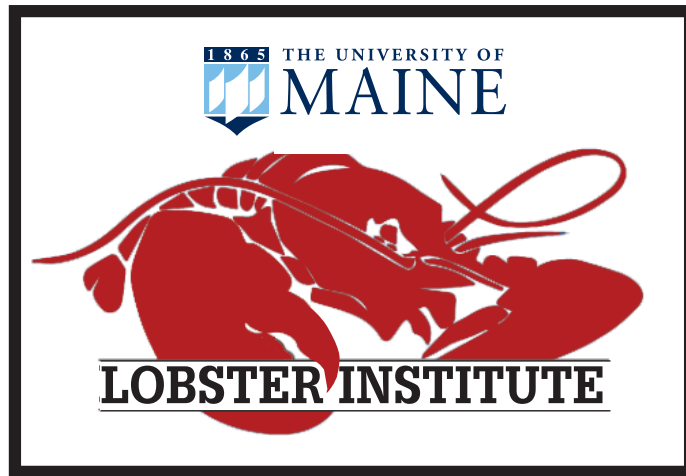




 2020 Canada/U.S.
LOBSTER TOWN MEETING

Lobsters without borders: forging our futures together.

Moncton, New Brunswick

January 24 –25, 2020

Proceedings

Copyright, Lobster Institute, University of Maine, 2020.

2020 Canada/U.S. Town Meeting Platinum Premier Sponsor



Proceedings Sponsor



Table of Contents

Introduction	1
Day 1. Session 1. Lobster Processing	2
Day 1. Session 2. Lobster Marketing Techniques.....	4
Day 1. Session 3. North Atlantic Right whales.....	5
Day 2. Session 1. Media Relations	6
Day 2. Session 2. Open Discussion	7
Lobster Town Meeting Themes.....	8
Topics of interest for future research or discussion	12

Acknowledgements

Many individuals and organizations contributed to the success of the 16th 2020 Canada/US Lobster Town Meeting. We extend our gratitude to the following:

Sponsors

Premier Platinum Level

- UNI Financial Cooperation.

Gold Level:

- The Maritime Fishermen's Union
- Maine Sea Grant

Silver Level

- Downeast – Cape Bald Packers
- Inland Lobster
- Lobster Fishermen's of PEI Marketing Board
- Maine Department of Marine Resources
- Maine Salt Company
- New Brunswick Department of Agriculture, Aquaculture & Fisheries

Silver Level (continued)

- Prince Edward Island Fishermen's Association
- Shediac Lobster
- UMaine Canadian-American Center
- UMaine Foundation
- UMaine Office of Research

Bronze Level

- Cape Seafood & Luke's Lobster
- Lobster Council of Canada
- Scotia Bank
- National Bank of Canada

Reception Food

- High Liner Foods

Planning Committee

Michel Richard – Co-Chair

Annie Tselikis – Co-Chair

Melanie Giffin

Geoff Irvine

Ben McKinney

Kathleen Reardon

Stefano Tijerina

Staff

Richard A. Wahle, Ph.D. - Director

Cathy Billings – Associate Director

Diana McSorley – Administrative Specialist

Citation: Stoll, J., H. Albano, A. Clement, S. Coleman, M. Flye, J. Isherwood, R. Jarrett, C. Leeman, K. Liberman, C. Ober, N. Orminski, S. Risley. (2020). 2020. Canada-US Lobster Town Meeting: Lobsters without borders: forging our futures together. Proceedings Report. Lobster Institute. University of Maine, Orono. pg. 1- 17.

Any errors in the resulting work are the authors.

Introduction

Good decisions come from knowledge. Knowledge grows by sharing observations and experiences. Sustaining a shared resource calls for constructive sharing of information. It is within this context that fishermen, scientists, policymakers, managers, association representatives and other leaders in the lobster industry from the east coast of the United States and Canada converge once a year for the Lobster Institute's Canada/U.S. Lobster Town Meeting to talk about the state of *Homarus americanus* and the industry that relies upon this resource – its markets, policies, and economics.

