Soy Aquaculture Alliance Webinar Series

PART 2

Beyond the Market: What Does the Market Actually Buy?

November 12 2:30 P.M. CST

SOY AQUACULTURE

ALLIANCE

SAA membership is open to public and private organizations in the soy, aquaculture and seafood, and affiliated industries. SAA's efforts are yielding new collaborations and funding domestic research and promotion for soybean use in aquaculture. We welcome your participation and membership.

MEMBERS

Illinois Soybean Association

Iowa Soybean Association

Kansas Soybean Commission

Kentucky Soybean Board

Michigan Soybean Committee

Minnesota Soybean Research & Promotion Council

Missouri Soybeans

Nebraska Soybean Board

Ohio Soybean Council

South Dakota Soybean Checkoff

tn soybean promotion board

Virginia Soybean Association

AFFILIATES

WISHH World Initiative for Soy in Human Health

USSEC U.S. Soybean Export Council

United Soybean Board

FACILITATORS



ERICA CURLES
SAA Program Manager



EASTON KUBOUSHEK
Interim Executive Director

PRESENTER



JOE KLAUS
Seafood Marketing Expert

PART 1

Where We Left Off…

You Didn't Build a RAS Farm.

You Built a Seafood Business.

America First Seafood Strategy

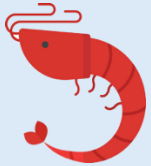
Strengthening domestic seafood production, processing, and infrastructure

What Will It Take to Compete?

What Market Are We Entering?

The U.S. Already Has One of the World's Largest Shrimp Markets

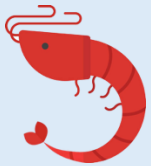
Imports



1.75 billion lbs.

Imported in 2025
(795,641 metric tons)

Domestic harvest



158.9 million lbs.

Landed in 2024,
Gulf and South Atlantic

Consumption



5.9 lbs.

Per person in 2025

Sources: Shrimp Insights (2025 imports), NOAA via SSA (2024 landings), NFI (2023 consumption)

Is There One U.S. Shrimp Market?

The Four Primary Market Channels



Foodservice

Restaurants

Healthcare

Education



Retail

Grocery

Seafood Markets

Ethnic Markets

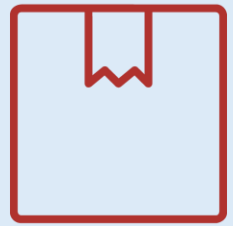


Wholesale

Importers

Distributors

Manufacturers



Club Stores

Costco

Sam’s Club

BJ’s

What Creates Value in Foodservice?

Patron	Restaurant	Processor
Great meal	Portion control	P&D
Great taste	Labor savings	EZ Peel
Consistency	Consistent sizing	Cooked
Value	Predictable food cost	Breaded
Experience	Reliable supply	Portion-controlled products

Restaurants don’t buy shrimp. They buy products that help them serve diners.

What Creates Value in Retail?

Shopper	Retailer	Processor
Easy dinner	Products that sell	Retail bags
Convenience	Strong margins	Shrimp rings
Quality	Efficient shelf space	Value packs
Confidence	Attractive packaging	Private label
Value	Inventory turnover	Ready-to-cook products



Retailers don’t buy shrimp. They buy products shoppers will purchase.

What Creates Value in Wholesale?

Distributor

Reliable supply

Broad assortment

Competitive pricing

Inventory efficiency

Customer service



Processor

Consistent specifications

Multiple product forms

Flexible pack sizes

Reliable production

Consistent quality

Wholesalers buy products that help them serve other businesses.

What Creates Value in Club Stores?

Member	Club	Processor
Value	High-volume products	Large-pack sizes
Family meals	Limited SKUs	Family packs
Convenience	Efficient merchandising	Shrimp rings
Entertaining	Strong value proposition	Cooked products

Club stores create value through volume, simplicity, and perceived value.

Key Takeaways

01

Different market channels create value differently.

02

Every commercial customer has different operational needs.

03

Those needs determine the products they buy.

04

Those products become commercial specifications.

What Does a Commercial Buyer Actually Buy?

