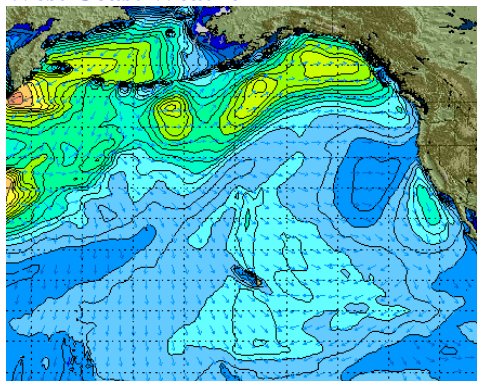




West Coast Weather



Monday wave model from stormsurfing.com

Season Openers & Holidays

December 25th – Christmas

December 31st – New Year's Eve

Bottom Fish

This past week, most of the coastline from Nor Cal to Canada, through SE Alaska has been hit with 50-60 knot winds, and with high winds come high seas. Ever watch the Discovery Channel and see what these boats go through for winter time fishing? 'Tis the season...

Alaska: Pacific Cods are opening in Alaska soon. Contact your fresh rep for ad business from now through April. Limited availability currently, but main season opens January 1st and will continue almost daily until the Spring.

Canada: Rockfish /Snapper /Soles and some Cods are coming from the BC coast. Our fishermen are pushing through tough weather to bring you wild healthy fresh fish so keep in contact with your rep daily. Prices are rising in the market so book your promotions before it is too late.

Lower 48: Dover Sole and Black Cod is what is remaining for most boats to catch before their quotas reset January 1st. Occasional mid-water fishing out of Northern Washington for Cod and Rockfish also expected in-between storm systems.

Wild Salmon

Kings – Fresh king salmon will be scarce through the winter months due to weather hampering the only fishery in effect = Alaska's winter troll king fishery. This quota fishery typically peaks in late March or early April with landings sporadic until then. Although fresh kings will be difficult to find, excellent frozen options are available: Frozen H&G Klamath River Kings, FAS (Frozen At Sea) Troll Kings, and Vac Pac PBO King Fillets offer great options. Ask your local sales rep for assistance guiding you to the best option.

Sockeyes – Our next fresh opportunity on Sockeyes kicks off with the infamous Copper River opener usually in mid-May. As with Kings, great frozen options are available. Whole H&G, Vac Pac PBO Fillets and Vac Pac portion sized offering are available.

Cohos – We continue to see a few late season Cohos coming from Puget Sound, Klickitat River (Upper Columbia River), and Wilapa Bay. Prices are high due to supply and demand, but these do offer a nice late season fresh wild option. Frozen options are limited on Coho as Alaska had another disappointing season with most of the catch going to the fresh market. Some frozen Vac Pac sides are available upon request.

Ketas – Nice quality fresh Ketas or Chums continue to be harvested from Puget Sound. This fishery is winding down however, and quality will lessen as many of the fish will turn dark and their flesh will begin to pale out. Plenty of frozen options are available with one of the more desirable options being the fabled Yukon River Vac Pac Keta Fillet.

Pinks – Fresh season will begin in PWS (Prince William Sound) in June. Frozen H&G and fillets are also available

Atlantic Salmon

Supply remains very consistent and steady. The downward trend we have been seeing the past 12 months appears to have hit bottom and has ticked up slightly with a firming tone. With Lent right around the corner, this strengthening is expected to

continue; however no major increases are expected, just a stabilizing of the previously unsettled market. Chilean fish is the best value and will remain the best value moving forward.

Steelhead

NW Steelhead from Pacific Seafood's site at Okanogan, WA, continues to produce the finest Steelhead around. The fish are harvested and trucked directly to our facility in Clackamas, OR the same day to be gutted. They are then shipped throughout the US for customers' enjoyment. The Steelhead are fed natural feed with no antibiotics and have a reduced carbon footprint. The fillets are rich in Omega 3 oils, flavorful and are available year around.

Dungeness Crab

The Coastal season has been delayed at least until December 15th. In certain areas, northern Oregon and Northern California, the crabs were not full enough to get the season started. The crabs north of California are filling out and should be ready to go by the 15th. There are a couple of more tests that have to occur, but it looks good. Northern California looks to be very low meat fill and will not be ready prior to January.

The other issue is the change in market value on all crab species. Last year the fleet received the highest average. King and Snow crab prices have dropped considerably since last year, and the section market is soft. There are price negotiations between the processors and the fishing fleet this week so we will soon know what the difference is in the minds of the two sectors. The San Francisco season has not produced too much crab, and sales are sluggish at the current vessel price level even though there is not much product to feed the market.





