

future of fish

Eight Opportunity Areas

The best places to dig in

1. Broaden the consumer target

The Landscape

While the sleeping giant of consumer demand might, indeed, drive a broad market for sustainable fish, if the ranks of the conscious consumer are confined to white, upper-middle-class households that patronize high-end retailers or dine at white tablecloth restaurants, then change will come very slowly, if at all. The failure of campaigns to strategically target consumers outside this group limits movement toward a broader audience. Who else buys or dines on seafood? Outside the upper-income diners, there is a vast market that is already consuming sustainable fish at McDonald's, Red Lobster, Olive Garden, Longhorn Steakhouse, and Capital Grille. They just may not know it. These chains don't always promote the sourcing of their products. And then there's the developing world. The majority of seafood consumption occurs in Asia, and consumption is on the rise in Africa and South America. These billions of consumers have scarcely been engaged in the conversation about sustainability.

The Push

Making fish a topic of conversation in at least every home that consumes fish could be a powerful way to drive change from the tail end of the supply chain. Organics and Fair Trade provide some models of how to move from fringe to fashion. The green movement also seems to be on an accelerating trajectory of scale and power. Al Gore's movie, *An Inconvenient Truth*, undoubtedly increased sales of green products. Additional factors drove that change, but the effect of global warming's becoming a dinner-table conversation topic certainly changed consumer behavior. Likewise, if sustainable fish can get broad word-of-mouth exposure, the receptivity of policymakers will shift, as will buying patterns.

The Pushback

Making a bet on a guerrilla marketing campaign to become viral is a risky proposition, and buying the eyeballs to ensure reach is an expensive one. Scaling this sort of change takes compelling messaging, accurate targeting, flawless execution—and lots of cash.

THE CHALLENGE

Reach a new, broader audience with the message of sustainability in both developed and developing worlds

future of fish

The Promise

Inventing an approach that goes beyond pedestrian, one-off promotion stunts or costly media campaigns—and making it affordable—is a tall order. But it can be done. And the resulting effect on policy and the consumer mindset could be immense. While it's difficult to promise a consumer revolution, it is easy to predict that without a radical shift in messaging, sustainable fish will remain a marginal issue in consumer consciousness.

2. Shift branding/messaging away from “sustainability”

The Landscape

Designed by scientists and implemented by nonprofits: that's the problem with current consumer campaigns that use “sustainability” as their value proposition. Sustainability itself is a branding nightmare: it means nothing on its own, doesn't have a clear, unified definition among those who already care, doesn't roll off the tongue, and is complex enough to saddle a messaging campaign with a challenge akin to describing quantum physics on the side panel of a cereal box. Further complicating matters, “sustainability” has no recognized brand to carry the message into the marketplace. There's a clear opportunity to leapfrog the current lexicon and create a new way of thinking and speaking about buying and eating fish that isn't harvested by brutalizing the environment.

The Push

First, leaving “sustainability” behind would create real traction for a consumer initiative based on the way people think and buy, not on the way scientists categorize and explain. Buyers would understand and be able to feel good about making a better choice. Consumers naturally understand choices that are framed as practices to support or good choices of what to eat. It is harder to get them to understand the need to embrace a system of management that promotes the fuzzy concept of sustainability. Second, the move would end the infighting among NGOs over the perfect definition of sustainability. If the term is supplanted by something better, less energy will go into the fight to be right.

The Pushback

“Sustainability” will not go away quietly. Without a serious brand to build messaging around, anchoring the right choice is nearly impossible. Additionally, no single term will capture it all. If we abandon sustainability it may be replaced by a proliferating set of ill-defined terms.

THE CHALLENGE

Reach consumers with a sophisticated (yet clear) marketing message about sustainability without using the term “sustainability”

future of fish

The Promise

Jettisoning the word “sustainability” may not please the scientists and conservationists who fight over the definition, but it could prove pivotal in the campaign to win the attention of the public.

