

The top half of the slide features an abstract background of overlapping, wavy horizontal bands in various shades of blue, ranging from light sky blue to deep navy blue.

# **Seafood Fraud and Species Substitution**

Lisa Weddig

National Fisheries Institute

May 3, 2014

# Topics for discussion

- What is the problem
- Why be concerned
- Who to blame
- What is government doing
- What can be done

# Who is NFI?

- Nation's leading advocacy organization for the seafood industry.
- NFI's members represent every element of the industry
  - fishing vessels
  - processors
  - importers
  - restaurant and retail chains
  - suppliers to the industry
- NFI and members support and promote sound public policy based on science.

# Better Seafood Board

- A corporate entity separate from National Fisheries Institute
- Sole focus is seafood fraud
- Link between industry and government
  - encourage enforcement
  - awareness of U.S. laws and regulations
  - awareness of problem



# Topics for discussion

- What is the problem
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# Seafood Fraud

**Published in 1992**

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## Seafood Scams and Frauds AND HOW TO PROTECT YOURSELF! IAN DORÉ



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# Misleading Labeling

- Species substitution
- Misidentifying country of origin
- Misrepresenting wild vs. farmed
- Previously frozen sold as fresh
- Inaccurate “qualifiers”
  - “all natural”
  - “chem-free”
  - “day boat”
  - “hook and line”
  - “local catch”

# Species Substitution

- The substitution of a cheaper, less desirable fish for a more expensive, higher in demand fish

# Pay Close Attention

- Often misrepresented
  - Grouper
  - Red snapper
  - Salmon
  - Catfish
- Don't exist!
  - White tuna
  - Steelhead Salmon
  - White Roughy

# Species Substitution

- The substitution of a cheaper, less desirable fish for a more expensive, higher in demand fish
- **Bottom line – it's fraud**

# Topics for discussion

- What is the problem
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# Why Be Concerned?

- Erodes consumer confidence in the industry and product category
- Unfair business practices hurt companies that follow the rules
- Promotes environment of “bending the rules” to succeed
- Food safety and public health concerns
- Against the law!

# The Boston Globe

From sea to sushi bar, a system open to abuse

*The rampant mislabeling of fish that consumers buy can be largely traced to this: the lack of anything like the regulation imposed on meat suppliers*

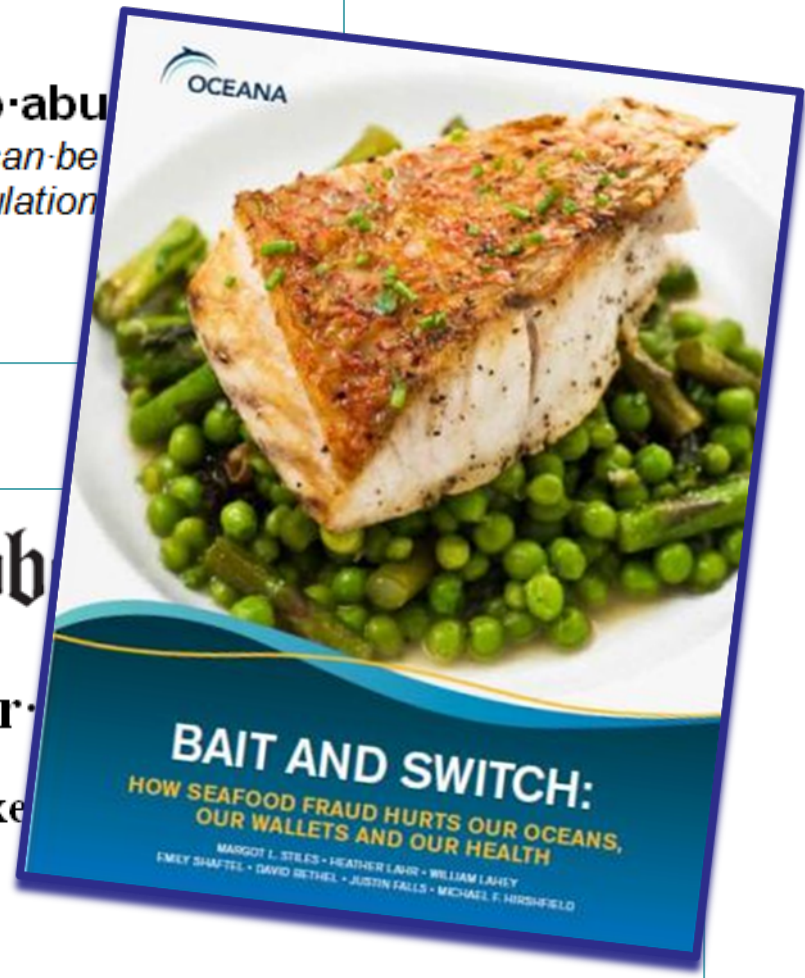
October 24, 2011 | By Beth Daley and Jenn Abelson, Globe Staff  
*Second of two parts*

