

# KITASOO SEAFOODS LP

## *KITASOO COMMUNITY VISION*



# KITASOO/XAIXAIS TERRITORY





# KITASOO ECONOMIC MODEL

## *Kitasoo Vision*

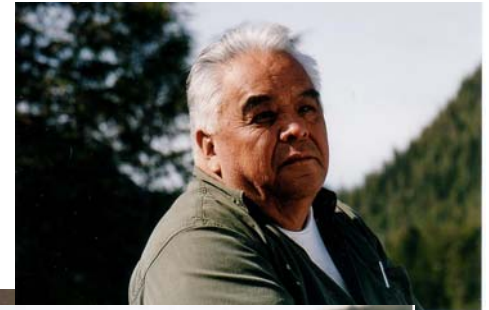
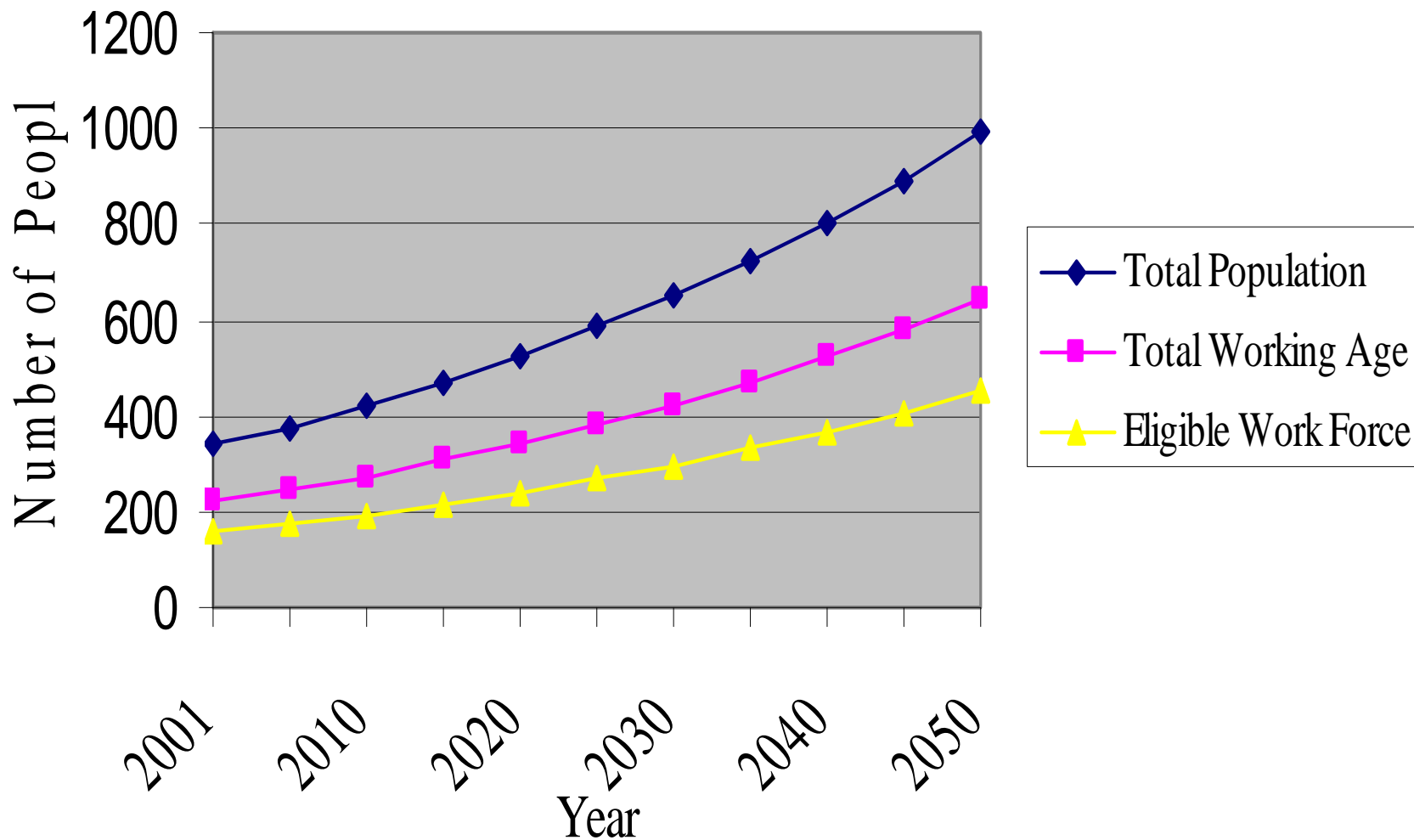
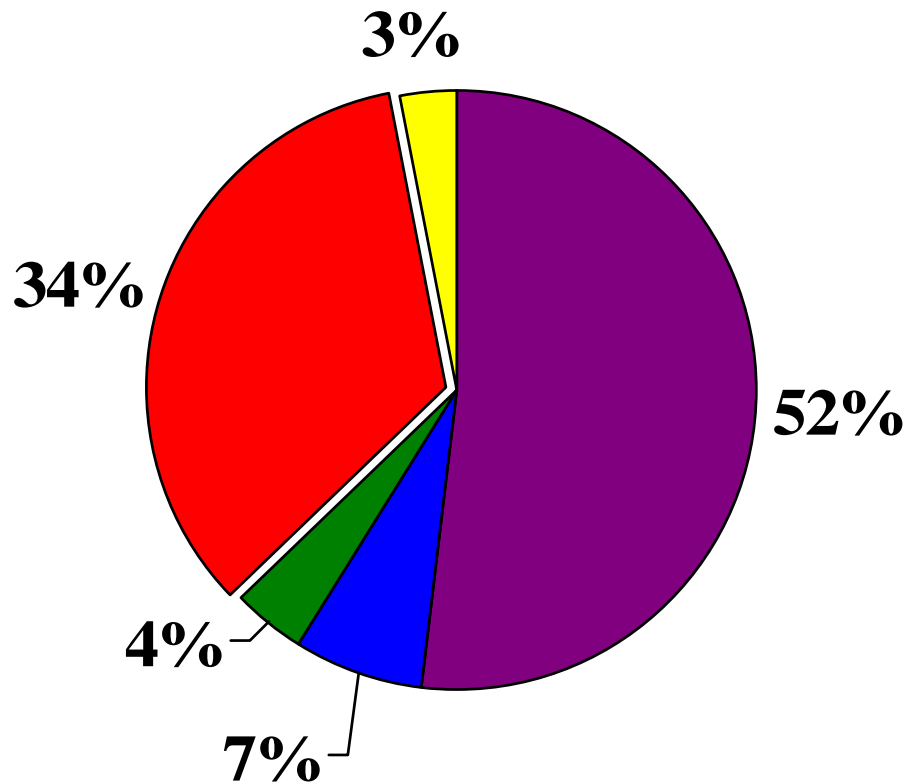


