

TO: ASMI Board of Directors

FROM: Alexa Tonkovich, International Marketing Program Director

RE: International Program Report

This report covers activities occurring in the second quarter of FY 15 and provides a general update of International Program progress.

ASMI International has received its U.S. Department of Agriculture (USDA) Market Access Program (MAP) allocation of \$4.16 million. ASMI International is participating in several USDA Global Based Initiatives (GBIs) with other cooperator groups, notably a collaborative U.S. seafood initiative in China and a GBI focused on sustainability outreach in the EU. ASMI International has applied for additional federal funds through the USDA Emerging Markets Program (EMP). Funds would allow industry to explore emerging markets in Southeast Asia (Thailand, Vietnam, Indonesia, Malaysia and the Philippines).

ASMI International is continually monitoring the political and economic situation in Russia and the Ukraine. Given limited promotional opportunities in this market, ASMI's Eastern European representative has conducted market exploration and trade servicing activities in other Eastern European markets, as identified by ASMI's International Marketing Committee (IMC).

TRADE SHOWS

CONXEMAR took place October 7-9, 2014. Seven companies utilized the ASMI pavilion including Alaska seafood producers/exporters and local distributors. Approximately \$5 million dollars in sales were generated and 185 meetings were held.

ASMI attended the China Fisheries and Seafood Expo November 5-7, 2014 in Qingdao. More than a dozen Alaska seafood companies were represented at the show, many of them working out of the ASMI booth. As always, ASMI hosted a reception at the show, serving a variety of Alaska seafood to more than 250 guests.

ASMI attended the Seafood Exposition Global (SEG) trade show in Brussels, Belgium April 21-23, 2015. The ASMI pavilion hosted 20 co-exhibitors, ten exhibiting in booths and ten with tables. On site sales were reported to be over \$44 million. Additionally, seafood producers project sales over the next 12 months to be over \$650 million as a result of attendance at the show, a substantial increase over last year.

ASMI Brazil will participate in APAS, a trade show aimed at supermarket buyers in Sao Paulo May 4-7, 2015. ASMI China will host a display at HOFEX in Hong Kong May 6-9, 2015.

China

Market Update: The United States, China's second largest seafood import partner, exported 370.9 thousand MT to China in the first nine months of 2014, with a total value of \$864 million. Increases of 14% in volume and 15% in value were made over the corresponding period in 2013. ASMI China has been in a close business relationship with the online and offline retailers to stimulate frozen seafood consumption by running several Alaska Seafood festivals, all of which received promising feedback and results in terms of sales.

Summary of Activities/Results:

Consumer PR/Advertising: ASMI China's press coverage campaigns have served as an effective and economical method for telling the Alaska seafood story to ASMI China's target audience. This includes television, radio, newspaper/magazine and billboards.

- *Alaska seafood recipes, features and nutrition were advertised in 70 lifestyle, food & beverage and cooking newspapers or magazines, covering some second tier cities, like Chengdu, Chongqing, Qingdao, Dalian and Shenyang, as well as the 1st tier cities of Shanghai, Beijing and Guangzhou.*
- *70 press mentions were generated with an estimated value of USD \$56,000.*

Retail Merchandising: Six retail merchandising promotions were held this quarter which resulted in nine new retail partners, 938 promotional days and 30 retail partners to carry Alaska Seafood on a consistent, long-term basis.

- **Hangzhou Tower in Hangzhou (6 outlets), Sep. 10 – 23, 2014:**
 - *Coincided with the traditional Chinese Mid-Autumn Festival, which created a rise in demand for high quality food products as gifts for family members and friends. Alaska Pacific cod, black cod, and yellowfin sole were highlighted.*
- **Lotus/Yonghui in Shanghai (7 outlets), Nov. 15 – Dec. 31, 2014:**
 - *Alaska black cod, Pacific cod, keta salmon and sea cucumber were featured during the promotion, as well as sample tastings.*
- **PARKnSHOP in Guangzhou (5 outlets), Nov. 28 – Dec. 28, 2014:**
 - *Pacific cod and pink salmon were highlighted during the promotion which included special offers and in-store sample tastings.*
- **Lotus in Guangzhou (5 outlets), Dec. 1 – 29, 2014:**
 - *Alaska yellowfin sole and Pacific cod were highlighted. These five retail outlets were chosen for their promising traffic and high sales revenue. Promoters also arranged for tastings.*
- **Ito Yokado in Beijing (6 outlets), Dec. 5, 2014 – Jan. 5, 2015:**
 - *Alaska snow crab, king crab, keta salmon, and black cod were featured.*
- **Ito Yokado in Chengdu (6 outlets), Dec. 16, 2014 – Jan. 12, 2015:**

- *Alaska snow crab, king crab, Pacific cod and black cod were featured.*



Lotus outlet promotion



Hangzhou Tower promotion

Trade Shows/Trade Public Relations: ASMI China participates in select trade shows across China each year and leads US trade missions abroad. ASMI China participated in trade shows and public relations events including:

