



Wild, Natural & Sustainable[®]
Alaska Seafood Marketing Institute
Board of Directors/All Hands Meeting
November 29, 2012
Seattle, Washington
DRAFT Minutes

In attendance: Joe Bundrant, Kevin Adams, Barry Collier, Dennis Guhlke, Mark Palmer, Jack Schultheis, Bruce Wallace, John Moller, Robbie Graham, Representative Bill Stoltze, Ray Riutta, Mike Cerne, Mary Rehfeld

Absent: Senator Gary Stevens

A meeting of the ASMI Board of Directors was called to order at 9:06 AM on November 29, 2012.

Sam Rausch with NOAA Fisheries presented to the Board. Arni Thomson said NMFS began reporting on the increase of stocks after management was put in place due to a failed crab program. Thomson said he appreciates the agency reinvigorating themselves and applauded the Fish Watch program. Duncan Fields asked why the agency does not address false claims against the management of certain species. Rausch said there is no true definition of 'sustainable'. NOAA cannot say someone else's definition is wrong. The agency can ensure management, but cannot legal say what sustainable is. Jennifer Castle asked Rausch to speak on the various standards. Rausch said there are different standards. FAO is not the US Government. Wallace asked about the likelihood of one statutory standard. Rausch said the USDA Organic standard is the pattern. The agency would have to work with Congress on developing a 'Sustainable' standard.

Wallace moved to approve the minutes from the previous ASMI Board of Directors meeting. Collier seconded the motion.

The motion was adopted by unanimous consent.

Chair Comments

Bundrant welcomed guests and Mike Cerne, recently hired ASMI Executive Director. Bundrant thanked Ray Riutta, outgoing Executive Director, for ten years of service to the Alaska Seafood industry.

Executive Director Report

Riutta said the FY14 budget is in discussion stages with the State.

Budget Update – Naresh Shrestha, ASMI

Shrestha presented the FY13 budget update. The original amount approved by the legislature was \$24.8 million, which included the general funds and industry tax assessment. The intent of the legislature requires an expenditure limit. After the initial \$24.8 million was approved, the legislature restricted (with intent language) the budget to \$23.2 million. ASMI further restricted the budget to \$22.5, and

included those restricted funds into a reserve account. The board allocated \$3.5 million for sustainability/certification outreach from the reserve funds.

The release date for the FY14 Governor's budget is December 15.

The estimation is as follows:

- \$16 million industry assessment
- \$7.7 million General Funds
- - \$4.5 million MAP

With the intent language and internal savings, the budget will likely be \$22.5 million.

Riutta said the reserve funds are to deal with the potential removal or decline of the MAP program.

Shrestha thanked Ray for his assistance of the years. When Ray started at ASMI, the budget was roughly \$8.9 million. Now ASMI is at \$22.5 million.

Operational Reports

International Marketing Committee

Jeff Stephan

- ❖ Overall Committee Issues/Concerns/Opportunities
 - Committee suggests arranging a "species market update" for the OMRs/ASMI Foodservice Reps/ASMI Retail Reps on the day prior to the All Hands meeting and have the species committee presenters present and explain the key products and markets that need focus and attention.
 - Important to try to arrange trade missions and/or trade meetings before, during or after trade shows, and in conjunction with other activities.
 - Committee suggests improving the navigation of the ASMI website.
 - MSC Certification issue is still very difficult. Need to emphasize Alaska message. High value items need more options for markets.
 - As more and more fisheries obtain accreditation as sustainable fisheries, it is important that ASMI develop our next point of differentiation because the "Wild, Natural and Sustainable" message will be outdated and not any longer a point of differentiation.
 - USDA MAP funding is at risk in the Congress and the Administration.

