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US importer, processor plans major Indonesia expansion



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[Jason Smith](#)

Portland, Maine-based importer, processor and distributor North Atlantic is planning a major expansion of operations at its Indonesian subsidiary that aims to improve sustainability, traceability, and social impact.

Since undertaking a significant shift in business model in 2014 away from processing at its Maine location, the company's subsidiary, P.T. Bali Seafood, plans to site its processing operations in the outer islands of Indonesia, North Atlantic CEO

Bill Stride told *Undercurrent News*.

The companies currently source "high-end, credentialed retail frozen product" sourced from Indonesia, Stride said.

That includes locally caught species such as yellowfin tuna, albacore, swordfish, mahi, grouper and snapper.

But while fishing is done in the Indonesian archipelago — the nation consists of over 18,300 islands — processing is usually done in the major population centers of Bali or Jakarta.

By building four plants in the archipelago — construction of the first, near a traditional fishing village on the south-central island of Sumbawa is expected to begin in March — the company hopes to reduce waste in the supply chain. That waste occurs from product degradation primarily due to a lack of cold chain infrastructure.

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The plant will be producing finished products including individual vacuum packed (IVP) portions in retail bags, bulk IVP portions and bubble wrapped loins, he added.

The company's business model will boost sustainability, provide traceability and have a social impact, which he said North Atlantic's private label customers are looking for.

"We'll be taking the loss out of the value chain and reinvesting it in the communities and ultimately getting more high quality product for export to the American market," he said.

The project has garnered the attention of non-profits, social impact investors and the Indonesian government, Stride said.

Indian agriculture development fund Aavishkaar has invested \$2.1 million in the project and the social impact fund of lender Rabobank has committed \$1.2m. The Indonesian government, which under the guidance of fisheries minister Susi Pudjiastuti has began a major crackdown on illegal fishing in the country's waters, also plans an investment.

"Her intent is to keep the resources of Indonesia in Indonesia. To either be consumed in Indonesia or processed and exported from Indonesia. That necessitates infrastructure," Stride said.

Both North Atlantic and its subsidiary were founded by Gerald Knect, who Stride said has always tried to envision new industry trends and stay a step ahead of customers' demands.

"He was one of the first fishermen to box at sea," Stride said. "He went to Iceland and saw how they were handling the fish coming over the side and actually putting it on plastic trays on ice to improve quality and he brought that standard to the US."

In the 1970s and 80s Knect started fishing for pollock, cod and haddock in the Gulf of Maine before expanding into processing and distribution. But declining stocks prompted Knect to focus on, and later, move to Indonesia, Stride said.

The company currently sources fish for the private labels of a number of US retailers who he declined to name but said that ties remain strong.

"We have very strong relationships with established vendor partners and those will continue. We already have a lot of product on a lot of shelves across the United States. The plant is going to be an addition," he said.



responders” on 15 vessels uploading data such as location and water temperature.

That system could be expanded to 200 boats serving the Sumbawa plant, he said.

"Everybody is accepting that sustainability is critical going forward. We believe that traceability and social impact are the next two steps going forward. And we're trying to address these two steps proactively as a service to our customers," Stride said.

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