The theme of the 16th Lobster Town Meeting, hosted in Moncton, New Brunswick, Canada January 24 – 25, 2020; was “*forging our futures together.*” The focus of the meeting was to: (1) facilitate cross-sector and cross-geographic networking; and (2) discuss emerging and persistent issues in the fishery. In particular, this year's meeting focused on lobster processing, marketing techniques, North Atlantic right whales, and media relations.

The one-and-a-half-day meeting drew more than 100 participants from across maritime Canada and the Northeast United States. This report provides a summary of the sessions hosted at the event and the key themes that emerged during the Town Meeting.

Lobster Institute

The Lobster Institute is a center of scholarship and outreach in the College of Natural Sciences, Forestry, and Agriculture at the University of Maine. Institute staff engage with the lobster industry, scientists, fishery managers, health regulators, and legislators to address industry priorities through collaborative research, educational workshops and conferences.

<https://lobsterinstitute.org>

Lobster Town Meeting | Proceedings

Day 1. Session 1. Lobster Processing

Panelists:

Jerry Amirault, *President, Lobster Processors Association of New Brunswick and Nova Scotia*
jerry@jerryamirault.ca

Ben McKinney, *General Manager, Luke's Lobster* ben.mckinney@lukeslobster.com

The first session of the 2020 Canada/U.S. Lobster Town Meeting addressed Lobster Processing in North America. Jerry Amirault, of the Lobster Processing Association of New Brunswick; and Ben McKinney, of Cape Seafood LLC and Luke's Lobster, spoke on the panel that introduced the session. Amirault opened the session by providing an overview of the scale, economic importance, and challenges of the lobster and lobster processing industry in Canada. He emphasized the need for collaboration between harvesters and processors to maximize profits from the lobster resource. McKinney then offered background on how his company has addressed challenges in the industry, specifically by incentivizing quality at the harvester-level. He also stressed the need for cooperation throughout the industry to improve quality and stabilize price.

The open discussion portion of the session offered an opportunity for questions and exchange between the panel and participants. Lobster quality and lobster as a product in a rapidly changing globalized marketplace were the main discussion focuses. Participants expressed concern about what happens if "lobster comes off the menu"; and how increased consumer demand for quality, supply chain transparency, and sustainability could require industry-wide changes. Multiple participants offered examples, particularly in the case of co-ops, in which revised handling methods and feedback from processors led to enhanced quality and financial return. Other participants, however, highlighted the inconsistency of quality expectations across the industry. Many asked, how the industry upholds quality standards, at the harvester or the processor level, if someone will eventually buy the poor product anyway? Participants also noted the general lack of incentives for quality and the absence of industry standards as additional barriers. The session closed with a participant highlighting New Zealand's fishery code of conduct for quality, *Our Promise* (seafood.co.nz), as a potential model for the lobster industry.



Photo: Canada/U.S. Lobster Town Meeting
Moncton, New Brunswick, Canada
January 24 - 25, 2020

Day 1. Session 2. Lobster Marketing Techniques

Panelists:

Geoff Irvine, *Executive Director, Lobster Council of Canada*

geoff.irvine@lobstercouncilcanada.ca

Annie Tselikis, *Executive Director, Maine Lobster Dealers Association*

annie@mainelobsterdealers.org

Marianne LaCroix, *Executive Director, Maine Lobster Marketing Collaborative*

mlacroix@lobsterfrommaine.com

The second session of the 2020 Canada/U.S. Lobster Town Meeting addressed Lobster Marketing Techniques in North America. Both Geoff Irvine from the Lobster Council of Canada and Annie Tselikis from the Maine Lobster Dealers Association talked about marketing and selling lobster in current and emerging foreign markets. As foreign markets grow, the ability for a wide range of lobster processing abilities is important. Different markets value different characteristics of the lobster and are interested in different products (tails, claw, whole lobster – live or processed). Both talked about how becoming involved in foreign markets entails starting and maintaining relationships through buyer missions and gaining new customers through seafood expos, both of which take a lot of time and effort. Because the market is competitive, a major marketing tactic is emphasizing the high quality of lobster and as a source of protein. Emphasizing and ensuring a high-quality product adds value to the lobster.