# The Boston Glob

A watered-down deal for

Frozen fish from the supermarket  
consumers pay the price

By [Jenn Abelson](#)



# Oceana Reports

- “Seafood Fraud found in Boston-Area Supermarkets” – October 2011
- “Widespread Seafood Fraud found In Los Angeles” – April 2012
- “Persistent Seafood Fraud found in South Florida” – July 2012
- “36% of Seafood Sampled Was Mislabeled in Monterey, California” – August 2012
- “Oceana Study Reveals Seafood Fraud Nationwide” – February 2013

# Sampling of What was Found

- South Florida
  - 31% of samples tested were mislabeled
  - Red Snapper – 86% (6 of 7)
  - Grouper – 16%
  - Atlantic salmon for wild or king salmon – 19% (1 of 5)
  - “White tuna” – 100%

# The Miami Herald

August 24, 2009

*Snapper on your plate may be an impostor*

# The New York Times

*NY Sushi Sleuths Uncover Fishy Tricks*

# The Florida Times-Union

April 29, 2014

*Duval County leads the state with 9 restaurants reprimanded for misrepresenting the seafood they served*

TABLE 3-1

**THE EFFECT OF MISBRANDING THROUGH SPECIES SUBSTITUTION ON THE  
IDENTIFICATION OF POTENTIAL SPECIES-RELATED HAZARDS**

ACTUAL MARKET NAME OF PRODUCT	POTENTIAL SPECIES- RELATED HAZARDS ASSOCIATED WITH THE ACTUAL PRODUCT (FROM TABLE 3-2)	PRODUCT INAPPROPRIATELY LABELED AS	POTENTIAL SPECIES-RELATED HAZARDS THAT WOULD BE IDENTIFIED BASED ON INAPPROPRIATE SPECIES LABELING (FROM TABLE 3-2)
Escolar	Gempylotoxin Histamine	Sea bass	Parasites
Puffer fish	Tetrodotoxin Paralytic Shellfish Poisoning	Monkfish	Parasites
Spanish mackerel	Parasites Histamine Ciguatera Fish Poisoning	Kingfish	None
Basa	Environmental chemical contaminants and pesticides	Grouper	Parasites Ciguatera Fish Poisoning
Grouper	Parasites Ciguatera Fish Poisoning	Cod	Parasites

Source: FDA's Fish and Fishery Products Hazards and Controls Guidance, 4<sup>th</sup> edition, page 30. (<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Seafood/ucm2018426.htm>)

# Federal Food Drug & Cosmetic Act

A food shall be deemed to be  
**adulterated**—

(1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or

(2) if any substance has been substituted wholly or in part therefore; or

# Federal Food Drug & Cosmetic Act

A food shall be deemed to be **misbranded**—

- (a) ... If (1) its labeling is false or misleading in any particular, ...
- (b) ... If it is offered for sale under the name of another food.

## **3-601.12 Honestly Presented**

(A) Food shall be offered for human consumption in a way that does not mislead or misinform the consumer

# Florida State Regulations

## 509.292 Misrepresenting food or food product; penalty

- An operator may not knowingly and willfully misrepresent the identity of any food or food product to any of the patrons of such establishment. The identity of food or a food product is misrepresented if:
  - The description of the food or food product is false or misleading in any particular;
  - The food or food product is served, sold, or distributed under the name of another food or food product; or,
  - The food or food product purports to be or is represented as a food or food product that does not conform to a definition of identify and standard of quality if such definition of identity and standard of quality has been established by custom and usage.