3. Deal with usable bycatch

The Landscape

Each year fisheries toss more than 20 million tons of bycatch overboard. Much of this fish has or could have market value. Many fish are discarded due to “high grading,” the practice of retaining only the highest-quality fish (size, sex, species) to increase value of the catch. Others are thrown overboard because, even though valuable on the market, the fishermen do not have a permit for those species. These practices waste fish, deplete stocks by killing juveniles or adults of the wrong sex or species, and undermine scientific management by underreporting catch. There has been minimal effort and limited success with rethinking what happens to edible, legal bycatch, in part because of the high cost of monitoring bycatch and the legitimate worry that valuing bycatch of illegally caught species might either encourage fishing of these species or create a black market and thus reverse the incentives for reducing bycatch. The very complexity of navigating this challenge has probably prevented anyone from taking it on: it is beyond the purview of any one fishing co-op, or government or company. There are success stories, but they have been marked by favorable geography and weak oversight, allowing individual entrepreneurs to create a small market. Nowhere has an initiative of this sort scaled.

The Push

Many models exist for the repurposing and valuing of waste, whether that’s using sawdust from furniture factories to make paper or recycled plastic bottles to make fleece pullovers. Imagine how some ideas and technologies already in use on the water might be brought to bear against this problem. Fish processing boats might serve as a bycatch market, allowing fishermen to trade and sell their bycatch. Fishing vessels might record their catch in electronic logbooks feeding both scientific and commercial databases. Fishermen could use electronic markets akin to the NASDAQ or eBay or Craigslist to buy and sell their nontarget catch. Enabled by a freer trading environment, new markets for fish now being wasted could emerge and quickly grow to scale.

The Pushback

The current logistics of and regulatory constraints on bycatch make accomplishing this an extremely complex task. Even a simple experiment in this area would require regulatory flexibility, the elaborate coordination and swapping of permits, or a fundamental policy shift. On-the-boat changes to sorting and

THE CHALLENGE

Invent a system for preventing the waste of tons of bycatch without creating a black market

future of fish

preserving bycatch will drive up time, space, and labor costs. The efficiency of putting nontarget species catch on the market could drive down price. Returning to port to deliver bycatch is not currently cost-effective, but at-sea collection of bycatch can also be costly and weather-dependent.

The Promise

Rationalizing bycatch will allow fishermen to get more money for the same amount of work, decrease fuel costs and pressure on the water, and increase the availability of edible fish (which might be sold in an after-market catering to low-income communities). It will increase the accuracy of scientific data. Inventing a solution that respects current quota systems, feasibly navigates the logistics of fishermen at sea, and provides the right mix of motivations and disincentives is a perfect systems-redesign challenge.

4. Target the investor community

The Landscape

Investing in a new venture is always a risky business. At a time of global economic crises, dwindling fish stocks, consolidating businesses, and powerful foreign competition, investing in new fisheries-related business models can seem downright foolish. And yet there are vast capital pools beyond the traditional community of foundations and NGOs that, if invited to participate in familiar ways (market analysis, capitalization plans, revenue projections, profit expectations, exit strategies), would do so. Already, permit banking, the community-based purchasing and management of permanent fishing rights (an asset proved to increase in value over time), has provided a means for investors who otherwise never would have considered fisheries-related businesses to enter this sector and catalyze change. Right now, the sustainable fishing movement is largely driven by private foundations and NGOs, with the Packard Foundation leading the way. What would sustainable fishing look like if Wall Street were to join the movement? In much the same way that CalPers, the California pension fund for state employees, has spurred investment in green technologies, initiatives could be developed and packaged to seed new business initiatives that support sustainability.

The Push

Getting to scale takes resources—more resources than we can ever hope to generate given the current set of players. There are many ways to responsibly include the investment community. The issues around waste and living conditions in the developing world, along with concerns about marine life, could spur interest from some of the large, religion-based pension funds. Or, creating real business plans could attract funds from Green Century and other eco-minded mutual funds to launch or develop new ventures. Building on the concern about climate change and other ocean-related issues relevant to that topic (e.g., acidification) might prove to be an easy way to broaden the appeal.

THE CHALLENGE

Create structures that allow capital pools to participate directly in fisheries-related solutions

future of fish

The Pushback

Wall Street investors will ignore or twist science to further their profits as they have for decades in mining, oil, and shipping. Even for responsible investors, creating awareness—let alone investment opportunities around sustainable fishing—faces some of the same challenges that current consumer awareness campaigns face. Finally, more opportunities exist for so-called blended-value investors—those who want social and financial return on their dollars—than there are investors in that category. These investors are hard to come by in a down market.

