having a long-term supply of fish and seafood is critical to the continuation of his business and the industry. At a press conference with former Albuquerque Mayor Martin J. Chavez, Risk said, "Sustainability is at the core of our industry. As a company that relies on the world's oceans, seas, and rivers, Seattle Fish Company of New Mexico is committed to continual and proactive environmental stewardship. Seattle Fish Company of New Mexico sources fresh fish and seafood products from countries, waters and fishermen that embrace a long-term vision for the health and prosperity of their respective ecosystems."

COMMERCIAL FISHING

The main issue associated with seafood sustainability is overfishing of the world's oceans. The Marine Conservation Society defines overfishing as fishing with a sufficiently high intensity to reduce the breeding stock levels to such an extent that they will no longer support a sufficient quantity of fish for sport or commercial harvesting. Species not fished sustainably will no longer be commercially viable, which would result in economic loss for the seafood industry and eliminate a major food supply. Furthermore, the detrimental effects caused by overfishing may include the extinction of individual species and irreversible damage to entire marine ecosystems. For example, the bluefin tuna population has decreased since the 1970s when the demand for bluefin in sushi soared, making them very valuable, especially in Japan, where the price of the fish is \$50 per kilogram. However, short-term profits clearly threaten the long-term livelihood of this species; bluefin tuna take 8-12 years to mature and are often killed before they can spawn. The bluefin tuna population has declined 80 percent over the last 50 years, and the international community lacks cooperation need to preserve the species. Japan and other developing nations recently blocked a proposed United Nations ban on bluefin tuna, arguing that a ban on bluefin would severely impact their fishing economies.

In addition to overfishing, some fishing methods create negative results for ocean life. Techniques such as pursing involve capturing entire schools of fish, decimating their numbers, and leaving very few fish to reproduce. Another side effect of mass fishing methods are large amounts of bycatch, or non-target species caught in fishing gear. Bycatch is a serious problem because it can devastate entire ecosystems. According to Holly Cassman, manager of the Albuquerque BioPark Aquarium, some shrimping techniques exhibit this devastation. She explains, "Shrimp must be caught by bottom trolling chains across the bottom to make shrimp jump up into the net, which then scoops up everything else including invertebrates, sea grass, and coral, and leaves only barren mud. They then dump it all on the deck and pick out the shrimp with a total yield of around five pounds of shrimp. All of the other animals die and are dumped back into the ocean."

Clearly, reducing or eliminating bycatch is one way to make seafood and fishing methods more sustainable. One way shrimp have been made a more sustainable product is through in-land shrimp farms in natural salt springs, which reduces the destruction of coastal habitats and completely

eliminates bycatch. We discuss the issues related to seafood farms in the aquaculture section later in this case.

There are many interesting caveats related to the issue of sustainable seafood. Because aquaculture farms are underwater, unfavorable conditions are not readily visible. Furthermore, oceanographer Dr. Sylvia Earl contends that consumers know very little about consuming fish. During an interview with *Grist*, an environmental publication, Earl tells consumers to “know what you’re eating, know where it came from, know what its name is, not a mindless chunk of fish in a fish sandwich or catch of the day. It could be any one of 20,000 species of vertebrate creatures.” The challenge of making consumers more aware and proactive in their choices is a difficult but necessary step in forcing the seafood industry to become more sustainable.

Overall, the issue of sustainable seafood is complicated and constantly changing. It cannot be solved within an organization or within a country because fish are a shared global resource. Although this issue seems too big to tackle for a single company, Seattle Fish Company of New Mexico is making a contribution to sustainability.

The Marine Stewardship Council (MSC) was started in 1997 to find solutions to the crisis of overfishing. The MSC operates globally with operations in Tokyo, Cape Town, Paris, London, Seattle, Germany, and the Netherlands. The main objective of the MSC is to provide standards and guidelines for fishing processes and standardize what is accepted as sustainable seafood. Fisheries and supply chain business can earn certification by meeting the MSC guidelines for sustainability. At the core of the certification program are the MSC environmental standards for sustainable fishing and the Chain of Custody standard for seafood traceability. Currently, 93 certified fisheries are in the MSC program and 119 are under assessment. Once fisheries are MSC certified, they may display the program’s ecolabel on their products.

