



***Economic Assessment of the  
Impacts of Hurricane Katrina  
on Mississippi Seafood  
Processors and Dealers***



**Experiment Station**  
Vance H. Watson, Director

**Mississippi Agricultural & Forestry Experiment Station**

Robert H. Foglesong, President • Mississippi State University • Vance H. Watson, Vice President

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on Mississippi Seafood Processors and Dealers**

Benedict C. Posadas, Ph. D.

Mississippi State University, Coastal Research and Extension Center

Mississippi Sea Grant Extension Program

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## INTRODUCTION

An economic assessment of the seafood processors and dealers was undertaken to determine the level of damage sustained as a result of Hurricane Katrina in Mississippi. The devastation by this hurricane had created an urgent and compelling need to complete damage assessments in the affected areas in as short a period as possible. Congress will be developing damage assistance programs for the Gulf region in the near future. An accurate assessment of the damage created by this storm was needed to ensure that federal funds are both adequate and allocated to the appropriate sectors and recipients.

The assessment, to the extent possible, identified all seafood processing plants, seafood dealers and support facilities in the affected areas that existed prior to the hurricanes, identified original physical characteristics and production levels for these operations, and provided an estimate of the cost of rebuilding or repairing the facilities structure and equipment to their pre-hurricane state so that processing of seafood products can resume (Figure 1 and Table 1). Similar economic assessments of the damages on the commercial fishing fleet (Posadas, 2006b), charter boats for hire, marinas and livebait dealers

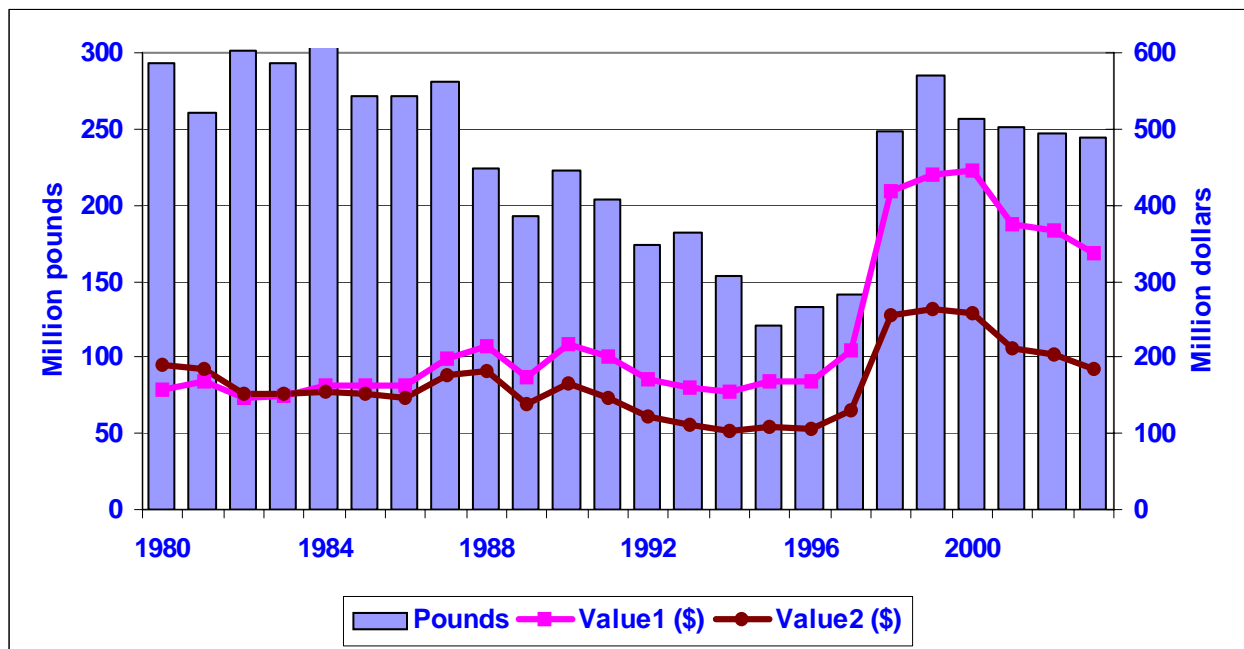


Figure 1. Volume and Plant-gate Values (in current [1] and deflated [2] prices) of Mississippi Seafood Processing Production. Source: National Marine Fisheries Service, personal communication.

(Posadas, 2006c) and recreational boats (Posadas, 2006d) were also conducted. Similar economic assessments were also conducted in Alabama (Chang, et al., 2006), Louisiana (Caffey, et al., 2006) and Florida (Adams and Gregory 2006). With all this information regarding the impacts of hurricanes on the regions' fisheries industry, the role of the federal government during hurricanes had been outlined (Ward, 2006). The damage assessment included the following information about the processing plants, seafood dealers and support facilities:

1. Inventory of facilities that existed at each county.
2. Original capital investment made in the facilities.
3. Estimate of physical damages to the facilities and the dollar value of that damage by county.
4. Estimate of the replacement cost of the capital needed to reestablish the facilities.
5. The level of insurance presently existing for the facilities, the capital debt remaining to be paid off, and whether the plant or some other collateral is used to secure the loan.

Table 1. Plant-gate Values and Number of Workers Employed in Mississippi Seafood Processing Plants		
Category	2003 plant gate values (\$)¹	2003 number of workers¹
Shrimp	73,402,922	503
Oysters	9,181,372	288
Crabs	838,128	78
Finfish ²	254,441,324	1,713
Total	337,863,746	2,582

¹ - National Marine Fisheries Service (2004). Personal communication.

² - These numbers were imputed from the total values and the individual values for shrimp, oysters and crabs, which included foodfish, and other finfish species including menhaden.









