The Promise

Solutions for sustainability that are packaged in a way that the investment community can support would quickly lead to scalable and powerful businesses that have sustainability as part of their operating paradigm.

5. Focus on the processing

The Landscape

Little energy has been expended looking at, or trying to drive the sustainability of, seafood processors. Additionally, while some processing plants still operate in North America, much of the processing industry has moved to the developing world. Because processors buy fish directly from fishermen and few locations exist where this can happen, fishermen are often at the mercy of processors in setting prices. Huge amounts of fuel and time are spent shipping fish from the developed world to the developing world, where the wage differential still offsets the cost but not the carbon footprint generated by this transport. In short, there is a significant opportunity to demonstrate how processors can be a force for change.

The Push

If fishing co-ops opened, owned, and operated their own processing plants, the power dynamic in the supply chain would shift to give fishermen more control over supply and prices. Adjustments to the current inefficiencies of processing could make plants in the developed world more competitive. For instance, plants could be set up as biodynamic closed cycles, using effluents and producing usable waste (e.g., fish guts as organic fertilizer). With many processors poised to go under, it might be exactly the right time to cheaply acquire a plant to reinvent.

The Pushback

Processing is a sustainability-agnostic part of the supply chain. Whether fish are caught sustainably or not generally has no impact on the methods of processing. Any improvements to processing procedures would probably benefit

THE CHALLENGE

Develop processing solutions that drive sustainability

future of fish

sustainable and unsustainably caught fish alike. Further, the costs of building new plants or retooling existing plants is unknown. Which communities would be receptive to have one sited there? Which fishing co-ops would be sophisticated enough to operate such a facility? How long would it take for this type of endeavor to become profitable? Given the economic downturn, how willing would investors be to support such a venture?

The Promise

The shift that cooperatively owned, local processors might represent cannot be underestimated. Local processing plants would provide locally sourced food for retailers and restaurants, employment in fishing communities, a higher level on the value chain for fishermen themselves, and a smaller carbon footprint for the industry.

6. Align strategies with business opportunities

The Landscape

The primary approach NGOs have used in their corporate outreach programs focuses on making the business case for sustainability, either with the carrot (cost savings; delivery of higher-quality fish; secure long-term buyer relationships) or the stick (shaming through bad publicity and rating systems). They have not explored how initiatives that are good for the businesses might align with sustainability practices. It's likely that an initiative that is primarily embarked on to save companies money (in transportation, packaging, and preservation methods) can become a strategy on which sustainable practices piggyback.

The Push

Imagine that a packaging innovation can shave 30 percent off the supplier's cost of shipping, but that the packaging design is available only for certified fish. Imagine that a buying pool for fuel is established for distributors to join—if they are working toward sustainability. Drill down into the business to figure out where reducible costs exist and where benefit can be delivered, and then tie that to sustainability. Ideally, this results in the launch of a new, profitable business that can serve the field. If we can make the argument to retailers in a profit language they understand, scaling quickly becomes inevitable.

The Pushback

Picking a part of the current business process that is ripest for a transformative change, not just an incremental one, will be the first challenge. The second challenge, naturally, will be tying the sustainable behavior to the model. If the link is artificial or too costly, it will fail. Finally, protecting the benefit exclusively for sustainably caught fish will be a difficult task. Business process improvements have a way of spreading throughout the chain and thus will reduce the value proposition for sustainably caught fish.

THE CHALLENGE

Develop attractive business solutions that can allow sustainable behaviors to piggyback

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The Promise

The uphill battle to get companies to incorporate green business practices flattened when the cost savings on energy became clear. Wherever an economic motivator is coupled to a behavior change, momentum builds of its own accord.

7. Shift the mindset of the players

The Landscape

The chasm between the mindsets of the NGO/scientist community and the business community constrains problem solving around sustainable fishing. The players involved in successes always have appreciation for, deep knowledge of, and respect for the decision-making framework of the other. They are hybrid thinkers. These are scientists like Jim Cannon, who has spent enough time on fishing boats to understand the motivations and the business constraints that fishermen face. Or Carrie Brownstein, who, although working in the retail end of the chain, has a science background. Such folks are rare. Designing a systemic way to populate the field with more hybrid thinkers is the challenge. While several groups exist to connect businesspeople to general environmental or social issues (e.g., Net Impact, the Business Alliance for Local Living Economies, and Business for Social Responsibility), there are no platforms or forums in which scientists and business types are encouraged to collaborate or learn from one another.