Halibut

The season has been over for three weeks now. The frozen market is somewhat stable. The IPHC met last week to discuss the current state of the Halibut biomass. There are plenty of smaller fish, and these fish are not growing at the same rate that they did a few years ago. This trend was also discussed last year. It will take years to determine the causes and long term outcome, but the scientists propose an additional cut in next seasons quota, which will be set at next January's IPHC meeting. The proposal from the biologists would trim the quota approximately 30%. There was also discussion on dropping the minimum length of marketable halibut which might move the sizing down to a 7 lb H&G fish, give or take. This has not been finalized as well.

Snow Crab

Snow Crab continues to be the value crab, although inventories of larger sizes are tight pushing prices on 8+ sections. 5/8's are still readily available in both Canadian and Russian packs. Snow crab quality is a real grab bag so as you buy, be aware of off color shells, low meat content etc... as these are typically discounted off of the #1 product.

King Crab

The Alaskan and Russian Red King crab seasons are both complete. The Alaska quota was virtually unchanged 7.8 million pounds of live crab. Russian Barents Sea also remained unchanged at 9.9 million pounds. Shipments to Japan of the Alaskan were completed in early November and the balance of the crab is making its way to the US market. Whole sales prices adjusted downward 20% year on year. Market prices for finished packs have adjusted down accordingly and have found new levels for 2012/2013 sales. Russian Bering Sea crab season is wrapping up and shipments are coming to market. Market prices here have also adjusted over the last few months and movement has been good on these smaller size legs, keeping inventories tight. Expect smaller sizes to stay stable in the coming

months, as next round of fishing will not begin until late winter early spring.

Shrimpmeat

The West Coast Cold Water Shrimp Season concluded end of October. It was another excellent year of production. Cooked and Peeled Shrimp are the best deal going in a cooked ready to eat item. This sweet, tasty shrimp, already cooked and ready to eat, continues to grow its market share across our country as newcomers taste and come back for more. We are packing and filling firm orders now. Please let us know what you need.

Chilean Sea Bass

The fishing for sustainable Patagonian Toothfish is a year round fishery. The MSC fishery is open from May - August and is for the area around South Georgian Island. However, all harvests of Patagonian Toothfish are at a low point of the season and will probably continue through the next 4-5 months, and then harvests should increase. The markets for the next few months will firm up, and depending on demand, have the possibility to strengthen. Smaller Patagonian fish under 10KG are in demand in Asia, and with the coming of the Chinese New Year in February, this will also contribute to making odds greater for some type of increase in the marketplace. Larger fish of over 20 KG should see very little issues with supply or cost increases. Harvests in the Ross in Antarctica will begin soon, and is the origin of the specie Mawzoni. There should be some fish from that harvest in the marketplace in March or April. Any Mawzoni out in the market place at this time is from last year's harvest. Value added Chilean Sea Bass items, such as portions and fillets, are holding firm in market costs and there are no increases foreseen in the near future.

In Shell Oysters

Shucked oyster supply availability should be good and quality is great. The meat tends to be firmer and no spawning.

- Kumiai Oyster
- Fanny Bay Petite – Vancouver Is.

- Fanny Bay X-Small - Vancouver Is.
- Windy Points X - Small-Samish Bay
- Pacific Oyster 3-4" - Hood Canal, WA
- Totten Inlet X-Small - Totten Inlet
- Kumomoto - Humbolt Bay, CA
- Penn Cove Select - Samish Bay, WA
- Kusshi-Stellar Bay - B.C. Canada
- BBQ's – 4-8" – Hood Canal, WA
- Baynes Sound 2-3" – B.C. Canada
- Dabob Bay – Hood Canal, WA
- Pacific 2-3" Clean - Hood Canal, WA
- Shigoku Petite –Willapa Bay, WA
- Pressure Shucked-Willapa Bay, WA



Mussels

We currently have 3 varieties of mussels:
Penn Cove Mussels - Plenty of product, readily available, these have the majority of the beard removed.

Taylor Mediterranean Mussels -

Meat fill has been excellent. Both medium and large sizes available.

Whales Cove Mediterranean -

Our favorite mussels from Mexico. A little larger than local mussels but they are an excellent morsel of meat.



Squid

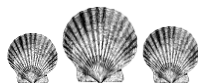
November through March are the coldest months in China. Catch will decline over the next weeks to a point where the boats will stop going out. Historically, the catch will pick up again in Feb/March (dependent upon the ocean temperature). The catch in October and November was decent and as such, we expect that price will be relatively steady in the coming four months.