The most important factors in the MSC certification process are scientific methodologies that determine the ecological impact caused by different businesses involved with fish and seafood. These scientific evaluations are conducted by independent third party auditors in order to maintain the credibility of the certification. Before a fishery or business can become MSC certified, it undergoes a confidential inspection that identifies areas of improvement. No information from this audit is shared with the public, allowing businesses to improve their sustainability efforts before the official audit. Once the official audit is conducted, a business can receive a Chain of Custody certification, which ensures every business that handles the fish, from the ocean to the plate, is certified sustainable.

AQUACULTURE

The Seattle Fish Company of New Mexico uses aquaculture suppliers in addition to wild-catch fisheries. Aquaculture is the raising and harvesting of fresh and saltwater animals for human consumption, similar to some industrial beef and poultry farms. Farm-raised fish have costs and benefits and are not necessarily better than wild-caught fish. For example, crowded salmon pens, called stocks, may spread disease and create unsanitary conditions. A large quantity of feces can settle on the ocean floor under the stock. Additionally, farmers administer antibiotics and red food coloring to make salmon the normal color and feed them with other fish that could be used to feed humans. The major threat these fisheries pose to ecosystems is that individual fish sometimes escape into the ocean, spreading disease to other populations, altering genetic strains of wild fish, or becoming an invasive species.

Farm-raised seafood is not always more sustainable than wild-caught fish, but Seattle Fish Company of New Mexico has worked to gain the most credible certification in aquaculture sourcing in addition to certifications for wild-caught fish. The leading aquaculture non-governmental organization is the Global Aquaculture Alliance (GAA). This international non-profit promotes responsible practices across the aquaculture industry. The GAA coordinates the development of Best Aquaculture Practices (BAP) certification standards for hatcheries, farms, and processing facilities and has become the leading standard-setting organization for sustainable aquaculture. According to the GAA, aquaculture is the only sustainable means of increasing food supply to meet the growing demand of world populations.

Along with the GAA, Seattle Fish Company of New Mexico also works with the Aquaculture Certification Council, Inc (ACC). The ACC is a non-governmental organization established to certify social, environmental, and food safety standards at aquaculture facilities throughout the world. This nonprofit agency applies the GAA standards in a certification system that combines site inspections and effluent sampling with sanitary controls, therapeutic controls, and traceability.

Not only do Seattle Fish Company of New Mexico's business practices meet the stringent standards for wild-caught fish provided by the MSC, they also comply with best practices established by the GAA, the ACC, and other important aquaculture NGOs. By being involved with sustainable practices in both types of fishing practices, Seattle Fish Company of New Mexico makes a concerted effort to tackle this important issue from every angle.

SUPPORTING SUSTAINABILITY LOCALLY

In addition to working with national organizations, Seattle Fish Company of New Mexico actively participates in local organizations in order to increase awareness of sustainable seafood issues and grow their business in the region.

NEW MEXICO RESTAURANT INDUSTRY

Seattle Fish Company of New Mexico is a member of the New Mexico Restaurant Association, which helps the company build valuable relationships within the local restaurant industry. Five restaurants in Albuquerque recently received their MSC certifications thanks to the financial support and leadership provided by the Seattle Fish Company of New Mexico. Craig Risk believes that in order for the seafood market to shift to more sustainable products, educated consumers must demand them. To address this factor, Risk approached Chris Pope, manager of Zinc Wine Bar & Bistro, about a partnership with all five restaurants; after a brief discussion, they spearheaded the MSC certification efforts together. Although the Zinc began the process, Savoy Bar & Grill, Seasons Rotisserie & Grill, Pelican's Eastside, and Pelican's Westside soon joined. Seattle Fish Company paid for the certification process, which helped to raise awareness for sustainable seafood in the upscale consumer market.

