

FAMILY BUSINESS BETS ON PELAGIC FUTURE

Combined purse seiner/pelagic trawler Christian í Grótinum has for years ranked among the world's top catchers of blue whiting—however the operator, with experience from its other vessel the Norðborg, is considering at-sea processing for the future.

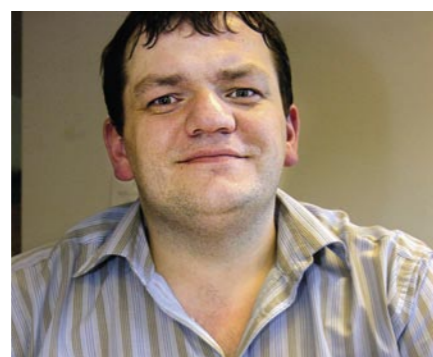
SEASON AFTER SEASON, together with two or three other Faroese vessels, the Christian í Grótinum KG 690 is topping international charts of total pelagic catch landed on the shores of the North Atlantic. One would think that the vessel operator also named Christian í Grótinum has a strategy of perpetually impressing the Norwegians, the Icelanders, the Russians, the Greenlanders, the North Americans and the EUs.

But there's more to the story than that. As species like blue whiting are regulated with shrinking quotas or TACs (total allowable catch), catch quantities are forced downward, pushing vessel

owners to find new ways of generating profits.

"Getting the highest possible value for the catch is of course always a priority," says Christian í Grótinum managing director Eyðun Rasmussen.

But how is that achieved?



"In simple terms, you may say there are basically two ways of ensuring higher catch value of an accessed species—of course the market price for the species being the elementary factor; the first is to secure maximum freshness and quality of the raw fish, and the second is adding value by processing the fish at sea."

Constructed in Chile in 1998, the Christian í Grótinum KG 690 has had a remarkable performance since its arrival in hometown Klaksvík. While Mr Rasmussen is himself a former chief engineer, his two brothers Jón Rasmussen and Bogi Rasmussen are skippers in the family business just like their famous

father Kristian Martin Rasmussen, who together with their grandfather, Palli Rasmussen, founded their fishing vessel company in the 1970s.

So there is extensive experience in securing a high degree of freshness and quality of catch at raw fish level, but likewise in processing fresh catch at sea. Over the past six years, the company has operated another combined purse seiner/pelagic trawler, the 2,351-gt factory trawler Norðborg KG 689. With a processing facility on board, this vessel not only has more options of ensuring the best value for its catch—it has provided valuable knowledge of how to make sure it pays to process pelagic fish at sea.

So the operator is considering a move toward more processing at sea.

"It's not as simple as you may imagine," Mr Rasmussen adds. "Running a factory costs money, too, and sometimes we'll steam to shore and to have the catch landed as fresh as possible rather than processing it on board."

That's especially true of blue whiting, inasmuch as the Norðborg KG 689 doesn't have the capacity to produce human consumption seafood from blue whiting, neither are onshore factories—as yet, that is.

Actually, there is ongoing development in this field to the extent that observers estimate that within the near future, processing of blue whiting for human consumption will be a commercially viable option, both at sea and onshore.

The Christian í Grótinum KG 690 (center); pumping in a catch of blue whiting (right); managing director Eyðun Rasmussen (left); Norðborg KG 689 (top).



Comprising species such as herring, mackerel, capelin and blue whiting, pelagic fisheries play a significant part in the Faroese economy. Most of the catch is landed as industrial fish, processed into fish meal and oil and used in feed for farmed fish or animals, often at the giant fishmeal factory located at Fuglafjørður. The Faroes however also has a world-class processing plant for human consumption pelagic fish, located at Kollafjørður.

Exclusive of the Atlantic Navigator—a dedicated blue whiting factory trawler involved in a surimi development project—the Faroese pelagic fleet consists of seven modern vessels. The country has a 26-percent share in the internationally agreed blue whiting TAC of 2m metric tons annually, translating into 520,000 tons for eight Faroese vessels to share.

But policymakers have agreed to reduce the TAC, hitting the Faroese share with a cutback of 500,000 tons

CHRISTIAN Í GRÓTINUM

Klaksvíksvegur 77, FO 700 Klaksvík

http://www.chr-i-grotinum.fo
E-Mail: chr-i-grotinum@chr-i-grotinum.fo
Tel.: +298 475611
Fax: +298 475610

Managing Directors:
Kristian Martin Rasmussen
Eyðun Rasmussen
Directors:
Jón Rasmussen
Bogi Rasmussen

Combined purse seiners/pelagic trawlers:
Christian í Grótinum KG 690 (1,920 GT)
Norðborg KG 689 (2,351 GT)

Pelagic fishing vessel owner and operator, exporter of human consumption seafood and fish meal. Species: herring, mackerel, horse mackerel, capelin, blue whiting.

over a period of five years, beginning in 2006. The combined annual catch of the Christian í Grótinum KG 690 and the Norðborg KG 689 amounts to about 100,000 tons, of which blue whiting represents almost 80 percent.

As to herring, most of it landed for human consumption, the two vessels caught 14,000 tons in 2005; capelin, industrial fish only, amounted to 5,000 tons; and mackerel, solely for human consumption, amounted to 1,500 tons.

Says Mr Rasmussen: "We view at-sea processing of blue whiting and other species for human consumption as our best option for the future—which means we are planning for that."

Does that imply a new vessel could be underway? "You bet."