Commercial Buyers Purchase Specifications

Selected requirements from a 13-page commercial specification

Requirement	Example from the supplied specification
Product form	Raw, peeled, needle-deveined, tail-off, IQF
Species	*Litopenaeus vannamei*
Size / count	21/25 HLSO corresponds to 26–30 peeled per lb
Pack configuration	10 × 1 kg bags per master case
Glaze	10–15%
Uniformity	≤ 1.3, with exceptions for the smallest sizes
Defect tolerances	Broken ≤ 5%; shell, tail and leg residues ≤ 3%
Packaging	Heat-sealed polyester / polyethylene bag
Labeling	Product, size, net weight, storage and trace code
Certification	ASC certification required
Food safety	Salmonella-negative in 25 g; storage at -18°C (0°F) or below

Anonymized and reformatted extract. One buyer's requirements; not a universal standard.

Key Takeaways

01

Commercial buyers purchase products built to specifications.

02

Specifications reflect commercial needs, not just product characteristics.

03

Different customers require different specifications.

Who Creates the Products the Market Buys?

One Shrimp. Many Commercial Products.

Retail

Retail bag
Shrimp ring
Private label
Value pack



Foodservice

P&D
EZ Peel
Breaded
Cooked

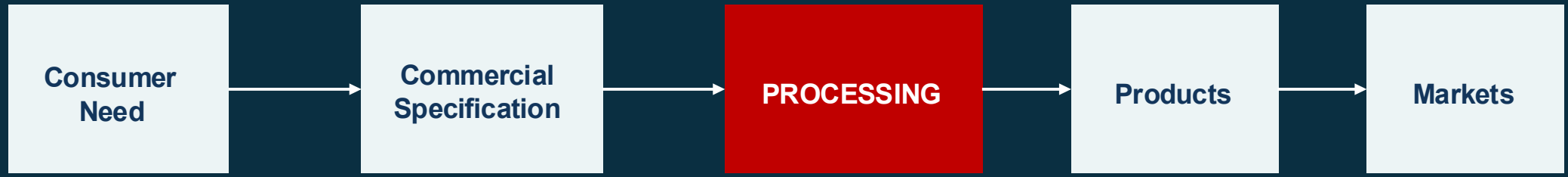
Industrial / Ingredient

Skewers
Marinated
Ready-to-cook
Ready-to-eat

Fresh

Live
Fresh HOSO
Fresh HLSO

Processing Creates Products



Key Takeaways

01

Farms produce a wholesome, high-quality raw material.

02

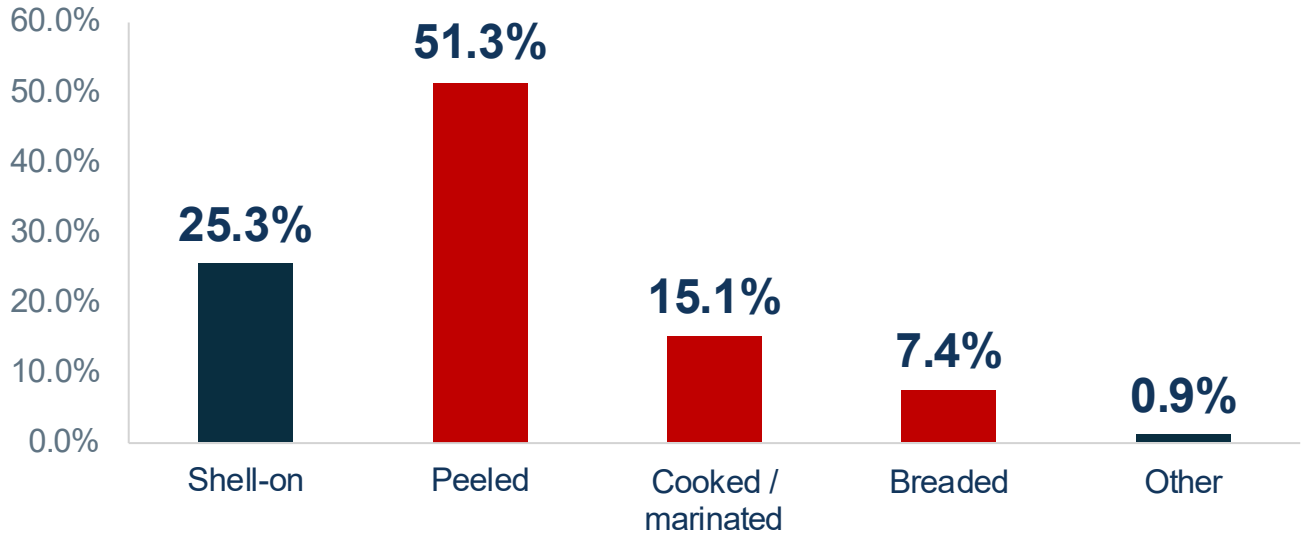
Processing transforms that raw material into products.

