

From: ASMI International Program
To: ASMI Board of Directors
Date: January 8, 2014
Subject: REVISED Proposal for supplementary marketing funds targeting canned pink salmon

Proposed Total Amount: \$187,000

Proposed Market: Northern EU (primarily UK)

Background: The UK is ASMI's largest export market for canned salmon. The UK market for canned pinks is predominately pink halves and product sales are primarily in the retail sector. The McDowell Group estimates the UK is a \$29 million market for direct shipments of canned pink salmon (2011 & 12 combined, see attached figures). Since the UK is traditionally a much stronger market for canned salmon, there is some potential to rebuild this market with additional marketing focus.

Key Partners: John West, Princes

Target: UK Retailers including Morrisons, Sainsbury, Tesco, and ASDA

Method of Promotion: Product sales will be driven primarily through in-store and online retail promotions. This includes Alaska origin-identification at point of sale, advertorials in in-store magazines, retailer website support (online banners, social media outreach), and a competition to win a free trip to Alaska.

Supporting Document:

The attached spreadsheet provides a breakdown of suggested promotional efforts. The combined retail and private label targets cover 85% of the market share for canned salmon in the UK.

Based on a sales promotional period of six weeks, we have provided estimated sales volumes pre-promotion (without ASMI support), estimated volumes for a six-week promotion, and the promotional cost per extra kg of canned salmon sold. *Please note these are estimates provided by the overseas marketing representative based on estimated retail sales figures.*

Promotion With:	John West	Princes	Tesco	Morrisons	Sainsbury	ASDA
Stocked as:	John West	Retail Brand UK	Private Label and Branded	Private Label and Branded	Private Label and Branded	Private Label and Branded
Promotional Mechanic	Alaska Holiday Competition, Alaska origin ID and imagery at POS, Advertorial	Web site: Alaska Call Out, Magazine: Advertorial	Link to clubcard points and activity	Alaska origin and imagery at POS, advertorial	Alaska origin and imagery at POS	Alaska origin and imagery at POS
Market Share (canned salmon)	30%	26%	12%	7%	6%	5%
Target	in-store	Online Shoppers	in-store	in-store	in-store	in-store
Stores	Morrisons, Sainsbury	Sainsbury, Tesco				
No of stores	1400	(online)	3146	370	1016	500
ASMI Contribution	\$ 57,000	\$ 55,000	\$ 25,000	\$ 20,000	\$ 15,000	\$ 15,000
Time Period	Jan -June: six weeks	Jan -June six weeks	tbd	tbd	tbd	tbd
% volume increase (est.)		Sainsbury: 250% Tesco: 400%	300%	250%	250%	300%
Average Non-Promotional Volume-6 week period (tonnes)	unknown	20.16	22.2	13.5	11.1	9.5
Estimated Sales-6 week promo (tonnes):	21	29.6	67	34	28	29
Cost/extra kg	\$ 2.71	1.86	0.37	0.59	0.54	0.52
Key:	Target for marketing activity: covers 85% of canned salmon sold					
	Calculated from total canned salmon sold, & share of trade& % pinks. Guide only!					
	Promotional cost per extra kg of canned salmon sold					