



Spi Ouest France Intermarché Regatta: a greenwashing operation for the destructive fisheries of Intermarché Group

Paris, March 28, 2013

On March 29 in La Trinité-sur-Mer the regatta "Spi Ouest France Intermarché" begins and Intermarché, the French leader in industrial deep-sea fishing, takes advantage of one of the most anticipated sporting events of the year to deploy a large-scale communication operation about its fishing activities centered around the theme, "Intermarché and the Sea - 20 years of passion". **This is BLOOM's opportunity to assess the ecological and economic effects of Intermarché's fishing practices and alert the public that they will be the target of a greenwashing operation.**

Intermarché and the Sea - 20 years of destruction

It is now 20 years since one of the leading retailers in France first embarked on fishing activities, very aggressively¹ acquiring more shipyards and industrial vessels that now make up the fleet, Scapêche, "Société centrale des armements mousquetaires à la pêche", based in Lorient.

From the beginning, Intermarché has chosen to invest in bottom trawling, including **bottom trawls deployed in very deep water, up to 1800 meters deep**, where the light no longer penetrates and organisms defy the extreme conditions: fish are often more than 100 years old and some, like the orange roughy, can even reach 160 years old. **As for corals, they can live up to 4200 years, which makes them the longest living animals on earth.**

Because of the extreme vulnerability of the wildlife and ecosystems, **deep-sea fishing has a disastrous ecological track record and has been emphatically denounced by the scientific community.** More than 70 scientific publications in international journals have chronicled the disproportionate and unacceptable impact of bottom trawling on the world's most fragile marine environments. This is why, in July 2012, **the European Commission proposed a ban on bottom trawling in Europe.** A proposal that is being discussed in the European Parliament and which Intermarché's fleet are fighting tooth and nail, with the support of MEPs Isabelle Thomas (Socialist) and Alain Cadec (UMP Right wing), despite the fact that **MEPs on the Environment Committee recently approved a ban of this fishing method by an overwhelming majority (58 votes to 1).**

Intermarché and deep-sea fishing: a disastrous ecological track record

By scraping the deep sea with huge weighted nets, **Intermarché's fleet has actively contributed to:**

- **The destruction of deep-sea coral reefs which are more than 9000 years old.**
- Massive losses of biodiversity: **by catching the three main species targeted by ships, 144 other species are thrown out, dead, overboard.**
- **A steep decline in the deep-sea shark population** to the point that it is today forbidden to land them : many species are threatened with extinction.
- In fact, **Intermarché's fleet captured so many deep-sea sharks** that the leading French producer

¹ The arrival of the giant retailer in the fishing sector has not been painless: 40 days of strike in 1997 with boats blocked on the docks in Lorient. The Fisheries Minister at the time, M. Louis le Pen had to intervene to make the Intermarché Group meet the fishermen. See *Le Point* of January 22 2007 « Les mousquetaires de la mer ».



of squalane (a substance derived from deep-sea shark livers and used in cosmetics), the company Sophim, established a permanent collection center for shark livers in Lorient.²

An economic disaster, funded by taxpayers

The analysis of the audited accounts of the Scapêche (accessible to everyone on the website of the Commercial Court) reveals that:

- **Despite substantial public subsidies, Intermarché's fishing activities make chronic losses and are absolutely not economically viable.**

- Despite nearly **€10 million of subsidies** received between 2002 and 2011 and nearly €20 million injected by Intermarché, Scapêche has accumulated **more than €19 million of running losses.**

- The operating income, which reflects accurately the economic performance of the fishing activity, shows it to be chronically unprofitable.

- **Scapêche would not exist if it was not backed financially by the Intermarché group.** The group absorbs fleet losses in its accounts as, thanks to public subsidies, **it allows Intermarché to reduce the cost of its raw materials.** A margin is made on final consumers which the distribution group has access to.

- The reality of the accounts of Intermarché's fleet reveals a **cynical view of "fishing", in which it is no longer an autonomous, ancestral and human activity, but an operation to capture wild marine resources by retailers, on the back of taxpayers.**

Intermarché's fleet: questionable practices

Intermarché's fleet is at the heart of a political scandal

- Intermarché's fleet received, simultaneously, aid from decommissioning schemes to stop the activity of vessels targeting deep-sea species and several million euros for the construction of new vessels designed to... target the same species! **Scapêche has thus increased the fishing pressure on species identified as particularly sensitive by the EU, while benefiting from the last public funds available for building vessels before they were banned in 2005.**

- The Intermarché Group has, therefore, managed to finance the renewal of the most destructive and controversial part of its fleet, the cost of which will take at least 20 years of fishing to recoup.