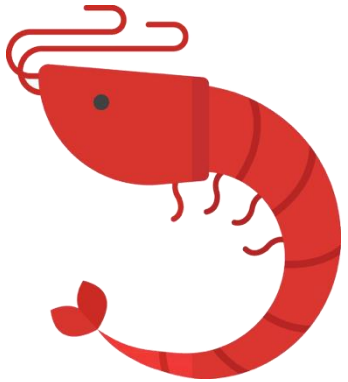
03

Those products are designed to meet customer specifications.

What Kind of Market Has the U.S. Shrimp Industry Become?

The U.S. Shrimp Market is a Value-Added Market





74%

Peeled, cooked / marinated, or breaded

2025 import volume. Source: Shrimp Insights, February 20, 2026. Shares describe imports, not retail sales. “Other” is the residual to the reported total.

What Does “Value-Added” Mean?

Whole Shrimp → **HLSO** → **Peeled & Deveined** → **Cooked** → **Breaded** → **Retail Ready** → **Meal Solution**

Each step creates value for a different customer

What Can We Learn From the Domestic Shrimp Industry?

Domestic Shrimp Competes in the Same Market

Domestic

Domestic production
Higher operating costs
Fresh
Frozen
HOSO
HLSO
Regional identity

Imported

Imported shrimp
Value-added products
Extensive processing
Multiple product forms
National distribution

Success depends on creating value, not simply producing shrimp.

Applying What We've Learned

What Does This Mean for U.S. Aquaculture?

Today's Commercial Reality

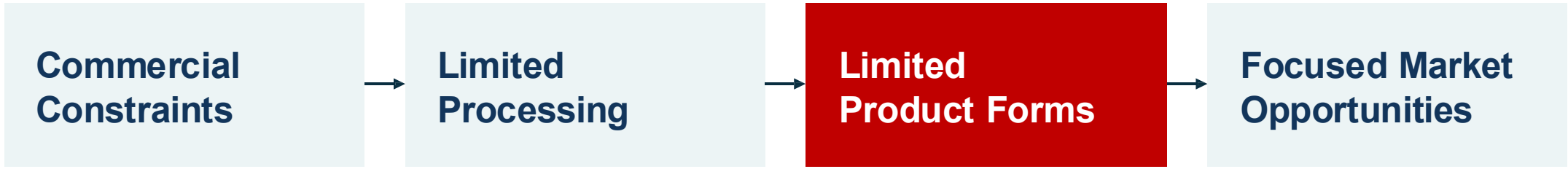
U.S. Shrimp Market

Multiple product forms
Multiple channels
Value-added
Extensive processing

Many U.S. RAS Businesses Begin With

Live
Fresh
HOSO
HLSO

Commercial Constraints Influence Commercial Strategy



Can Those Initial Markets Support Industry Scale?

One Shrimp. Many Commercial Opportunities.

HOSO

HLSO

P&D

PUD

EZ Peel

Cooked



Breaded

Retail bags

Shrimp rings

Private label

Foodservice packs

Ready-to-cook

The shrimp hasn’t changed. The commercial opportunity has.

Illustrative product forms and pack formats

Key Takeaways

01

The U.S. shrimp market is a value-added market.

02

Commercial buyers purchase specifications.

03

Farms produce a wholesome raw material.

04

Processing creates products that meet customer needs.

05

Market needs should guide industry growth.

If This is How the Market Works…

How Do We Build a Competitive U.S. Aquaculture Industry?

They Didn't Build Farms. They Built Industries.



QUESTIONS?

PART
3

Beyond the Harvest: Integrating Commercial Thinking into Aquaculture Planning

December 10, 2:30 CST