



Wild, Natural & Sustainable®

Board of Directors Teleconference
Tuesday, March 3, 2015
9:00 am – 11:00 am Alaska Time

Call in information for participants:
USA/Canada Toll Free: 1-877-820-7831
International Toll Free: 1-720-279-0026
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Draft Minutes

Chairman Kevin Adams called the meeting to order at 9:00 AM.

Roll Call: Kevin Adams, Mark Palmer, Barry Collier, Amy Humphreys, Jack Schultheis, Ana Hoffman, Jon Bittner, Tomi Marsh, Mike Cerne, Deb Tempel, Tyson Fick, Becky Monagle, Nicole Stangeland, Alexa Tonkovich, Claudia Hogue, Heather Carey, Jeff Stephens, Dave Woolley, and Mark Jones.

A motion to adopt the agenda was made by Barry Collier, seconded by Jack Schultheis, and passed by unanimous consent.

A motion by Amy Humpherys to approve the minutes from All Hands meeting, seconded by Barry Collier, passed by unanimous consent.

An amendment to the December 15, 2014 minutes was made by Barry Collier; they should read: Barry Collier suggested that with a limited amount of funds that promotions focus on three areas:

- canned sockeye promotions in the UK and Canada
- frozen sockeye promotions in the domestic markets
- frozen sockeye promotions in Japan

A motion by Amy Humpherys was made to approve the December 15th minutes as amended, seconded by Barry Collier, passed by unanimous consent.

No chairman remarks

No public comment

Mike Cerne has brought the attention to a letter from the Seafood Producers Cooperative. A letter has been sent to them addressing their concerns. See attachment No. 1.

Sockeye Salmon Marketing Update. See attachment No. 2

1. \$350K canned product in NEU (unspent funds from 2014 \$1.5 M pink promotion). The NEU canned promotion was already approved by the board at the December meeting and is well underway.

2. \$250K canned product in Canada : ASMI Retail Program staff worked extensively with the three primary canned salmon distributors in Canada; however, they either declined participation or proposed terms that were unacceptable to the retail staff and committee

Mark felt like we should have made a counter offer, if you look at incremental costs and what they asked for, at the moment the market has softened and I think we should go back to them with 1/2 of that (\$250K) at a 2.99 price point and start promoting no later than May. The sooner we get a market leader in Canada the rest will follow. Barry was also concerned that we did not pursue Canada more aggressively. We could hold the remainder of the unspent funds for other promotions. It was felt that the Canada market could surpass the UK market. Amy was in concurrence.

Staff Tasking: Go back to Cloverleaf, and offer to execute the proposal using up to \$125K and reserve the other half for other brands to follow suit.

3. \$375K frozen product domestic retail and foodservice: Mike approved a \$50K foodservice promotion because deadlines for committing to Sysco precluded seeking board approval. Similarly, retail has expended \$15K to date having reached out to 25 major chains in the U.S. and arranged promotional activities with ten companies for Lent. This effort is still ongoing but doesn't expect to require more than \$25K. The retail committee met and recommends the \$300K balance of funds allocated to this effort be directed to advertising and PR.

Mark Palmer asked about the Kroger funding: *Would not provide detailed promotion data; no funding offered* and wanted clarification on what *Awaiting detailed promotion data* He wanted to know what they would not provide given they are a large retailer. Mark Jones informed the board that Kroger would not disclose details on their tactics for lent. All the retailers that are awaiting detailed promotion data are all running promotions but the Retail Marketing Program is waiting for the details on specific promotions. Mark Jones did not think that the amount of total special funding would go beyond \$30,000. Mark Palmer wants more money spent at a trade level and not advertising or PR. Amy, Barry, Ana were all in agreement Mark Jones confirmed to the board that executing frozen sockeye demos in April/May/early June can happen.

The board directs staff to spend the remaining \$300K allocated for the frozen sockeye promotion at the retail and food service trade level up until the upcoming Sockeye season.

4. \$375K frozen product international with emphasis on Japan: Approve IMC's \$380K proposal for Japan.

Mark Palmer asked for clarity on the first trade proposal. Alexa clarified that she felt that the projected volume movement would be from the combination of the three. Discussion continued on how we can break back into the Japan market. It was felt by the group that we need to do something to revive the Alaskan brand in Japan.

Mark Palmer asked for clarity on item 3 regarding labeling laws in Japan? Is the stickering very enforceable? Alexa said that she thought it was regulated fairly closely. The Japan office would work closely with the retailers to ensure the sticker was only used for Alaska seafood.

Mark Palmer asked about consumer proposal number 1. He felt like something like this had been done in the past, and it may not be the best use of \$80,000. Alexa mentioned that the previous contractor created a sort of comic book and did not know if we still owned the rights to that.

This development of a character is by the creators of Hello Kitty, they are hugely successful and that events like this would attract customers to the store. It is for development of one character and that the character can be used at multiple events. No sales lift projections are available for this proposal. Mark would rather see the monies channeled into the trade side. Ana Hoffman commented to building familiarity with the character with Alaska Seafood, Alexa commented that the previous character was handed out at schools and was never developed further. Tomi mentioned that she liked the idea of developing a character that will bring about familiarity to the Alaska brand.

Recommendation from the board is to reallocate the \$80,000K to the other trade proposals in Japan, if that is not possible, it can be used in Domestic Retail Marketing proposals.

RFM Programmatic update

Last week Mike signed the MOU with GSSI to participate in the pilot benchmarking exercise. They are in the process of selecting experts to conduct the review. They will do a desk top review in March/April. Office visit in April/May with an anticipated report provided to ASMI in July. Mike reminded the board about the confidentiality and communications clause mentioned in the contract. Mike hopes to get talking points and approval for a press release from their meeting in Boston. A date for the first CCC meeting, it is May 19-20 in Juneau. The public comment period for the RFM Standard closed Feb 10. Four sets of comments were submitted and staff is working on putting them into a matrix form. We continue to work with other CBs to come onboard to do RFM work as well as trade organizations to become fisheries clients. AFDF will handle cod and salmon, Bering Sea Research will handle crab, and others are in the works with positive responses. Edelman is involved with the RFM video in time for Brussels, drafting a roll out plan, and working on brochures.

Amy Humphries made a motion to move into executive session, Barry Collier seconded the motion, and it passed unanimously.

Amy Humphries made a motion to move regular session, Barry Collier seconded the motion, and it passed unanimously.

Committee appointments

Mark Palmer made a motion to appoint Osamu Nakano to the Customer Advisory Panel, Guus Pastoor to the Conformance Criteria Committee, and Joe Misenti to the RFM committee, seconded by Barry, the motion passed unanimously.

Amy Humphries made a motion to approve the sockeye promotion plan as amended, Barry seconded, motion passed unanimously.

Tomi Marsh made a motion to adjourn, Mark Palmer seconded the motion, the motion passed unanimously.

Prepared by Deb Tempel