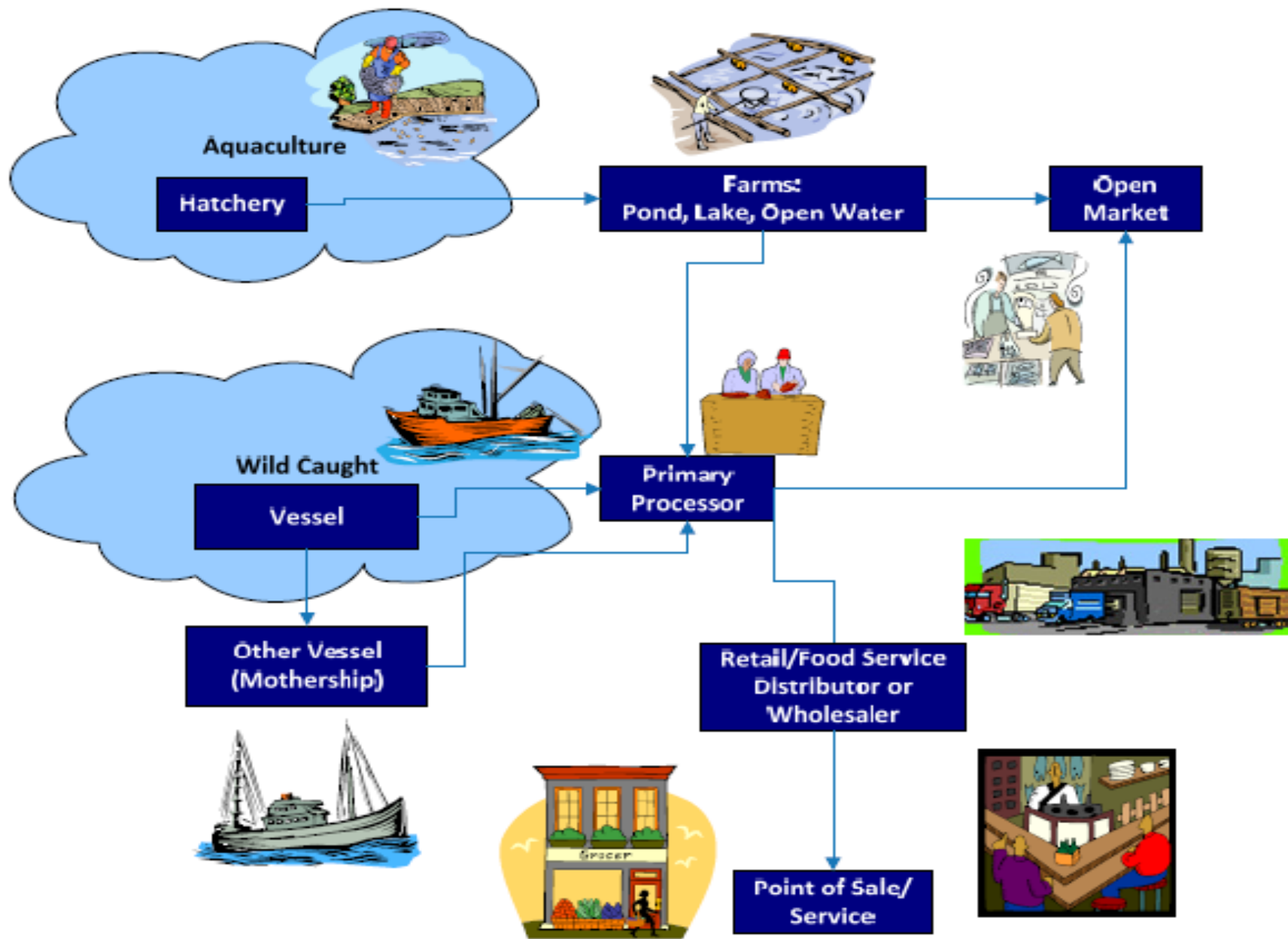
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# Topics for discussion

- What is the problem
- Why be concerned
- **Who to blame**
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Source: NFI's U.S. Seafood Traceability Implementation Guide

- **Importer** pled guilty for importing falsely labeled *Pangasius hypophthalmus* as grouper.
- Sentenced to 22 months in prison and ordered to pay over \$64 million in restitution for importing to avoid anti-dumping duties and for selling falsely labeled fish with the intent to defraud.