Marianne LaCroix from the Maine Lobster Marketing Collaborative focused primarily on the United States for lobster harvested in Maine. Marketing tactics are vastly different when trying to promote and sell the product domestically. The approach has a very heavy focus on end users, and there is a lot of effort towards partnering with restaurant chains, supermarket chains and distributors. Domestically there is more emphasis on protecting the brand image of “Maine lobster”, whereas foreign markets are not greatly motivated by that image. Techniques she discussed included effective use of social media engagement and digital advertising to push the product.

The open discussion portion of the session focused mainly on how lobster marketing will change with climate change, sustainability in the industry, and new marketing techniques. In regards to combating climate change, Tselikis emphasized being proactive with being able to provide different markets with a wide range of products so that the U.S. can be competitive across a wider price range. This ensures that regardless of how the ocean changes, the lobster industry can still function and be competitive against other seafood products. Questions regarding

sustainability raised the concern that there is not a consensus on what the definition of that should be. Concerns over sustainability also brought up how frustrating it is for suppliers to manage sustainability certification because outside organizers developed the certification with little industry input or buy-in. However, while the certification process may be costly and frustrating, its positive impact is to cut down illegal practices in other fisheries since suppliers have to pay into the system in order to sell to certain companies.

Day 1. Session 3. North Atlantic Right whales

Panelists:

Colleen Coogan, *Marine Mammal and Sea Turtle Team, NOAA Fisheries, Greater Atlantic Region, Protected Resources Division* colleen.coogan@noaa.gov

Marc LeCouffe, *Director, Resource and Aboriginal Fisheries Management Canada Department of Fisheries and Oceans* marc.lecouffwe@dfo-mpo.gc.ca

Matthew Noel, *Maritime Fishermen's Union and commercial lobsterman* mathieu@mfu-upm.com

Kristan Porter, *President, Maine Lobsterman's Association and commercial lobsterman* kbporter5@roadrunner.com

The third session of the 2020 Canada/U.S. Lobster Town Meeting addressed issues surrounding North Atlantic right whale protection in North America. The presentations from each panelist primarily focused on updating the audience on the current health status of the whale population, advances and challenges in data collection, partnership efforts, management actions, and future goals. Coogan emphasized a decrease in population size but also in fecundity of female whales. Suggested explanation for these declines consisted of a shift in prey distribution attributed to climate change, and a resulting increase in exposure to Canadian fisheries and vessel traffic. In the second half of her presentation Coogan addressed the progress and goals of NOAA's Atlantic Large Whale Take Reduction Team. As for the Canadian side, LeCouffe explained to the audience that the whale migration patterns have shifted, with whale sightings becoming more common in the Gulf of St Lawrence. As locations of sightings have not been predictable due to these shifts, LeCouffe proposed a flexible management plan and explained that Canada has put greater resources to monitoring whale movement through aerial observations. Static and dynamic closures were used in the 2019 fishing seasons, negatively impacting the lobster fishery, a point further emphasized by Noel. Speaking on behalf of the Maine lobster fishery, Porter noted that lengthening trap trawls as a way to decrease vertical lines in the water can dramatically increase

the safety hazards to lobstermen. As a strategy to identify the source of entanglement problems, Maine is also proposing to implement revised gear marking in the coming season. The audience questioned if science has investigated alternative explanations for right whale mortality beyond the lobster fishery, such as changes in whale health and reproduction related to shifts in the ocean food web. Audience members also asked whether cargo or cruise shipping companies are making efforts to protect the species.

