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QVD debuts retail pangasius line

By Ben DiPietro, IntraFish.com

March 16, 2009 -- Based on what the company says is demand from retailers, QVD Seafood is coming out with its first line of retail products, and is offering new packaging on its foodservice lines.

QVD's says sales rose 60 percent in 2008, and the company remains the largest vertically integrated importer of pangasius into the United States.

"We continue to see growth in the swai category in the U.S., and because of the demand from our customers, and some of the calls we've been getting, we decided to introduce not only new packaging and new brands for our products, but also a retail line," Managing Director Jim Bugbee told IntraFish.

BasaVina Pearl brand will feature pangasius fillets, loins and rolls, as well as a retail bag line, with both one- and two-pound bags of individually vacuum-packed fillets. The BasaVina Ruby brand will be for the company's CO-treated fillets, and is offered in a 10-pound foodservice pack that Bugbee said is being used extensively in retail. The Vina Blue brand will represent other farm-raised fish.

"We'll be introducing barramundi at the show and we'll be introducing other aquaculture species as we move forward," said Bugbee.

Planning for the retail launch took more than year, and products will be rolled out nationally, probably by late April or early May. QVD says it's in talks with a number of retailers and distributors.

"We're working closely with our retail distributors closely to develop strategic marketing plans that fit each customer," he said. "Each retail market, depending on their position in the market or their regional location, may have different requirements, may have a different customer base or a different desire in how they want to market."

Bugbee was reluctant to offer any target sales goals for the retail line, in light of the volatile economic landscape. "Given the current economic situation, that's a real moving target, but we do feel our BasaVina Pearl line, our BasaVina Ruby line and our BasaVina Blue products are all affordably priced, so we expect to have very good penetration into the market," he said.

The company sees its swai loins as a more affordable alternative to cod loins, but one it says offers the same plate presentation and eating experience as cod. "We're responding to our customers' demand and their desire for affordable products that have great value, and we feel everyone who's tried our swai fillets and our Ruby CO-treated swai fillets had a great experience, and generally we get reorders."

Despite the launch coming in a time of economic retreat and diminished consumer spending, Chief Financial Officer Chris December said the price points offered for the products – the company is recommending between \$4.99 and \$6.99 per pound of product – will make the new lines competitive in the retail marketplace.

"We're optimistic about the future growth opportunities even during these uncertain economic times," said December. "They are clearly looking for a great value product that they can likely replace some of the more expensive fish products in the marketplace, so were real excited about it."

The company didn't have to buy any new equipment or add new production lines to its existing facility, and December says growth is so strong a second facility is planned to help boost production. "We just recently broke ground on a second factory, so we're excited about what that can bring to QVD versus our ability to deliver against the demand we are getting in the marketplace today."

As for its new packaging, Bugbee said the company worked with a Seattle design firm to come up with what he called a cleaner, upgraded look that features a window in its bagged filets to allow customers to see the product. Foodservice cases will come with new technology that will work for retailers automating their distribution lines, he said.

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