Figure 2: Population and employment growth curve for Klemtu



## Employment by Sector, Klemtu 2010



**Aquaculture**

**Wild Fisheries**

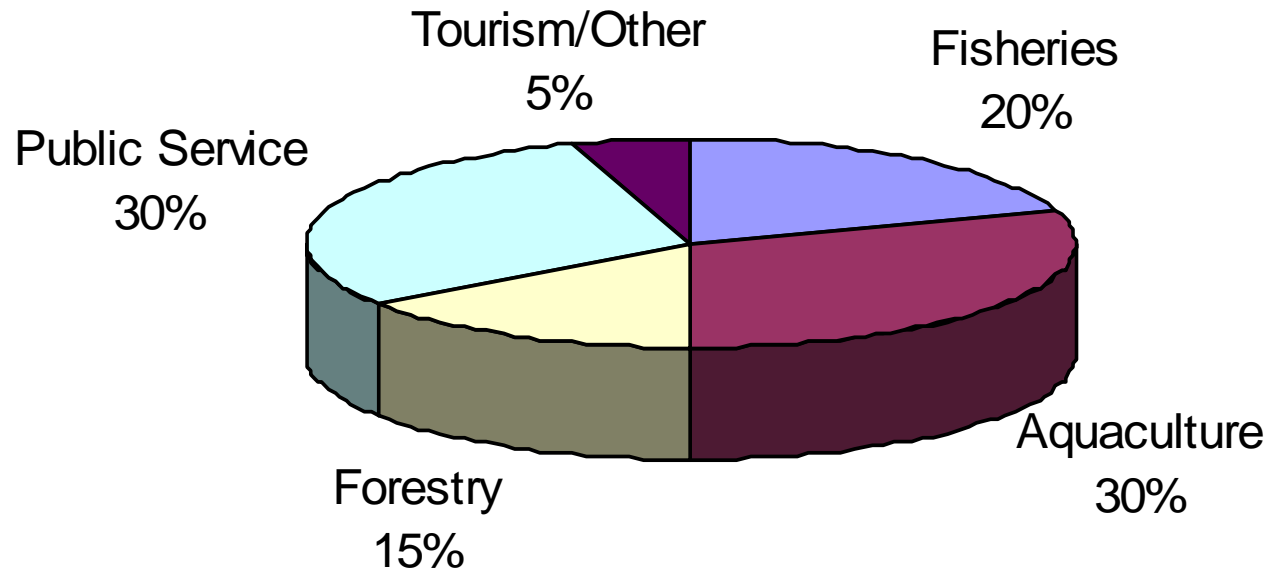
**Forestry**

**Public Service**

**Tourism/Other**

Aquaculture accounts for half of the Klemtu local economy.

## Desired percentage of the work force by sector.



# Fish Economy in Klemtu

- Kitasoo Seafoods L.P.
- Kitasoo Aqua Farms Ltd



# Kitasoo Seafoods LP

- Wild Seafood Processors since 1920
  - JH Todd and Sons/BC Packers
- 100% community owned since 1986
- New Main Processing plant in 1986
  - \$800,000 K
- 16,000 sq feet processing space, blast and holding freezers/coolers. 2 plants
- 20 ton/day ice production

# KLEMTU - SWINDLE ISLAND



# Access, Innovation and Partnerships Key

- 1979 - Band 1 SOK + 1 ASN/ personal 12 HGN + 12 AGN
- 1985 - sold seine to build fish plant
- 1986 - Pioneers in sea cucumber fishery (6/85 licences in late 80's)
  - developed commercial divers
- 1987 - Begin process SOK
- 1988 - Purchase 45 ft packer Do Boy
- 1988 - Red urchin experiment
- 1989 - Wild salmon processing/geoduck custom processing
- 1991 - Farmed salmon processing
- 1995 - 2011 ATP program (herring , urchin, SOK, halibut, rockfish, salmon, prawn)
- 1995 - Partnership with Paladin Seafoods – Sea cucumber
- 1998 - Purchase 60 ft. seiner – Alexis Jane

# Wild Sea Cucumber

- Frozen meat
- Cooked and salted skin
- Up to 500,000 lbs. +



# Kitasoo Seafoods LP

## 2000 – 2010

- Developed into custom processors – built second plant
- Farmed salmon ( 40 workers @\$1M) – Dedicated plant
- Sea cucumber (8 weeks X 15 workers @ - \$100K)
- SOK – (5 weeks @ 10 people)
- Salmon seine (new license - Kitasoo crew/sell to Canfisco)-CASHFLOW
- Herring seine/GN (lease to Canfisco) (CASHFLOW)
- Halibut/rockfish (lease to other FN's) (CASHFLOW)
- Red urchin (lease + diver opportunity) (CASHFLOW)
- 2005 purchased 65 ft. packer - Island Joye