Day 2. Session 1. Media Relations

Panelists:

Hanna Robbins, *Communications Director, Maine Sea Grant* hannah.robbs@maine.edu

Mike Randall, *President, Portfolio Solutions* mike@weareportfolio.com

The fourth session of the 2020 Canada/U.S. Lobster Town Meeting addressed media relations in the lobster world. Panelists focused on how actors in the lobster industry can better interact with members of the media. The oft-strained relationship between interviewers and interviewees was recognized: as contemporary news articles often have sensationalized titles, and some reporters already have a preconceived narrative before they meet with the interviewee. Emphasis was placed on having a clear, positive message in mind before the interview. Randall emphasized the need to stick to this message, and being proactive in communication with the media so as to control the narrative. Developing up-to-date, clear, and meaningful messages about the lobster industry was also discussed. Having these messages allows multiple perspectives from the supply chain to be represented in the final message being shared. Recent science on lobsters and the sustainability of the industry can be presented, as well as the narrative of the history and culture of harvesters, other viewpoints from the supply chain, and messages tailored to specific issues. The panelists also cautioned that public statements can place a spotlight on the industry with potential economic consequences, both positive and negative. It is therefore vital to craft a precise, accurate, and clear message. Social media platforms were also addressed and are of increasing value in reaching specific audiences. Two key messages came from this part of the session: (1) it is important to understand how to use these digital tools, but misusing them can cause more harm than good, and (2) know how to reach the target audiences. Media relations courses are being offered to various stakeholder groups throughout the industry and a number of participants at the meeting expressed interest in attending them. For example, the Maine Lobster Marketing Collaborative offers a half-day session in Maine.



Day 2. Session 2. Open Discussion

The fifth and final session of the 2020 Canada/U.S. Lobster Town Meeting was used as an opportunity for the audience to talk about issues not discussed during the scheduled sessions or to make additional comments or pose questions that had not been asked during the earlier sessions.. Much of the discussion consisted of American and Canadian representatives reiterating the importance of both countries complying with North Atlantic right whale management plans because not doing so would threaten a trade closure implemented from the US side.

One attendee asked if Canada had considered adopting a more dynamic lobstering season that responds to temperature induced changes in the timing of the shed. One of the Canadian attendees explained that an attempt at dynamic seasons based on five years of environmental data had been made in the past; however, the subsequent year did not follow the predicted pattern and the fishing season was not successful. It was noted that the timing of the molt can shift slightly, but the timing between the end of the spring season and beginning of the fall season is a critical time for spawning and a shift in the lobstering seasons could disturb spawning.

Overall, there was strong agreement about the need for more open communication on these topics between the U.S. and Canadian interests.

The session concluded with suggestions for next year's themes. They included sessions on the social and economic vulnerability of the lobster industry, leadership development within the industry, and meeting accessibility for others, especially young people. On the US side, a topic of growing interest is potential conflict between the lobster fishery and the wind energy industry.

Lobster Town Meeting Themes

Four key themes were emphasized during the Lobster Town Meeting: (1) the importance of collaboration, (2) diversity and quality within the supply chain, (3) the need for fleet modernization and industry incentives, and (4) risk management to protect the fishery and its markets.

1: Importance of lobster industry collaboration

The first theme examined narratives of industry cooperation: social cohesion, unified messaging, and the cultivation of transnational trust-building. Many attendees underscored the importance of working together to support industry success by using this meeting as a platform for communicating shared values. The overlap between social and natural systems included discussions related to cooperative values, fishing heritage, industry representation, layers of social responsibility, providing visibility to the industry, quality assurance, and the importance of cultivating trust when multiple players rely on partnerships to achieve economic stability.

Highlighted in these discussions was the need for both the United States and Canada to provide a high-quality product at all levels of the lobster industry supply chain. This included the fishers implementing proper holding and handling of lobsters, and the dealers and processors providing consistent high-quality products to their buyers. Considering the cooperation between Canada and the United States in the global lobster market, an emphasis on providing the highest quality product at each stage of the lobster industry supply chain is an important step in elevating the global lobster brand. The message being put forth was not one of competition between the lobster markets in the United States and Canada, but rather between lobster and the other proteins competing for consumer attention. While some attendees expressed the belief that there will always be a market for lobster (even lower quality lobster), there was a general consensus that producing a higher quality product would be in the industry's best interest in order to ensure that buyers would choose lobster over other protein options on the market.

