Alaska salmon stars in value-added products

By Andrew Jensen
Alaska Journal of Commerce

If Buford "Bubba" Blue were to describe Alaska's salmon business to Forrest Gump, it isn't difficult to imagine the conversation.

"We got fresh salmon, frozen salmon, canned salmon, smoked salmon, salmon jerky, salmon oil, salmon lox, salmon spreads, salmon dog treats, salmon cat food, salmon vodka, salmon wraps, salmon burgers, salmon and salsa, salmon chocolates, salmon pizza. That — that's about it."

For now anyway.

Bubba's ramblings over the endless varieties of ways to prepare shrimp was one of the most memorable parts of the 1994 Oscar-winning movie and even inspired a restaurant chain, Bubba Gump Shrimp Co., that now has 36 locations worldwide.

From distillers in Wasilla to Nestle, the makers of Fancy Feast cat "appetizers" based in Switzerland, there is no shortage of entrepreneurs and corporations trying to cash in on the wild Alaska brand.

Even Walmart has delved into the Alaska boom by selling frozen sockeye fillets that tout their "wild caught" Bristol Bay origin and a sustainability certification from the Marine Stewardship Council.

The labeling featuring Alaska and "wild caught" could have come straight out of the playbook from Alaska Seafood Marketing Institute, a state-chartered organization.

Consumer awareness and favorable attitudes toward Alaska salmon have never been better, according to surveys conducted for ASMI by TRD Frameworks. The 2009 survey found Alaska salmon was the preferred type for 52 percent of consumers, more than all other salmon combined.

Familiarity also topped all other regions, with 91 percent surveyed saying they were very or somewhat familiar with Alaska salmon.

"The Alaska brand really has improved over the last 10 years or so," said Trappers Creek Smoking Co. owner Andi Wahry, whose Anchorage-based company makes Alaska's Best Wild Salmon Jerky exclusively from king salmon.

Trappers Creek, in business since 1988, also sells smoked salmon, salmon lox and salmon fillets, in addition to custom processing salmon for customers' fresh-caught fish.
Wahry said while the smoked salmon business has been a bit flat, the salmon jerky sales have been growing about 20 percent per year after his company ramped up its focus on the product in 2004. It's sold throughout the Lower 48 at retailers and sporting goods shops, online and even in Wahry's home nation of Switzerland, where it is becoming a popular back-packing snack for typically fresh-conscious Europeans.

Value-added products such as jerky or the salmon vodka produced by Alaska Distillery of Wasilla will never overtake the frozen/fresh fillet market, Wahry said, but the entire industry benefits every time a unique Alaska salmon product comes out or a company such as Nestle elects to place the Alaska brand front and center.

"It gets the name out there," Wahry said. "It's natural. That's the perception — it's good for us, it's healthy."

Parallel to better branding of Alaska salmon and seafood of all types has been a surge in research to the benefits of Omega-3 fatty acids to heart health. Companies such as Alaska Protein Recovery in Juneau are using fish byproducts left over from processing to extract the valuable Omega-3 acids for gel capsule form as a health supplement now sold in thousands of retailers such as Costco, Sam's Club and GNC.

Yummy Chummies, made by Arctic Paws in Anchorage, also uses the fish byproducts from roe-stripped salmon for its dog treats and oil, even finding a fan in the White House, when former President George W. Bush fed them to his dog Barney.

Salmon hobby to salmon biz

Alaskans have a lot of time — and salmon — on their hands in the winter, and that's when some of the more unique items have arisen.

Newlyweds Michael and Deborah Hanzuk moved to Alaska in 1993 from Arizona. Michel Hanzuk lived in Alaska from 1972 to 1985 before moving to Arizona to work as a food broker, where he met Deborah.

Soon after, he introduced her to some high school friends down on the Kenai, where they began to educate her about their process for jarring and processing salmon with salsa.

Michael Hanzuk said he and his friends were always "trying to find new ways to eat salmon." One of those recipes even included a baked salmon topped with Doritos.

For the Hanzuks and their fishing buddies on the Kenai, the color of the salmon and salsa was no object, but if they wanted to bring it to retail it would have to be improved.

"It tastes great," Michael Hanzuk said. "The problem was the color. It wasn't eye-appealing. It was kind of a reddish-black."

Eight years and hundreds of jars later, the Hanzuks found the optimum temperature for the pressure cooker and Alaska Salmon & Salsa was born. The Hanzuks used to make about 50 cases of pint jars per year just to give away to their friends on the Kenai, usually ending up with only three or four left at the end of summer.

With eight varieties (in either 6.5-ounce or 13.5-ounce jars) in hot, medium and mild featuring either smoked or unsmoked sockeye, the Hanzuks now produce about 350 cases of each variety per year, and every of couple cases take several hours.

"It was a hobby that grew to something more than a hobby," he said.

The Hanzuks earned a third place at the prestigious Symphony of Seafood competition in Chicago in 2004. They are most proud, though, of earning the approval of their fellow Alaskans by taking the Grand Champion honor at the 2002 Fur Rondy and State Fair.

The Alaska Salmon & Salsa can be found at several locations in Anchorage, the Kenai Peninsula, Fairbanks and Southeast.

The Hanzuks have found several ways to use their product beyond the dips to include spring rolls and pasta salad.

Business has been "up and down" for the Hanzuks, as salmon prices have grown from $1.50 per pound to $3.65 per pound in the last few years. Shipping costs have also escalated.

"It's a niche product," he said. "We'll keep focusing on niche markets."

Another Alaskan Symphony of Seafood winner, Wayne Carpenter of Delta Junction,
found himself the hit of the most recent Boston Seafood Show with his Candysmoke product.

Carpenter took third in the smoked salmon category, and was named the People's Choice winner at the Anchorage Gala of the Symphony of Seafood.

After spending 2010 working with the Alaska Marine Advisory Program in Kodiak to ensure his product was shelf-stable, Carpenter just made it in at the deadline for Symphony of Seafood.

After a whirlwind trip to Boston when he was in high demand, an exhausted Carpenter was still in disbelief after the parade of industry and government representatives from around the globe made a point to find his booth.

How he'll manage customers who would like to order tons of his product when he bought just 2,200 pounds of fish in 2010 will be a challenge, but Carpenter said he will not try to grow too fast. Preserving quality and handing the business off to his children is his priority.

Like the Hanzuks, Carpenter had been giving his product away for years as gifts and in barter for smoking other meats like moose. One of 17 children from Washington state, Carpenter, 62, has been smoking salmon since he was a young boy and has had a patent on the Candysmoke recipe since 1989.

"I had this idea and recipe on the shelf. I knew someday I'd get back to it," said Carpenter, who owns a general contracting business and has done multiple military projects over the years. "I never quit making and improving my recipe. In doing that, I learned how to do what I now have."

Carpenter's Candysmoke retains so much of the moisture and Omega-3 oils from the salmon that he was jokingly encouraging people to rub the packaging on their faces.

"When it comes out of the smoker, you eat and it and go, 'Oh my God, it is so sweet and so moist and so warm,'" he said. "That's when I joke you rub it all over your face. They'd taste the oil and go, 'How do you do that?' I'd say, 'I'm not going to tell you that.'"

While Carpenter's secret will remain safely tucked away, there is no secret to the success of sustainable branding and the Alaska name. In that respect, there may not be a better person to head the Commerce Department's "Made in Alaska" program than Hanzuk, who referenced the mandate since statehood for sustainable fisheries management and banning farmed fish.

"There's a difference between farmed and wild," Hanzuk said. "People have known fish from Alaska was wild. That's why we stayed the way we did."