Scallops

The New England Fishery Management Council adopted Framework 24 in November 2012 setting the quota for the scallop fishery for 2013. Although we do not yet have the definitive quota by area,



we know that there will be two significant changes in 2013. One: the Closed Area trips will be reduced from the traditional 4 or 5 trips to only 2 Closed Area trips. Two: each trip will only be 13,000 lbs as opposed to the traditional 18,000 lbs permitted since the plan was put in place. US Landings are expected to decline by approximately 30% in 2013. We do expect landings to normalize again by 2015. NOAA tracks landings by calendar year, although the season starts on March 1st and vessels can carry forward up to 10 days at sea. Therefore there could be a transfer of weight once the 2012 actual figures are released in February.



Prawns

Thailand – Early Mortality Syndrome (EMS) is hitting many shrimp farms this year. Production is down on smaller (41/50 down) sizes. Additionally, Thailand exports to Vietnam and China have been growing. Prices continue to be firm in Thailand.

Indonesia – Shrimp mortality and rising cost are an issue with Indonesia as well. The Indonesian government is expected to significantly increase minimum wage requirements. Furthermore, packers are reporting to us that their printing and shipping costs are expected to increase by 2013. Smaller sizes are short because packers are electing to allow the shrimp to grow out to the larger more profitable sizes. Indonesia is warning us to expect higher prices for 2013.

Vietnam – China is buying shrimp from Vietnam now for arrival in January and February for the Chinese New Year holidays. Further out, the Japanese and Koreans are stepping in for their purchases for February and March deliveries. Not much product will be shipped to the U.S. for a while.

Ecuador - Production is normal, however a lot of shrimp is being exported to China in Head-on form.

Tilapia

Raw material is not as sufficient as last year. With Lent orders in to packers, there is no trend for prices dropping when we are heading into the peak consumption season.

Swai

Pangasius market continues to be very soft. Vietnam is reporting increase in raw material costs but so far there is no effect on the US market. This is due mainly to extremely high inventory levels in both the U.S. and Vietnam. Prices will remain low until increased demand breaks the log jam. This may not occur until February.

North Atlantic

The first days of production, the landings were successful in South West Nova Scotia (better than last year). Prices seem to be settling. Should the landings continue at this rate, there is a good chance of prices softening. Typically this is a 4-5 week season with not much more until spring.

Beef

Boxed beef cutout values higher on moderate to fairly good demand and moderate to heavy offerings. Packers worked to cram in the majority of their sales by early Wednesday in preparation for the holiday weekend. Buyers seemed eager to buy it up, with the rib primal in particular continuing to climb steadily in price. The chuck primal also saw moderate gains but mild weakness was evident in the round primal. Loin cuts were mostly steady to firm for the week but some weakness in individual cuts was noted. Forward sales were fairly active for the shortened week as well, with Choice briskets and Select Chuck rolls seeing the most movement. Beef trimmings struggled with demand with sluggish sales but managed to hold mostly steady for the week.

Pork

Retail pork items saw increased interest this trading period as prices reached levels that were agreeable to buyers. Bone-in and boneless loins bounced slightly higher late

week as buyers used loin meat as an option to feature in their retail cases. Trading levels for butts continued to be mostly steady, even though price spreads widened as packers who were tight on product continued to try to press the market higher. Prices for spareribs were steady to firm due to a slight bounce back in demand for this item. Fresh hams started out the week steady, but by late week processors were thinking of Christmas and with packers sold tight on product, fresh hams closed the week out higher. Much is the same with the trimming complex as packers positioned themselves so they could come out of the holiday week in a seller's market. This pushed prices higher, led mainly by processing and food service demand. Seedless bellies continued their downhill slide as packers saw foodservice demand begin to diminish. All the while, some buyers are trying to start to put bellies in the freezer, but were asking lower prices in order to do so.

Poultry

Whole broiler/fryer prices are steady to firm in the West, firm to higher in the East and firm in the Midwest. Final majority prices are up 3 cents in the East, higher in the Midwest and unchanged in the West when compared to last week prices. Offerings are clearing well for current trade needs. Retail and food service demand is light to good, mostly moderate following the holiday. Floor stocks are mixed. Market activity is moderate to active. In the parts structure, movement is light to moderate entering the weekend. Prices are trending mostly steady on part items. Offerings are light to moderate. Market activity for parts is slow to moderate. In production areas, live supplies are moderate; weights are mixed, but reported as mostly desirable.