

Statement of issues and comment from [ ]4 August 2023

From: [ ]

Sent: Friday, August 4, 2023 3:05 PM

To: [ ]

Cc: [ ]

Subject: RE: Moana/Sanford - statement of issues and comment [ ]

[ ]

I believe the Commerce Commission have highlighted the 2 main areas of concern for the industry and competitors of Moana if the acquisition was approved and that is:

1. The ability for existing and potential competitors to source ACE (in our case SNA 8 ACE) to enable them to compete with Moana in downstream markets. Moana would also have the ability to increase the cost of ACE to competitors rendering them uncompetitive in downstream markets.
2. Moana could reduce the amount paid to harvesters of fresh fish for their harvesting services impacting the harvesters ability to have a viable business and supply downstream markets. They would also have the ability to determine which harvesters would be able to continue to operate in the future by withholding ACE or not providing sufficient ACE for a harvester to operate a viable business. Moana would also have the ability to withhold ACE from harvesters if they were looking to supply harvesting services to competitors.

[ ]

[ ]

You have requested comment on the following:

33.1 - The allocation of ACE should be assessed by individual fishstocks and more specifically choke & target species that control the potential for harvesters to operate in a fishery i.e. SNA 1, 2 & 8. These fishstocks need to be assessed on the QMA's relevant to the acquisition [ ].

33.2 – Fishers cannot switch from harvesting inshore species to other methods or deepwater species easily. Harvesters knowledge and experience is generally specific to a fishing method or a region and their vessels and gear are set up for a certain type of fishing targeting specific species. It is an expensive exercise for fisherman to change from one method of fishing to another.

33.3 – Fishers can switch between harvesting in one particular area to another but often fishing areas and knowledge is specific to an area. Fishers generally want to be fishing out of their home port so that when they have completed a fishing trip they can get home and spend time with family and friends. Fishing can be an isolated existence and making it more difficult for harvesters to spend time at home can impact their family life and mental health.

33.4 – ACE fishers can switch between harvesting fish for different commercial businesses but often the main supplier of ACE will dictate whether a harvester can land fish into a different entity. If the proposed acquisition were to proceed then the options for harvesters would be limited.

33.5 – Frozen fish and salmon is not a substitute for freshly caught inshore species. This is a last resort when there is no fresh fish available due to weather or other circumstances. [ ].

33.6 – Some fresh fish species are substitutes for one another but that will often be dependent on the customer. [ ]some customers will not substitute Gurnard for another species whereas others will.

[

]