Omega reeling in ‘money fish’

Fishery in Vermilion Parish continues evolving into new products

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INTRACOASTAL CITY

Pogy fish, the common nickname for menhaden, don’t smell so good, but they sell great.

Omega Protein, formerly Zapata Protein, the nation’s top producer of pogy fish protein and fish oil products, is nearing the end of another banner fishing season, which runs from April through October.

Intracoastal City general manager Tom Wittmann said the operation here nets about 26 tons of fish meal and 17 tons of fish oil per season on a catch of 435 million fish, or about 170,000 tons.

On a tour of his plant, Wittmann pointed to a mountain of dried meal.

“That pile weighs 1,400 tons, is 65 percent protein and is worth half a million dollars,” he said.

Wittmann said the value of the company’s investment in Vermilion Parish, including the plant, 10 fishing vessels and 10 spotter aircraft, is about $14 million. Add in the three Louisiana plants, and the investment jumps to $51 million with 28 boats, 27 planes, a work force of more than 700 and an annual payroll of nearly $20 million.

The 95-year-old Vermilion Parish operation is one of five in the United States, said corporate vice president Barney White of Houston on a recent visit to town. The company’s other fishing fleets are located in Cameron, Morgan City, Moss Point, Miss., and Reedville, Va., on Chesapeake Bay.

“We employ right at 250 people here during the season, and about half of that during the off season, with an annual payroll of $6.6 million including benefits,” White said.

Omega’s chief catch, menhaden, is a small, bony, oily fish related to the herring. It’s ground whole and dried into meal for pet food, dairy, swine, poultry and other animal feeds.

Some of the byproduct, called fish solubles, is used for organic fertilizers, while the Omega-3 fatty fish oil is used in heart-healthy products featuring Omega-3 fatty acids.

“That’s where we got the new company name two years ago, from the Omega-3 fatty acids that research has shown significantly reduces the incidence of heart disease, diabetes, cancer and immune disorders,” White said.

Menhaden swim in giant schools pinpointed from above by small spotter airplanes. Omega’s fishing boats rendezvous at the appointed location and launch smaller “purse” boats, so-named because they surround the school with purse seine nets 1,200 feet long and 50 feet deep, said assistant production manager Al Vidrine of Meaux.

The large boats pull alongside and pump the fish into their holds with giant suction hoses. Back at the dock, the fish are sucked out of the holds and onto conveyor devices into the plant, where they are steamed in boilers and fed into presses that squeeze out the valuable oils and other liquid. The solids then are diverted to drying sheds.

Omega Protein went public in April 1998 on the New York Stock Exchange, raising $68 million in capital, according to President and Chief Executive Officer Joseph L. von Rosenberg III. About $35 million was used to pay off acquisition loans and other debt, leaving a $33 million war chest that grew to $50 million by September 1998.

The CEO said the company had record profits of $24 million in 1998, a 133 percent increase over the previous year, with a 20-percent increase in fish meal production and a 22 percent boost in sales.

Those figures explain why some people refer to menhaden as “the money fish,” Wittmann said.

“I know the smell is pretty strong here in the plant, but we’re used to it,” he said. “It’s the sweet smell of success.”