- Two seafood **wholesalers** convicted for:
  - purchasing and selling farm-raised Asian catfish and Lake Victoria perch falsely labeled as grouper,
  - selling foreign farm-raised shrimp falsely labeled as U.S. wild caught shrimp,
  - selling shrimp falsely claimed to be larger, more expensive shrimp
  - buying fish they knew had been illegally imported into the United States.
- Sentenced to 33 months and 24 months in prison + fines + barred from working in seafood industry

# The Boston Globe ¶

From sea to sushi bar, a system open to abuse ¶

*The rampant mislabeling of fish that consumers buy can be largely traced to this: the lack of anything like the regulations*

- One **restaurateur** used the name butterfish instead of sablefish simply because it sounds better. “Butterfish rolls off the tongue,”
- Restaurateur admitted serving ocean perch instead of the \$14 red snapper in garlic sauce listed on menu
  - The switch began when red snapper was hard to find and more expensive
  - Ocean perch about \$4/pound compared to red snapper at about \$8/pound

# Topics for discussion

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**U.S. Food and Drug Administration**

Protecting and Promoting *Your* Health

**Guidance for Industry: The Seafood List - FDA's Guide to Acceptable Market Names for Seafood Sold in Interstate Commerce**

*Contains Nonbinding Recommendations*

Goal is to create an appropriate,  
nonmisleading statement of identity

[http://www.fda.gov/Food/GuidanceRegulation/  
GuidanceDocumentsRegulatoryInformation/Seafood/ucm113260.htm](http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Seafood/ucm113260.htm)

# Understanding Fish Names

- A single species will have several different names
  - Scientific name (*Mugiloides chilensis*)
  - Common name (AKA common scientific name) (Chilean Sandperch)
  - Vernacular name (Sea Salmon)
  - Acceptable market name (Sandperch)



# Import Alerts

- 16-04 - Misbranded Seafood
- 16-47 - Detention Without Physical Examination of Red Snapper from Thailand
- 16-128 – Misbranded Catfish

[http://www.accessdata.fda.gov/cms\\_ia/industry\\_16.html](http://www.accessdata.fda.gov/cms_ia/industry_16.html)

# **Fish SCALE (Seafood Compliance and Labeling Enforcement)**

- Development and implementation of regulatory genetic methods to allow FDA, other regulatory agencies, and the seafood industry to confirm seafood labeling and identify at which step in the supply chain that these violations are occurring.
- Perform targeted field sampling assignments for high risk species

# DNA Barcode Sequences for Seafood Species Identification: *Lepidocybium flavobrunneum*; Escolar; FDA Market Name: Escolar or Oilfish

Sample #FDA-178

*Lepidocybium flavobrunneum*; Escolar; FDA Market Name: Escolar or Oilfish

Authenticated: yes; vouchered: yes

Alabama Deep Sea Fishing Rodeo

COI DNA Sequence (barcode, FASTA format)

Additional information: NMNH<sup>®</sup> ID 295325

```
>FDA_178|CFSAN18411|Lepidocybium flavobrunneum|COI-5P
TTGGGTGCAATGAGCTGGTATAGTGGGGACAGCCCTAAGCCTCTCTCATCGAGCTGAACCTAAGCCAA
CCAGGCGCCCTTCTCGGAGACGACCCAGATTTATAATGTAATCGTTACGGGACACGCTTCTGTAATA
ATCTTCCTTATAGTAATACCACTTATGATCGGAGGATTTGGGAACCTGACTTATCCCTCTAATAATT
GGAGCCCCCGACATAGCATTCCCTCGAATGAATAACATAAGCTTTTGACTCTCTGCTCCGCTCTTC
CTCTACTATTAGCCTCTTCAGGAGTTGAAGCCGAGCTGGAAACCGGGTGGACAGTATACCCCTCC
CTGGCCGGTAATCTAGCCCATGCTGGGGCATCCGTTGACCTAACTATTTTTTCCCTGCACCTAGCA
GGGGTCTCTCTCAATTCTCGGGGOCATTAATTTTATTACAACTATTATTACATGAAGCCCGCAGCC
ATCTCCCAATACCAACACCCCTATTGTTATGGGGCGTTCTAATTACAGCGCTCTACTTCTATTA
TCCCTCCCACTCTAGCTGCGGGAATTACATACTACTCAGAGCCGAAACCTTAACACAACTTT
TTTGACCCCGCAGGCGGGGGAGACCCCAATCTCTATCAACACTTATTT
```

...

