Soft-shell business a hard one

By DICK WRIGHT

Producing soft-shell crawfish is easier than ever. Selling them isn't.

As the soft-shell crawfish season opens, one grower said he knows of people who invested retirement money or savings into building the indoor systems needed to produce soft-shell crawfish, and lost.

Another veteran of this relatively new aquacultural enterprise says that what has happened in the soft-shell crawfish industry is a classic case of what frequently happens in the seafood industry — someone comes up with a new product, but didn't line up the market for it.

Two years ago, producers received up to $9 a pound for their soft-shell crawfish. Then the next season began at 6.50 a pound or less. This year the starting price probably will be about $8, according to several people in the industry.

According to several people in the new aquacultural enterprise says that systems needed to produce soft-shell crawfish, and lost.

As the soft-shell crawfish season starts, probably will be about $6 a pound to the producer.

Soft crawfish are a new product and promotion of it are seriously lacking, Moran said. He blames the state to some extent for not giving soft crawfish the attention he believes it needs.

Jay Eimer said production this year probably will be in the 100,000-pound range, about what it was last year. He said both production methods and packaging of the product have become more sophisticated in recent years.

Eimer said $6 a pound to the producer is right at the break-even point. He said large producers can handle a price at that level, but a lot of smaller producers will get out. Earlier, production was lower and the price was high, he said. At that time, too, producers had to tend the trays and take the soft crawfish, since buyers came to the producers, he said.

The Soft-Crawfish Association is also going into some promotions and selling. Association officers decline to call the effort "cooperative," but the association will engage to some extent in buying and marketing soft crawfish.

Handy Soft-Crawfish in Baton Rouge, a major buyer, requires producers to bring the crawfish live to its processing facility in Baton Rouge.

Phil Winchester, Handy's general manager in Baton Rouge, said Handy is buying from 25 producers in the Baton Rouge area.

Much of those crawfish are sold overseas, especially Japan and Sweden, but Winchester said Handy intends to promote soft crawfish for U.S. markets this year. The market is rising steadily, he said.

David Manuell, seafood manager and buyer for Ralph & Kacco's restaurants, which early on put soft crawfish on the menus, believes the price to producers will rise moderately. At one time, Ralph & Kacco's bought from every producer because it was looking for the volume. Manuell said the number has been cut to mainly the people they have dealt with from the start, he said.

Ralph & Kacco's considers packaging for buyers outside the company, but decided finally to buy only for its own needs, he said.

Bill Beatty got into the business of producing soft crawfish a couple of years ago and has stayed in it. He is both pleased and frustrated with LSU's efforts. Beatty said LSU showed the most efficient way to run a production operation; but recently, he said, little is heard from the university. He said LSU is not pushing soft crawfish as it once did.

Beatty said most growers also cannot get into the selling end, or the marketing the crawfish they produce. Most producers have quit, though not all have torn down their tray systems, he said.

Not a few got burned on the investment, he said.

Setting up to produce the soft crawfish can take from $10,000 to $50,000, which may not be much money in commercial terms, but it can be a lot of money for an individual, Beatty said.

A number of people used retirement funds and savings to build systems, and they have not succeeded, he said.

Beatty said he would not advise anyone to get into production now. He still believes in the future of soft crawfish.

"I think the product is so good it's going to build itself on a much larger basis this time," he said.

Some people in the business call Dudley Culley, professor in the LSU School of Forestry and Wildlife and Fisheries, the "grandfather" of soft-crawfish production. He and fellow LSU researcher Ronald Malone are behind much of the technology that made producing soft crawfish practical.

Culley said last week he is phasing out his research program as he moves into administration as research coordinator in his department.

Marketing, said Culley, has been a problem for soft crawfish.

"I think the demand was out there," Culley said. But producers did not market what they had, he said.

"I think that's where the effort needs to be (in marketing)," he said.

The product is acceptable, he said, but is not yet in production. He expects it to be in a few years.

In Baton Rouge, the product has been sold in Louisiana restaurants. Soft crawfish remains part of LSU research, and the university has people working on marketing of crawfish, both the hard-shell kind and the soft, he said.