The restaurants feature gourmet food and pride themselves on serving high-quality ingredients. Upscale consumers are often more educated about sustainable seafood issues and demand more organic and sustainable products than average consumers. Seattle Fish Company of New Mexico and the restaurants plan to work together to make consumers aware that they use sustainably harvested seafood by providing verbal information about the seafood and by adding the MSC ecolabel next to each menu item that features sustainable seafood. The servers at the restaurants know about the specific dishes and ingredients in those dishes and educate diners with

the intent of influencing their future purchasing decisions. According to the head chef at Savoy, Bob Peterson, the restaurant's employees are more concerned about food origin because they are educated on sustainability issues. The restaurants are also creating a green section on their websites to further reach the community and their customers on sustainability issues.

These restaurants create added value for their patrons by educating them on smart and sustainable choices both for their health and the environment. Chef Peterson feels that customers will appreciate the restaurants taking action and will show their support by dining at these restaurants. According to Peterson, Savoy's client base consists of a large "green-minded" core who enjoy organic and local ingredients and value that these restaurants are doing things right in order to keep their food around for future generations. He also purports that it is no mistake that sustainable products are of higher quality, and that customers know that these restaurants take great pride and care in their sourcing of ingredients. Current offerings for sustainable fish and seafood are limited but growing, and in the future Chef Peterson would like to serve only certified sustainable fish and seafood products.

It is apparent that making this issue visible at the consumer level is critical in educating consumers to demand more of the seafood industry and those who source seafood. These restaurants have the unique opportunity of being leaders in their industry in New Mexico and the entire country. By partnering with Seattle Fish Company of New Mexico and the MSC, they are committing to sustainability as a long-term competitive strategy and a foundation of their operations.

ALBUQUERQUE AQUARIUM AND BIOPARK

Seattle Fish Company of New Mexico also partners with the Albuquerque Aquarium and BioPark in order to educate consumers about sustainable seafood. For the past five years, the Albuquerque Aquarium has hosted a Sustainable Seafood Festival on World Oceans Day. To better understand this event, we interviewed aquarium manager Holly Cassman. According to Ms. Cassman, the Sustainable Seafood Festival is more about education than profit. The event features booths for different types of seafood, and all of the food is donated by businesses with sustainable seafood products. Visitors pay only \$10 to try different types of food and learn about healthy and sustainable choices. Past sponsors have included Wild Oats and Whole Foods; according to Cassman, Wild Oats saw a 30 percent increase in seafood sales immediately following the event. Seattle Fish Company of New Mexico contacted the Albuquerque Aquarium about sponsoring the 2010 event. In addition to raising the number of available tickets from 500 to 750 in order to increase participation and awareness, Seattle Fish Company of New Mexico proposed using their partnerships with local restaurants to advertise the festival. Although past events have been successful, the unique partnership between these companies makes raising participation to an even higher level both feasible and cost effective.

CONCLUSION

Sustainable seafood is not an issue that can be solved within one company with directed initiatives; it must be confronted at multiple business levels, from producers to the wholesalers, retailers, restaurants, and consumers. The Seattle Fish Company of New Mexico has worked to take responsibility for its products and reduce its environmental impact. This company is a great example of how a business can make a positive impact on all of its stakeholders and remain profitable. Although the company's efforts are not increasing profits at this time, the Seattle Fish

Company of New Mexico is developing a competitive advantage that cannot be easily replicated by other companies. By partnering with such organizations as the Marine Stewardship Council, the Global Aquaculture Alliance, the Aquaculture Certification Council Inc., and the New Mexico Restaurant Association, the Seattle Fish Company of New Mexico is addressing the issue of overfishing and doing their part to ensure the health of the world's oceans and global food sources. If the seafood industry evolves, it will start with visionary executives such as Craig Risk who implement and support sustainability initiatives throughout their business operations and inspire change in their employees, competitors, and consumers.

QUESTIONS

1. What are the potential stakeholder benefits of Seattle Fish Company of New Mexico offering fully traceable and certified sustainable seafood?
2. What has CEO Craig Risk done to implement and support sustainability efforts throughout his company?
3. What are the potential competitive advantages that Seattle Fish Company of New Mexico can gain by advancing and promoting certified sustainable seafood products?

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