Sustainable growth of fisheries, both at a macro level and at the level of individual firms, is of huge significance economically and socially to many countries. The growth in the offshoring of post-harvesting processing and changes in value chains compounds sustainability and socio-economic issues. New Zealand has the world's fourth largest fisheries exclusive economic zone (EEZ), yet many of New Zealand's seafood-processing firms struggle to grow. The sector is characterised by plant closures, job losses and, according to Stringer (2010), increasingly the offshoring of value-added processing and the export of related capabilities, to China. Part of this may be attributed to diminishing fish stocks, but it seems that firms struggle to add value to existing activities.

This study applies a Penrose-Teece (P-T) framework to the New Zealand seafood processing industry. According to Penrose (1959), firms use a combination of external and internal resources to grow, but growth is limited essentially by the capacities of management, and whether entrepreneurial managers see opportunities for growth arising from other possible uses of resources. This approach has been further refined by Teece in recent years (e.g. Teece, 2007; 2009). The P-T framework derived from these studies encompasses the entrepreneur, firm and industry levels of analysis. This research will empirically test this framework on New Zealand seafood processing firms - as a feasibility study suggests the industry is particularly suited to Penrose's arguments.

Using a combined method research design this research focuses on addressing the following questions: 1) How do seafood processing firms create, deliver and capture value through their activities? 2) What are the key characteristics that distinguish innovative, value adding/capturing processors from those which are not? 3) Can an industry, company and entrepreneur level proposal be developed which would show how more value can be created, delivered and captured sustainably within New Zealand, stemming the hollowing out of the processing industry, and the over exploitation of fish stocks? This will shed new light on factors contributing to or hindering firm growth.