Foodservice Marketing Committee

Jennifer Castle

- ❖ Overall Industry Issues/Concerns/Opportunities
 - Competitive Pricing pressure on all fronts, all species in upcoming year
 - Constantly shifting consumer attention span, challenge to stay relevant
 - Sustainability message relevance
 - Target USA consumers with a "Buy American"/buy local as Alaska is America's local choice for seafood

- Make certain to stay on top of current health trends that are most relevant to consumers today, for example highlighting recipes that address food allergies/sensitivities
- Good acceptance in US of the FAO-ISO standard and Global Trust certification

❖ *Species/Product Summary*

- FS committee is in support of ASMI's focus on elevating overall brand image, rather than singling out specific fish
- ASMI Materials and support in the field is very strong and on target
- Long discussion about species challenges and strategies to combat

❖ **Request to Board**

- *ASMI needs to continue to promote themselves within the industry; fishermen, sales people, other industry participants that are involved with Alaska seafood. Include in strategic plan*

Stoltze asked Castle what the program is doing with supplying Alaska seafood to state institutional. Tyson Fick said the agency is working with corrections administrator and some state prisons are serving Alaska seafood.

Seafood Technical Committee
Hart Schwarzenbach

❖ *Overall Committee Issues/Concerns/Opportunities*

- It is important to proceed with a program which can provide USDA and FDA with accurate nutritional information for their data base. We intend to get the help and expertise of Dr. Joyce Nettleton. We plan on setting aside 25,000 of our current budget as the prior three analysis done last year cost approximately 12,500. Technical committee along with the aid of the species committee will put a list together by "species" priority. We believe this will be an ongoing program.
- New organization GSSI -global sustainable seafood initiative is able to provide benchmarking services to the whole seafood supply chain, creating a level playing field. The final governance model will be decided upon in the first GSSI meeting in early 2013.
- Discussed the use of the certification seal with and without the tag line. Will wait until everyone has had a chance to meet with sales department before proceeding. However, the current seal without tag line is ready to use.
- Listeria - petition with FDA in 2005 to change limits for products that are known not to support the growth.
- PSP - well noted that the industry should be aware of a potential issue if testing is conducted "downstream" including Dungeness crab.

Retail Marketing Committee
Rick Speed

❖ *Overall Committee Issues/Concerns/Opportunities*

Salmon

- Sockeye: The recommendation is to continue to promote Alaska Sockeye salmon, working with Ste. Michelle Wine Estates (SMWE) on a co-op promotion. Committee reviewed the promotion costs; staff estimated repeating the promotion would cost

between \$80,000 and \$108,000. Might be able to get some funds from the RSDAs again, too.

- Keta: Committee directed staff to put together a promotion for Keta. Videos/materials instructing consumers how to cook H&G Keta or make steaks would be needed. Costs of project are unknown

Whitefish

- Halibut: Holiday recipes ("Seafood to Celebrate") - appetizer recipes with poster and recipe brochure, including Halibut recipes, are available for use at retail. Online banner ads are running nationally. Family Features featuring three of the Halibut recipes. Holiday recipes will appear via online release. A second release will be issued during Lent and will include Family Features print.

Cod

- Committee recommends a national cod program for lent and on through Cinco de Mayo with an emphasis in the Midwest. Staff to come up with a recommendation.

Stoltze asked what the process is for changing the name of a species. Speed said it has to go through the FDA. One issue is 'golden'; 'golden' implies this as a best product title. FDA does not like 'golden'.

Michael Catsi with the Alaska Industrial Development and Export Authority (AIDEA) presented to the Board.

Bundrant and Moller presented a certificate from Governor Sean Parnell to Riutta for his service to the State of Alaska.

The board convened into executive session.