- EU citizens are not finished paying for the political scandal of funding these new ships, as paying them off allows Intermarché's fleet to lobby fiercely in Brussels against the regulation that proposes to ban bottom trawling.

A fake label

- As fish caught with destructive fishing methods will never be certified by a serious label such as the MSC, **Intermarché's fleet paid Bureau Veritas to create a customized fake label.**³

- The logo created by Intermarché is almost identical visually to the MSC label; it boasts of a "responsible fishery" (which has nothing to do with sustainable fisheries), which is designed to produce a favorable confusion with the word "sustainable" in the minds of consumers who are not experts.

- **Intermarché's fake label meets "private" specifications that are not available online or on request** (BLOOM has asked Bureau Veritas who answered on March 5th 2013 that it was confidential, although the logo itself is public and labeled on seafood products in Intermarché stores).

False advertising

² See BLOOM's study « The hideous price of beauty », in French, page 23 : http://www.bloomassociation.org/download/FR_Squalene_LONG.pdf

³ Pour en savoir plus : <http://www.bloomassociation.org/node/189>



In 2012, BLOOM Association filed a complaint against Intermarché with the Professional Regulatory Authority for Advertising and obtained the prohibition of a false advertising touting their "responsible fishing" practices concerning deep-sea fish caught with a fishing method described by researchers as "the most destructive in history."

The non-publication of their accounts despite legal obligations

- After several friendly attempts, **BLOOM put in a request for an injunction against Intermarché's fleet. In January 2013, it finally published its accounts that it had concealed since 2009**, this is despite the legal obligation to publish annual accounts.⁴

- Intermarché's fishing fleet had publicly stated that it was profitable, viable and transparent. This was flatly contradicted by its accounts and its persistent effort to hide them.

- Despite the evidence provided by its own accounts audited by KPMG, Scapêche continues to proclaim benefits that do not exist (unless it is at the Intermarché Group level, naturally).

All in all, the history of deep-sea trawling is as dark ecologically as it is economically. Without publicly admitting it, the Intermarché Group seems to have realized this fact and has started a conversion strategy to move its fishing practices towards methods which consume less fuel (such as pot fisheries) and are undoubtedly more viable and profitable. Due to its reinvestment, however, in new bottom fishing units, which started work in 2005, **Intermarché's fleet is deploying considerable energy to try and ruin a European regulation which is the only way to provide sufficient protection to deep-sea ecosystems from the negative impacts of fisheries.**

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See the detailed analysis of the accounts, including those of the fleet Intermarché
<http://www.bloomassociation.org/fr/intermarche-sous-perfusion>

To learn more about deep-sea fishing:
http://www.bloomassociation.org/fr/peche_profonde

KEY FINDINGS ON DEEP SEA FISHING

- 98.5% of French deep-sea catch is made by nine ships, or 0.1% of the French fleet.⁵
- **None of these ships make their entire catch in the deep sea. Deep-sea catches represent between 25 and 40% of catches for each ship.**
- Scapêche represents up to 85% of the total of French deep-sea species catch. Euronor 9% and Dhellemmes 4.5%.
- Direct employment is between 44 and 112 FTE seamen, or 0.2 to 0.5% of French seamen.
- From 2004 to 2011, Scapêche received four types of subsidies for a total amount of € 9.34 million and a fuel subsidy of € 2.8 million, paid back in 2011.

⁴ In virtue of the article 232-21 of the Code of Commerce.

⁵ 7305 fishing ships in total. Key figures for the fisheries sector 2012/Chiffres clef du secteur de la pêche 2012 - http://www.developpement-durable.gouv.fr/IMG/pdf/Chiffres_cle_peche.pdf



- Despite nearly € 10 million of subsidies received between 2002 and 2011 and € 20 million injected by the Intermarche group, Scapêche has accumulated more than € 19 million of recurrent losses.⁶

About BLOOM www.bloomassociation.org

Founded in 2005, BLOOM is a non-profit organization working to protect the oceans and promote sustainable fishing through awareness-raising and scientific mediation, by producing independent scientific studies, as well as by participating in public consultations and institutional processes. Our actions target both political and economic decision-makers, as well as the general public.

BLOOM is a member of the **Deep Sea Conservation Coalition**, a coalition of over 70 NGOs working to protect vulnerable deep-sea ecosystems: <http://www.savethehighseas.org/>

⁶ Current income is operating income to which is added financial products and subtracted financial losses.