Sample FDA-178 photograph: Full-size photograph (1250 × 950 px)



Photographer: J. Deeds

<http://www.fda.gov/Food/FoodScienceResearch/RFE/default.htm>

# Office of Criminal Investigations Most Wanted Fugitives



## Most Wanted Fugitives

Help bring these fugitives to justice

**REPORT A  
FUGITIVE**

**WANTED**



**Report Fugitive**

### **Nhan Huhn Dat NGUYEN**

#### **Summary of OCI Investigation:**

NGUYEN and others fraudulently imported over 10.7 million pounds of Catfish, falsely labeled as other species of fish, such as Sole, Grouper, Flounder and Conger Pike, from Vietnam into the U.S. by submitting false labels and selling it below market price. NGUYEN mislabeled boxes of Catfish five times, received over 800,000 pounds of fish in two shipments, and due to the false labeling, avoided paying between \$535,000 and \$759,158 in anti-dumping duties on the Catfish. The scheme earned NGUYEN about \$16 million. In July 2005, NGUYEN fled to Vietnam.

# LA County Dept. Public Health

Our Vision: A Healthy and Sustainable Environment for the Residents of Los Angeles County

## Why you should avoid buying or selling mislabeled seafood:

It's illegal. Mislabeled or substituting seafood is a violation of California Health and Safety Code, Section 114087.

Environmental Health conducts special inspections to protect consumers from the sale of adulterated, misrepresented, and/or mislabeled seafood.

Food Item	Actual Species or Less Expensive Substitute
White Tuna (does not exist)	Escolar
Snapper and Snapper	Rockfish Tail Seabream Tilapia Ocean Perch Pollock Cod
Orange Roughy	Swai
But	Striped Bass Fluke Turbot Seabass Flounder
Wild-Caught Salmon	Farm-Raised Salmon

Escolar, pictured to the right, is sometimes mislabeled and sold as "white tuna." White tuna is not a real species. Escolar can cause gastrointestinal illness or other health problems for some customers. It is important to sell and offer honestly presented seafood in order to protect customers' health.



Escolar

### Tips for buying and selling safe seafood:

Compare the label on the food container or packaging with the invoice or receipt to make sure it matches what you ordered.

Remember, *white tuna* does not exist. If your invoice says *white tuna* or it is missing information such as species or country of origin, do not accept delivery. Return the product to the supplier or distributor, and ask for more information, or contact your Health Inspector for advice.

### Questions? We're here to help!

If you suspect seafood mislabeling or substitution, contact Environmental Health at (626) 430-5200 during business hours, 8 am to 5 pm, Monday through Friday; call the 24-hour Hotline at (888) 700-9995; or send an e-mail to [ehmail@ph.lacounty.gov](mailto:ehmail@ph.lacounty.gov).



Red Snapper



Red Snapper Fillet



Tilapia



Tilapia Fillet

Los Angeles County Department of Public Health • Environmental Health  
[www.publichealth.lacounty.gov/eh](http://www.publichealth.lacounty.gov/eh)

5050 Commerce Drive, Baldwin Park, CA 91706 • (626) 430-5200



County of Los Angeles  
**Public Health**  
Environmental Health

05/06/2013

# Florida Dept. of Agriculture & Consumer Services



Adam H. Putnam  
Commissioner

**Mislabeling  
Seafood Products  
is Illegal**

**Florida Department of Agriculture and Consumer Services**

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## Mislabeling Seafood Products is Illegal

Consumers need to be informed when it comes to buying seafood. Knowing what

**Laws and Regulations**

Florida Statutes  
Chapter: [509.292](#)

**Contact**

<http://www.freshfromflorida.com/Divisions-Offices/Marketing-and-Development/Food-and-Nutrition/Food-Safety/Mislabeling-Seafood-Products-is-Illegal>

# Topics for discussion

- What is the problem
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# Protect your reputation

## Is Your Reputation on the Line?

### What's in a Name?

By Better Seafood Board

distributor, grocery store, or restaurant – who themselves may have purchased a misrepresented product. Regardless, ignorance or intentional – both can have a negative impact on your **reputation**. Consumers don't make the distinction – they expect to get what is advertised.