The Push

Programs of “secondment” can be powerful ways to allow people from one sector to intern in another. Helene York (of Bon Appétit) and Carrie Brownstein (of Whole Foods) are examples of sustainability experts who have crossed over into business, proving their worth, and then becoming incorporated as a permanent position. These successful experiments underscore the potential of designing something much broader and systemic: what if a similar sort of secondment were a requirement of a marine biology degree? Or MBA programs offered marine biology immersion for a term? What if an immersive academy formed to bring fishermen, NGOs, and business leaders together for intermittent one-week sessions over two years to inculcate them with empathy for what drives their counterparts?

The Pushback

Designing a program with enough depth that it ensures a real shift in mindset, with enough ease (in terms of both access and commitment), and within a reasonable time is extremely difficult. Relying on the infrastructure of existing educational institutions will take a long time and reduce scale. Finding a way to incorporate hybrid thinking and experiences into the career trajectory of those already working on this issue is paramount. Where would the time come from?

THE CHALLENGE

Create more hybrid thinkers in the sustainable fishing sector

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The Promise

Change is created by people and their choices, not by abstract systems. If you create profound awareness of different perspectives in people, you deepen their capacity to effect change.

8. Develop systems that drive fisheries, suppliers, and retailers to engage in constant improvement of their practices

The Challenge

Create embedded technology and incremental ratings that allow for real-time, flexible interactions along the supply chain

The Landscape

While the NGOs argue over the “right” definition of sustainability, the businesses are building their own structures to rationalize how to behave and measure their impact on the ocean. A significant opportunity exists for shaping the initial design and implementation of these systems, as none have been widely adopted or integrated with other business process software. This opportunity has two aspects: First, standards must be created that support incremental change and that dovetail with the current needs of business. That might look like a ratings agency or analyst function for the field. Operating akin to a credit rating agency that responds dynamically to new information, a fisheries rating agency could upgrade or downgrade a fishery based on new science, calls with fishery stakeholders, changes in business processes, or changes out on the water. Second, technology must be adopted that will help these standards cascade along the entire supply chain. A nascent example of this type of approach is Jim Cannon’s work with Wal-Mart and McDonald’s, for which he is building software that tracks how much fish a buyer purchases from suppliers that are rated as to their sustainability. The simple rating system (A, B, C, D, with D indicating suppliers that don’t report sustainability information and A indicating an MSC-certified player) is potentially a meme-shifting way to embed a path of flexible, continuous improvement. These specific software and rating agency suggestions are merely ideas in a broader space of opportunity to shape new corporate standards and technology systems. Like the defining of MSC certification, this opportunity could be a powerful way of creating a framework that drives behavior.

The Push

To achieve market power, a system must be an immovable part of the business. Developing enterprise systems to collect, track, and disseminate data along the entire supply chain would embed sustainability into the business processes at the fishery, buying, processing, and retailing levels. An independent rating agency that allows fisheries, buyers, and retailers to report on their practices is

THE CHALLENGE

Create embedded technology and incremental ratings that allow for real-time, flexible interactions along the supply chain

future of fish

a path to both scale and power. Buying behavior could drive purchasing to the most sustainable suppliers. Purchasing data could be anonymously aggregated and used by nonprofits to create irrefutable business cases for fisheries, buyers, and retailers to change. The incentive for suppliers to report their practices, and move up in their rating, would be significant.

The Pushback

Complex, enterprise-wide systems are often at the root of both business operations and competitive advantage. Organizations are understandably protective of these systems, since change to them can be disruptive and costly. Finally, the ranking of suppliers will require an organization that is universally respected. Entering the realm of real business, with real power to influence detailed purchasing decisions, carries real liability.

The Promise

Creating standards and a technology platform to embed those criteria as part of the business process would be a powerful driver in corporate behavior. A software system could be distributed worldwide, and a respected ratings agency could lead a real-time, continual improvement in practices along the entire supply chain.