
Submitted by the Co-Chairs of the Economic Development Administration's Maine Marine Economy Roadmap Initiative (MMERI)

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WHAT IS THE INITIATIVE?

• Maine’s marine living resources (MLR) mainstay of the state’s economy
  • Cross-sector,
  • Industry-led
  • Strengthen commercial fishing and aquaculture

• Roadmap for economic growth
  • State, federal, private sector investment will stabilize, sustain, and grow Maine’s marine resource industries.
OVER ARCHING GOALS

• Provide support to sustain Maine’s marine resource businesses.

• Increase value of marine living resources from Maine’s coastal waters
  • Minimizes the carbon footprint of the marine resource sector
  • Increases competitiveness of Maine businesses
  • Maximizes resiliency and diversification.

• Support Maine’s coastal communities through preservation and improvement of working waterfronts.
LIST OF PRIORITIES

• National/Global market analysis to understand the changes to seafood distribution and consumption caused by the pandemic and verify present and future demand for Maine seafood.

• Analyze Maine’s current wild harvest and farm raised production and the capacity to meet the projected demands.

• Analyze the seafood transportation system/infrastructure to identify the needs and opportunities for reducing costs.

• Support and grow markets for seafood industry waste streams.

• Support R&D for value added seafood products and effective ways to promote increased consumption of Maine seafood.
LIST OF PRIORITIES

• As economic conditions improve, support new businesses starting up.

• Support and initiate workforce development programs that train people for the full range of post pandemic employment opportunities in marine resource businesses.

• Evaluate working waterfront and seafood industry infrastructure for ways to reduce operational costs through improvements in energy efficiency, as well as within sector and cross sector collaboration.

• Determine if other non-marine resource industries have infrastructure capacity that offers opportunities for beneficial co-location.

• Diversify and strengthen Maine’s rural coastal communities.
IMPACTS OF COVID-19

• Seafood sectors have been hard hit by pandemic
  • Loss of the service sector
  • Markets evaporated

• Values of products decreasing
  • Groundfish down 63%
  • Lobster down 60%
  • Scallops down 30% (~2.28% in Maine)
  • Elvers down 75%
  • Seaweed down 55%
  • Soft Shell Clams down 55%
  • Oysters down 35%

• MAA Survey Results
  • Lost sales, debt service, increased production costs
  • 42% have laid off employees
  • 84% delayed seasonal hiring
  • 38% reduced hours/salaries
  • 87% have lost contracts
  • 98% experienced price decline
  • 20% would survive 6 months of no sales.
IMPACTS OF COVID-19

• Other economic impacts
  • Ready Seafood spent more than $50,000 on COVID response
  • Luke’s Lobster reduced salary and lost 200 FTE

• The Most Severe Impacts are Yet to Come...
RECOMMENDATIONS: WORKFORCE

- Payroll support to extend federal PPP for at least 12 weeks, sales expected to remain low.
RECOMMENDATIONS: REGULATORY

• Support our Federal Delegation in their efforts to push for trade negotiations

• Support DMR’s plan to transition to remote lease hearings for aquaculture sites

• Aquaculturists facing space constraints- Support DMR in exploring options for increasing lease/LPA space to accommodate unsold crops

• DEP must accelerate the permitting of land-based aquaculture farms.
RECOMMENDATIONS: INFRASTRUCTURE

• The Portland Fish Pier Authority Board - Investments should be made in critical port infrastructure to benefit multiple sectors of Maine’s fishing and marine industries.
RECOMMENDATIONS: INFRASTRUCTURE

• Increase funding for Small Harbor Improvement Program
• Support construction of cold storage facilities.
• Recapitalize the Working Waterfront Access Protection Program
• Support the installation of 3-phase power to working waterfront
• Recapitalize the Maine Technology Asset Fund to evaluate and fund marine industry projects.
RECOMMENDATIONS: STIMULUS/INVESTMENT

• Rebate landing fees: disaster relief funding used to rebate costs- has been incredibly helpful in reducing overhead and is appreciated by fishermen.

• Rebate sector fees: effective way of mitigating the impacts of financial losses to groundfish businesses due to the pandemic
  • Subsidies for ice
RECOMMENDATIONS: INNOVATION

• Immediately support and fund the formation of a Maine Seafood Marketing Institute or Maine Seafood Marketing Council

• DECD, DMR and DACF should create a grant program designed to support seafood producers developing direct to consumer sales platforms.
THANK YOU

Manufacturing and Natural Resources-Based Industries
Subcommittee of the Governors Economic Recovery Committee

QUESTIONS?