**Guhlke moved to reconvene into public session. Collier seconded the motion.
The motion was adopted by unanimous consent.**

Guhlke moved to appoint and reappoint the following industry members to ASMI species and operational committees:

Foodservice Marketing Committee

- Reappoint Peggy Parker
- Reappoint Rasmus Soerenson
- Reappoint Jerry Eagle

International Marketing Committee

- Reappoint Torunn Halhjem
- Reappoint Merle Knapp
- Reappoint Dean Pugh
- Appoint Lance Magnuson in place of Eric Critchlow

Retail Marketing Committee

- Reappoint Matt Christenson
- Reappoint Rick Speed
- Reappoint Bob Barnett

- Reappoint Thea Thomas
- Reappoint Ron Jolin
- Appoint Beth Poole in place of Larry Williams
- Appoint Scott Blake

Seafood Technical Committee

- Reappoint Al Burch
- Reappoint Rodger Painter
- Reappoint Joe Logan
- Appoint Denby Lloyd in place of Keith Harris

Halibut-Sablefish Committee

- Reappoint John Jensen
- Reappoint Bob Barnett
- Reappoint Peggy Parker
- Appoint Claire Laukitis in place of Brian O'Leary

Whitefish Committee

- Reappoint Merle Knapp
- Reappoint Torunn Halhjem
- Reappoint Al Burch
- Reappoint Rasmus Soerensen
- Appoint Tony Macedo in place of Dean Pugh

Salmon Committee

- Reappoint Matt Christenson
- Reappoint Rick Speed
- Reappoint Ron Jolin
- Reappoint Thea Thomas
- Appoint Julie Decker in place of Izetta Chambers

Shellfish Committee

- Reappoint Jerry Eagle
- Reappoint Jake Jacobsen
- Reappoint Jim Stone
- Reappoint Joe Thompson
- Reappoint Rodger Painter
- Appoint Mark Gleason in place of Art Lee

Customer Advisory Panel:

- Reappoint Jennifer Keith, Darden
- Reappoint Philip Gadsden, Harris Teeter
- Reappoint Chen Hui Ming, Pan Fish Ltd
- Reappoint Peter Hajipieries, Birds Eye Iglo
- Reappoint Jeremy Langley, Waitrose
- Reappoint Phil Gibson, Safeway Inc.
- Appoint Dave Melbourne
- Appoint Keith Harris

Mark Palmer seconded the motion. The motion was adopted by unanimous consent.

Randy Rice, ASMI Seafood Technical Director, presented an updated on the FAO-Based Responsible Fisheries Management Certification of Alaska Fisheries.

Canned Salmon Update – Ray Riutta, ASMI

Riutta said a meeting between state officials and the canned salmon industry was recently held. ASMI will work with state officials to help examine the current statutes in the tax credit laws to see if it can be improved to provide an opportunity for the industry to move ahead with this initiative.

New Business: Nest meeting date/location

Riutta said the CAP requested a meeting during the Boston Seafood Show. Riutta asked for input on the summer CAP meeting. Adams suggested Seward at the SeaLife Center. Bundrant suggested Dillingham. Schultheis suggested Sitka. Collier suggested MatSu Valley. Week before or after 4th of July. Guhlke suggested having the mini meeting at Boston, Sunday morning. Riutta said the staff would look into all options.

Riutta said the next board meeting needs to be after session and can be held anywhere. Tyson Fick said the Great Alaska Seafood Cook Off will be May 8. Palmer suggested the start time of the meeting be pushed later into the morning so people traveling from Seattle could fly on the same day.

Palmer suggested overlapping the ASMI All Hands meeting with Fish Expo (again). Palmer also suggested selecting a venue nearby the show.

Collier presented the revised ASMI Mission Statement.

Collier moved that the ASMI Board of Directors approve the ASMI mission statement, as revised, and that the board direct ASMI staff to finalize suggested revisions to the strategic plan for approval at a subsequent ASMI board meeting. Schultheis seconded the motion. Motion was adopted by unanimous consent.

Collier moved that the ASMI Board of Directors direct ASMI staff to continue work on the third party certification through Global Trust and the related technical and informational issues. Collier further moved that ASMI staff prepare a multifaceted strategic plan that addresses Alaska brand protection through 2014 for review at the next ASMI Board meeting. Guhlke seconded the motion. Motion was adopted by unanimous consent.

The motion was followed by meeting adjournment.

MR