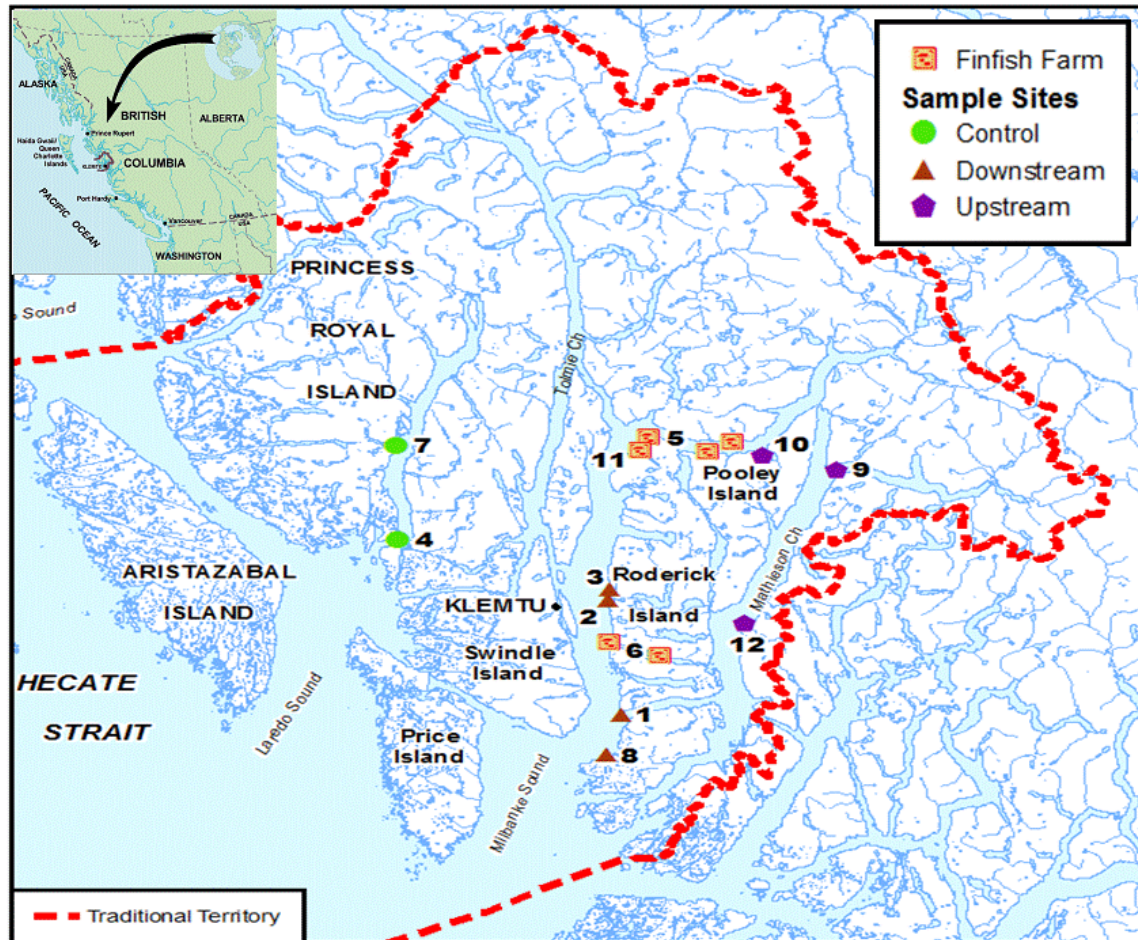
## Beyond 2010

- Maintain our base (\$3M revenues/yr & 40 FTE's/yr.)
- Expand cold/freezer storage in new storage building
- Kitasoo Freight Co.
- Prawns 8 Weeks X 10 people @2 licences - PARTNERSHIP
- Halibut quota on Alexis Jane (32,000 lbs.)
- Wild salmon again ! /Sardines possible
- Target \$300K increase/year through 2020 (\$6M/ 70 FTE's)

# Central Coast Commercial Fisheries Association (CFE)

- Partners with Heiltsuk/Nuxalk/Wuikinux
- Support Co-operative opportunities
- Support individual Enterprises
- Collaborate on Training
- Harmonizing Economics/Conservation through Marine Planning and EBM

# Aquaculture in KX Territory



# Kitasoo Aquafarms Ltd

- Holds 6 tenures
- 10 year Agreement with MHC
- Kitasoo has all harvesting processing rights
- Majority of farm workers from Klemtu
- Subject to Kitasoo Environmental Monitoring
- 18 additional FTE's – \$600K wages
- Currently developing shellfish farming opportunities – potential for 30 FTEs/farm

# Aaaaaaa..... INFRASTRUCTURE



Costs of ownership:

