Reduced costs key for Louisiana crawfish

Raising larger, high-value crawfish and reducing harvest costs are ways the Louisiana pond crawfish farmers can better compete with increased imports of frozen Chinese crawfish tailmeat, researchers say.

"For imports of Chinese crawfish meat to go in five years from virtually zero to a projected 1.5 million pounds in 1994 is significant," says Dr. Ken Roberts, marine resource economist with the LSU Agricultural Center.

This year through September, he notes, 1.2 million pounds of Chinese crawfish tailmeat worth $2.6 million came through the Port of Long Beach, California. This is the live-weight equivalent of eight million pounds. If the 1994 supply rounds out at around 1.5 million pounds, that will equate to 11 million pounds live weight.

"That will be the equivalent of about 20 percent of what Louisiana crawfish farmers produce annually. And what's also noteworthy is that Chinese crawfish meat came into the U.S. in every month of the year. That's different from the four previous years because there's now no seasonality involved. It indicates they can deliver crawfish meat here at any time," Roberts adds.

In 1990, the year the U.S. Customs Service started keeping records, 7,000 pounds of Chinese crawfish tailmeat were imported. Imports climbed to 71,000 pounds in 1991, 353,000 pounds in 1992, and 583,000 pounds in 1993. The 1994 projected total of 1.5 million pounds is more than 2½ times the amount of tailmeat imported in 1993.

The imported price of the crawfish meat at the port of entry was $5.61 for those 7,000 pounds in 1990. The price fell to $3.29 in 1991, $3.38 in 1992, $3.12 in 1993, and $2.24 in 1994. The prices, Roberts stresses, are at the port and do not include costs of transportation, wholesalers' margins, and other markups along the marketing chain.

"Louisiana crawfish farmers have to focus on the things they can control," Roberts says. "The biggest thing is to religiously go after lowering harvest costs."

Close attention should be paid to the results of ongoing research by the Ag Center's Experiment Station. Research led by Drs. Robert Romaire and Ray McClain has made significant inroads into revenue enhancement and cost containment in recent years, he points out.

Use of pyramid traps, a rate of 25 traps per acre, placing no more than one-third of a pound of bait in each trap and trapping fewer days of the week all can save producers money.

Roberts says research has shown the economic benefit of trapping three consecutive days during the harvest season instead of the more traditional five days a week.

He notes trapping three straight days a week - 70 days a season on 40 acres with 1,000 traps - will result in 50,000 fewer lifts of traps than fishing the same number of traps five days a week or 120 days a season. At a cost of 15 cents per trap set, a farmer can save $130 per acre fishing only three days without a significant loss of income caused by reduced yield.

"Every dollar a farmer saves on the cost side goes directly into the pocket," Roberts says.

Figures on grading crawfish show a clear benefit for the farmer, he adds. Not only is it bringing in more revenue for the pond farmer, but consumers have indicated a willingness to pay more to be assured of a more consistently sized product.

In 1993, a survey conducted by Roberts showed large crawfish brought a season's average of 88 cents a pound. Medium size sold for an average of 59 cents a pound. The smallest, or peeler-grade, crawfish averaged 30 cents, and ungraded crawfish averaged 45 cents. Wild-crop crawfish from the Atchafalaya Basin averaged 33 cents a pound.

For the effects of the General Agreement on Tariffs and Trade (GATT) recently agreed to by the U.S. Department of Commerce's International Trade Administration. Those who believe a commodity is being sold by foreign merchants at less than fair market value on the U.S. market can petition the ITA to investigate.

Roberts notes this year the Chinese have had complaints lodged against them with the ITA for the dumping of fresh garlic, honey and saccharin on the U.S. market.

"Just because GATT is free trade does not mean we don't have some recourse through the antidumping provisions if a commodity is being sold at below a fair market price. If the matter is deemed worthy of action, it is sent to the International Trade Commission and, after 45 days for comment, the U.S. can ban an offending product from American markets or exact the other sanctions to protect U.S. merchants," Roberts said.

Advice

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