

CCML

CEI Capital

CIRCLE SEAFOODS, INC.

Aberdeen, Washington

\$31MM Total Project
\$12MM CEI Capital NMTC financing
Closed December 2023



Circle Seafoods is an early-stage company seeking to improve Pacific wild-caught salmon sector with custom barges designed to flash freeze the fish where it is caught – a industry shift that will reduce transportation distance and time to freeze, improving the quality of the product, while providing premium pricing to small independent fishers and creating year-round processing jobs in a largely seasonal industry.

“Cost reduction, processing capacity, and continued quality improvements are probably the three most critical needs in the Bristol Bay fishery. I believe Circle Seafoods’ business plan smartly addresses all of these issues.”

**- Andy Wink,
former executive director,
Bristol Bay Regional Seafood
Development Association**

100-400 workers on the boar. Circle Seafood partnered with Certified Quality Foods to use a bioimpedance device that provides real-time quantitative measurements on fish quality and transparency in pricing. In addition, with a demonstrated process that improves the market quality of the salmon, Circle Seafood will pay harvesters a premium per pound over the price paid by traditional onshore processors. Harvesters selling to Circle Seafood will also benefit from faster, safer offloads that transfer fish directly from their vessels.

Circle Seafood’s primary workforce impact will be in Aberdeen, Washington, where the fish will be processed for the wholesale market after being flash frozen on the barge. Aberdeen, like many coastal

Salmon have a large cultural and economic impact in the region, anchoring a \$3 billion industry, supporting tens of thousands of jobs and local economies and communities around the Pacific Rim. Seafood directly employs more workers than any other private sector industry in Alaska and is the economic foundation of many rural communities.

Currently, fishermen start their season without knowing the value of their harvest, and when the price is announced, it can take months to be compensated. Circle Seafood will purchase salmon from 25-100 local, existing salmon fishing vessels/harvesters with

KEY BENEFITS

- Company expects to create 93 new Full-Time Equivalent direct jobs.
- Entry-level processing jobs will pay a starting wage that is 66% higher than the MIT Living Wage for a single adult and a robust benefits package.
- The company has partnership in place with Grays Harbor College to onboard/train new employees.
- Reduces need for harvesters to transport catch inland, reducing carbon output by an estimated .8 lbs of CO2 per pound of fish or 8 million lbs of CO2 per barge run, equivalent to 706 homes’ electricity use for one year.

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communities in the Pacific Northwest, has had to adjust as traditional jobs in logging and fishing have been displaced through resource depletion, globalization, and climate change.

Circle Seafood's Aberdeen-based processing facility is expected to create 93 new FTEs by 2025. Traditionally, jobs in the salmon processing industry have been seasonal and filled by non-resident laborers working long, 12 to 18 hour shifts, 7 days a week during the 45-day harvest. Circle's model, however, enables full-time, year-round fish processing jobs because the salmon is flash-frozen on the barge during the harvest season (June-September) and then processed during the 9-month off-season.

NEW MARKETS PROGRAM ELIGIBILITY

- Non-metropolitan county
- Poverty Rate 25.7%
- Income as a percent of Area Median Income: 58%

Processing workers will receive a starting wage that is 66% higher than the MIT Living Wage in Grays Harbor County for a single adult; and 10% higher than the MIT Living Wage for 2 adults (both working) with 2 children, with overtime opportunities and a robust benefits package that includes paid time off, health

care coverage and retirement benefits. The company will partner with Grays Harbor College to train its entry-level labor force, enabling workers to access higher-wage employment opportunities. In addition, Circle has a strong preference to skill up their staff and provide upward mobility from fish processing roles into technical positions on the barge, such as fabrication or welding, and entry-level office jobs, such as positions within accounting.

FINANCING PARTNERS

NMTC Co-Allocatees: Alaska Growth Capital and Hampton Roads Ventures

Investor: U.S. Bank Impact Finance

Investment Consultant: Hope Community Capital

** Unless otherwise noted, all jobs and impact data contained herein is taken directly from the Transactional Level Reports submitted by CCML to the US Treasury's CDFI Fund. All jobs data is reported by the project Borrower and is not independently verified by CCML.*

FOR MORE INFORMATION

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ABOUT CEI CAPITAL MANAGEMENT LLC

CEI Capital Management LLC works nationally to connect new and existing rural manufacturing companies with flexible capital through the federal New Markets Tax Credit and Maine New Markets Capital Investment Tax Credit programs. CEI Capital invests in companies committed to building accessible good jobs that provide living wages, comprehensive benefits and opportunities for training and advancement in alignment with CEI's Good Jobs Framework. Since 2004, CEI Capital Management has placed over \$1.02 billion in 100 different projects across the U.S.

CCML is a wholly owned subsidiary of Coastal Enterprises, Inc. (CEI), a Maine-based nonprofit community development financial institution.

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