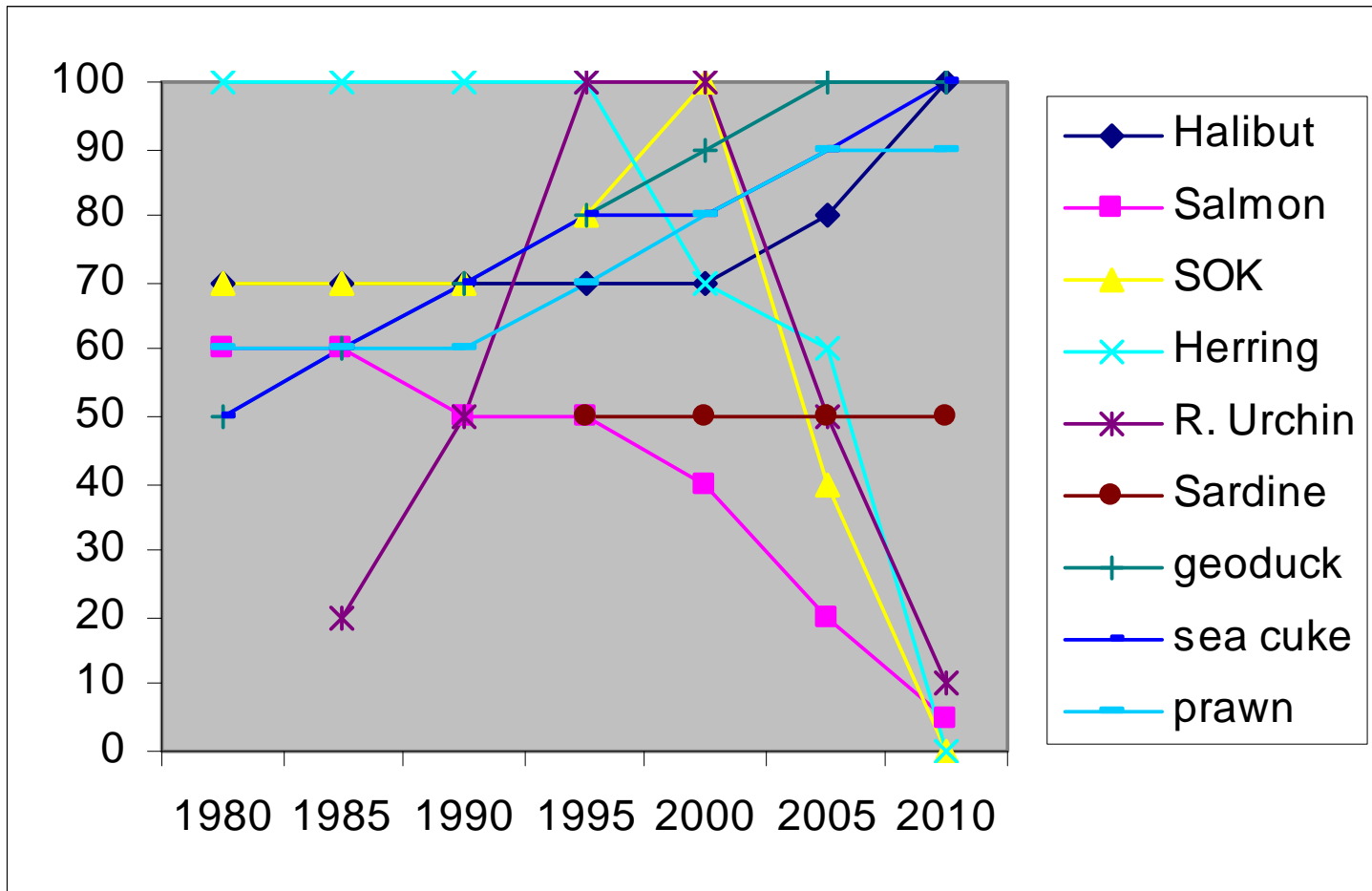
Vessels \$150,000/yr.

PROCESSING PLANT - \$250,000/YR.

# Challenges/Needs For Success in Seafood Business

- Diversified ACCESS (Variety of Licenses)
- Proper Infrastructure (vessels and plant)
- Need good anchor / cash cow
- Strong and Stable Management
- Strong Cash Flow (Cant rely on bailouts)
- Partnerships (Build Capacity and Reduce risk)
- Well Developed Human Resources
- Risk Adverse (Lease vs. Operate)
- Always look for Opportunities

# EXPECT CHANGING TIDES IN THE FISHING INDUSTRY



# CFE Needs to Succeed PICFI (PHASE II)

- More \$ - ( 33% communal license target - \$400M) -
- Access to high valued species (expansion or compensated distribution)
- Fair regional distribution (allocation formulas)
- Co-management of program (joint boards and committees)
- Flexibility in acquisition (Allowance to leverage)
- Permanent license transfers (not tied to agreements)
- FN License Bank (long term FN trading house)
- Flexible Fishing Opportunities (opportunities to fish locally)