*There are over 40 species of fish that can be marketed as snapper, but there is only one - *Lutjanus campechanus* – that can be called red snapper.*

#### Don't be accused of a "Fish Switch"

Negative publicity is never good for business. Investigative reports on the prevalence of species substitution at restaurants are popular stories with local media. Local consumer-driven "gotcha" stories make for good ratings.

Use FDA's *Seafood List* (available at <http://www.cfsan.fda.gov/~comm/seaguid7.html>) to ensure that the name you list on your menu is the recommended market name for the fish. And work with a trusted supplier to ensure that you receive what you ask for.

#### Did You Know?

*FDA can consider a food product to be misbranded if it is offered for sale under the name of another food.*

\*\*\*\*\*  
[www.betterseafoodboard.com](http://www.betterseafoodboard.com)

Call 1-866-956-48SB to report a concern with your seafood supplier  
NRA Show 2009 | Booth 1286W | Better Seafood Board

#### Steps you can take to keep from getting DUPED

- Reference FDA's *Seafood List* for acceptable names
- Be clear in purchase specifications
- Check that container labels match invoices
- Trust your "gut" (if the price is too good to be true, it probably is)
- Ask your supplier if the fish name is unfamiliar
- Buy worry-free from members of the National Fisheries Institute ([www.aboutseafood.com](http://www.aboutseafood.com))

#### Still have questions?

Check out these websites

FDA's *Seafood List* – [www.cfsan.fda.gov/~comm/seaguid7.html](http://www.cfsan.fda.gov/~comm/seaguid7.html)  
Regulatory Fish Encyclopedia – [www.cfsan.fda.gov/~frf/rfe0.html](http://www.cfsan.fda.gov/~frf/rfe0.html)  
FDA website on Economic Deception – [www.cfsan.fda.gov/~lrd/sea-eco.html](http://www.cfsan.fda.gov/~lrd/sea-eco.html)  
Applied Food Technologies – [www.appliedfoodtechnologies.com/afthome.html](http://www.appliedfoodtechnologies.com/afthome.html)  
Seafood Network Information Center – <http://seafood.ucdavis.edu/>  
Better Seafood Board – [www.betterseafoodboard.com](http://www.betterseafoodboard.com)

\*\*\*\*\*  
[www.betterseafoodboard.com](http://www.betterseafoodboard.com)

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Support  
suppliers that  
play by the  
rules



# Support Enforcement

## Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Monday, February 6, 2012

### **California Seafood Corporation Sentenced to Pay \$1 Million for False Labeling of Seafood Products**



### **SEAFOOD WHOLESALER SENTENCED FOR FALSE LABELING OF FISH**

TUESDAY, MAY 24, 2011

BOSTON, Mass. - Thomas Katz, 65, of Burlington, Mass., and Universal Group Inc., were sentenced today in federal court in Boston for their roles in purchasing and selling falsely labeled Asian catfish. Katz was

**Contact: U.S. Department of Justice**  
*United States Attorney*  
*Southern District of Florida*  
(305)961-9001

**FOR IMMEDIATE RELEASE**  
September 9, 2011

### **SEA FOOD CENTER, LLC. AND ITS PRESIDENT PLEAD GUILTY TO CONSPIRACY TO MISLABEL SHRIMP**

Are new laws the  
answer?



Are laws the  
answer?



**Conference for Food Protection  
2010 Issue Form**

**Issue: 2010 I-023**

<b>Council Recommendation:</b>	Accepted as Submitted _____	Accepted as Amended _____	No Action _____	<u><b>X</b></u>
<b>Delegate Action:</b>	Accepted <u><b>x</b></u>	Rejected _____		

*All information above the line is for conference use only.*

---

**Title: Proper Identification of Seafood Species**

**Recommended Solution:**

The Conference recommends no action.

**Reason:**

Adequately addressed in the FDA Food Code.



# **Thank You**

Lisa Weddig

[www.betterseafoodboard.com](http://www.betterseafoodboard.com)