This focus on international collaboration was also evident in the North Atlantic right whale discussions. Woven into these discussions was the need for improved communication between the two nations. Participants expressed a need for more comprehensive dialogue on the issues surrounding right whales, both in order to protect the image of the lobster fishery and to minimize the risk of a fishery shut down. Both sides recognized that a shutdown of the fishery at any scale in either nation would be devastating to fishing communities. Collaboration between the two countries could help ensure that they reach the same conclusion regarding the sources of and how to mitigate right whale mortality. Once the threats have been identified, management can be jointly implemented to address the factors threatening the right whale population.

Lobster Supply Chain



Theme 2: Intra-supply chain diversity and quality

The second theme highlighted issues related to tensions that a multi-dimensional lobster supply chain can create among different stakeholder groups. The United States and Canadian lobster industries are diverse and complex. These characteristics may intensify as pressure from external drivers such as climate change and an increasingly globalized marketplace continue to change the industry. One participant noted that industry practices from the 1970's, small scale harvesters operating in rural coastal areas, may no longer coincide with current large-scale processing practices. The suite of challenges faced at different stages of the supply chain were not universally understood across different segments of the chain. In many cases one segment may marginalize or oversimplify challenges faced by others. The challenges and conflicts associated with the tension between groups within the supply-chain included failures and gaps in fundamental partnerships and communication.

The complexity of the supply chain can make it difficult for harvesters to identify the effectiveness of certain handling and fishing practices to ensure the quality that distributors require. However, these practices stem from the diversity of global demand for lobster products, ultimately contextualizing the process from trap to plate. However, there seemed to be limited communication between final distributors such as the supermarket or restaurant chain and the fishers that are the ultimate source of the product. The need for improved communication between the two parties was highlighted in several sessions. The proposed marketing techniques centered on this need for improved industrial communication related to the diversity within the supply chain. Harvesters raised concerns over identifying the return on investment of complex global marketing strategies and the validity of processors dictating handling practices. This theme highlights the conflicts that exist between the different actors in the supply chain that make collaboration and production of a unified message so challenging, and the need to address this challenge so acute. While both U.S. and Canadian parties agree that sustainability is key to continued success, the definition of that term is debated.

The tension within the lobster industry was particularly evident in the right whale discussions. The marketing sector argued that preventing right whale encounters and harvesting lobster below Maximum Sustainable Yield (MSY) is paramount to differentiating the end product as a sustainable seafood. However, fishermen would contend that there is a deeply social aspect to that goal. Harvesters argued that continuing to fish in a way that contributes to quality of life and embraces the varied regional traditions of lobstering are just as important. Amongst the different actors in the supply chain there was much finger-pointing regarding accountability for right whale conservation. Additionally, there were concerns regarding where the benefits from these changes would fall in the supply chain. Discussion centered around how all parties in the supply chain – from harvester to end consumer could and should bear some of the costs associated with right whale protection measures. Although the groups within the supply chain had differing opinions about how to handle right whale conservation, it was unanimously agreed that coordinated efforts would be essential to the prosperity of the lobster industry in both the United States and Canada.

Theme 3: Incentives and modernization

The third theme focused on incentives and modernization as a key to sustaining the lobster industry. A key message during the meeting was that incentives and modernization provide a pathway forward for improving product quality. Specifically, there was considerable discussion about the benefits of creating transparency in the supply chain and holding individual harvesters accountable for high rates of lobster mortality. At all levels of the supply chain there was a desire to improve product quality. Despite the challenges associated with the supply chain discussed in Theme 2, there was a general consensus that a higher-quality product would benefit all stakeholders. Processors agreed that improved quality was required for lobster to continue to compete in a global market with a growing list of consumer demands. They presented the image of improved quality as a financial win-win for both processors and harvesters, attainable with enhanced handling and harvester buy-in. Quality was framed simply: actors either care about quality, or they do not. Knowing how to maximize quality is a challenge and there are many ways to do it. Although standard methods to improve quality exist, many aspects of the handling process are based on season and stage of the lobster at harvest. Disagreements regarding the best equipment and techniques—be it sprinklers on crates or on-vessel holding tanks—surfaced throughout the discussion. The industry is so diverse in scale and geography that there is no single cure-all for poor quality. Incentive systems for harvesters to maintain high quality are limited to a few processors and it was unclear how individual lobstermen and co-ops financially benefited from raising quality. Although processors arguably stand to benefit most from improved quality in the industry's current business model, much of the onus of change was placed with the harvesters.

The focus on industry modernization was particularly evident in talks about successful marketing strategies for the lobster industry in an evolving market. Ideas about the best ways to brand and market lobster varied between the harvesting, distributing, and marketing sectors of the industry. There was an overall agreement on the need for a unified message within the lobster industry that emphasizes sustainability of the fishery, and the high quality of the product. While there was universal consensus that it would be economically beneficial to create one narrative that promotes the product as a generalized brand, there was no consensus as to what that message needed to be. For the unified message of a high-quality product to be successful there needs to be coordination across actors at all levels of the supply chain, but this can be challenging because, for example, there is some conflict in messaging about what constitutes high quality. For the domestic market in the US, dealers tout soft shell lobsters; whereas in Canada, dealers tout the merits of hard shell lobsters. Participants expressed concerns related to a lack of coordination between lobster dealers and harvesters. A lack of coordination between these two parties was highlighted as a significant barrier to effective management and marketing. Incentives and mechanisms to increase communication to buyers occupied a central role in conversations about modernizing and improving the lobster industry's image.

Theme 4: Risk management in a time of rapid change

The fourth theme that emerged during the meeting was about risk management, or how the industry is managing potential threats, in the face of competition with other markets, geopolitical tensions, changing environmental conditions, and conflict with protected marine resources. The meeting underscored the importance of science-based decision-making and evident during discussions about right whale migration paths, defining sustainability messaging, and branding for the lobster industry.

There was a considerable amount of back-and-forth about the balance between economic and ecological concerns throughout the sessions. Many felt that regulations were implemented without sufficient input from fishermen and had adverse impact on the fishing industry. Some participants viewed certain measures as unfair. There was a general consensus that fishermen should be consulted more about policy decisions affecting their industry as well as the science on such issues as right whales and climate change. Fishermen also felt like they should have more input on how these issues are subsequently communicated to the public, because media often portrays the industry unfairly. For example, in discussing right whale issues, representatives of both the US and Canada made it clear that they have continued to invest in research and management to conserve whales, but that the media makes it seem like the industry is anti-whale. Lobster fishers were also quick to note that there were numerous other maritime activities besides lobstering that cause whale injuries and deaths (i.e., cruise and cargo ship strikes). The absence of these other parties at the right whale take reduction meetings was viewed as a barrier to the discussion.

Marketing in the rapidly globalizing industry is seen as a particular challenge as the industry is very diverse in scale and spans a large geographic area. While a higher-quality product was viewed as universally desirable, there was no consensus on how to reach this goal or what would constitute a high-quality product. To complicate matters, the direct benefits of improved quality to harvesters were perceived as minimal to many participants. As noted earlier, incentive systems are limited to a few processors and it was unclear how individual harvesters and co-ops financially benefited from raising quality. Although processors arguably stand to see the most immediate benefit from improved quality, much of the onus of change was placed with the harvesters.

Despite the challenge of reaching consensus in the face of rapid change, there was a clear and positive undertone of inherent transnational responsibility of the entire lobster industry to support the environment, the market, and the maritime lifestyle.

Topics of interest for future research or discussion

Table 1. Areas of research interest identified by Lobster Town Meeting participants.

Environmentally sustainable materials in the lobster industry

Improved trap recovery

Return on investment of industry-wide marketing and branding

Socioeconomic well-being of the lobster industry

Lobster quality in the supply chain

Effectiveness of marketing tactics

Socioeconomic impact of the Marine Mammal Protection Act

Lobster pricing through the supply chain

Cross-sector communication and collaboration

Bait supply, including the social response to alternatives

Interplay between the lobster industry and aquaculture

Land-based processing, labor, and quality issues

Impact of wind energy on the lobster fishery