- *The annual **China Fisheries & Seafood Expo**, the largest professional seafood show in Asia, on November 5th-7th, 2014. ASMI China ordered four booths with many varieties of Alaska seafood from high-end to price-point products were displayed, including salmon, three varieties of crab, halibut, black cod, Pacific cod, sole, sea cucumber, as well as salmon and pollock roe. More than a dozen Alaska seafood suppliers participated in the show and over 90 trade leads were collected as a result of the show, among them 22 had actual sales requests.*
- *ASMI China hosted an annual trade dinner reception at the **Westin Qingdao** on November 5th, 2014. Over 250 seafood traders participated in the event. The dinner attracted 250 seafood trade professionals and encouraged three existing trade partners to introduce new Alaska seafood products. Highlighted products were Alaska sockeye salmon, black cod, king/snow crab, yellowfin sole, Pacific cod, and pollock roe.*
- *ASMI China produced their second installation of a **quarterly newsletter**. 1,000 copies were distributed and 10 trade leads are expected to be collected.*



China Fisheries & Seafood Expo 1



China Fisheries & Seafood Expo 2

Website and Social Media:

- *Due to the extremely successful Alaska seafood promotion with Tmall last year, Tmall launched a second Alaska seafood online promotion from Nov. 17th – Nov. 23rd, 2014. Over 30MTs of Alaska seafood were sold during the promotion.*
- *The ASMI China website generated 4,070 hits during the 1st and 2nd quarter, which resulted in 34 trade leads.*

Foodservice Promotions: Six promotions were held in Mainland China and 33,940 kgs of Alaskan seafood was sold. Customized POS materials were featured at each promotion.

- *ASMI China joined an **American Food Festival** which was held at **Peter's Tex-Mex Grill** (12 outlets), Sep. 8 – Oct. 8, 2014. Alaska Pacific cod was promoted.*
- *The **Alaska Gourmet Festival** took place in **Landison Plaza Hotel**, Sep. 20 – Oct. 20, 2014. Alaska pollock, Pacific cod, and rockfish were featured. POS materials were developed including pull-up banner, flags, KT board, table mats as well as an advertisement in a local newspaper.*
- *Located in downtown Guangzhou, the **Guangzhou Asia International Hotel** hosted a menu promotion of Alaska black cod, Pacific cod, and yellowfin sole, Oct. 1 – Nov. 30, 2014.*
- ***Pearl Garden Hotel** held an **Alaska Seafood Festival**, Oct. 13 – Nov. 16, 2014. The event took place during concurrently with the **Guangzhou Trading Fair**. Alaska yellowfin sole, Pacific cod, snow crab, and pollock were featured.*
- *The **Swiss Hotel Dalian** is a leading commercial hotel with a long history of collaboration with ASMI China. Nov. 8 – 30, 2014, ASMI teamed up with the Hotel on a **Taste of Alaska** menu promotion. Alaska king crab, Pacific cod, and snow crab were highlighted.*
- *ASMI China partnered with the **Sanya Pullman Hotel** to host an **Alaskan Seafood Festival** from Nov. 27 – Jan. 10, 2014. Located in one of the best resort destinations in China, the **Sanya Pullman Hotel** highlighted Alaska yellowfin sole, rock sole and snow crab during the promotion.*



Alaska Gourmet Festival



Sanya Pullman Hotel menu promotion

Japan

Market Update: The Japanese government raised the national sales tax from 5% to 8% in April 2014, which caused prices to increase faster than incomes, and partially as a result of this, the Japanese economy contracted 1.7% (an annualized rate of 6.8%) in the April-June quarter of 2014. Adjusted for inflation, average incomes for working households were down 6% year-on-year in September 2014.

At the same time, Japanese exporters are benefiting from the weaker value of the yen, which continued to decline between September 2013 and September 2014, in line with the new ruling party's fiscal policies. This weaker yen is great for exporters, but affects Japanese buying power overseas.

Traditionally, Japanese consumers preferred and paid a premium for safe food products and sought out domestic food products for this very reason. While Japanese consumers' desire for high quality food products remains, many of them have been feeling the effects of the sales tax hike which is currently affecting competition between supermarkets and convenience stores as consumers are shopping around for lower prices.

The Japanese have always been the top fish consumers per capita in the world. While US export statistics show that China has surpassed Japan in Alaska seafood imports, China also acts as a seafood processor and much of the product is then shipped on to Japan, Europe or back to the US. However over the past ten to twenty years, Japanese consumers' dietary preferences have changed from seafood to meat, from eating at home to eating out, and from traditional sit down restaurants to fast food. Changes in Japanese dietary trends have resulted in constantly declining fish consumption, from 73 kg+/person in the late 80s to 55.2 kg/person in 2010, according to the latest FAO statistics.

Promotion, PR and Advertising: ASMI targets consumers through magazines and other traditional media as well as online, press releases, and press visits to Alaska. ASMI also conducts Alaska Seafood Fairs and produces point of sale materials. Whenever possible ASMI's materials also include a call to action such as details on where to buy to how to prepare Alaska seafood.

- *ASMI Japan coordinated a media tie-up with **Elle a table**, a trendsetting and sophisticated culinary magazine that appeals to women ages 20-50 and has a bi-monthly circulation of 60,000. The tie-up featured recipes using sockeye salmon and Pacific cod by Ryuta Kijima, a popular television chef. Coinciding with this media tie-up project, a promotional Alaska Seafood Fair was held from October 23-29, 2014 at 16 branches of Queens Isetan, a high-end supermarket chain. Deli menu item "Pacific cod acqua pazza" was very popular and will be a regular item on Queens Isetan's deli menu.*

- *ASMI Japan's quarterly newsletter circulates 400 copies. The newsletter distributed to media outlets, hotels, and restaurants.*
- *Alaskan herring roe was promoted in a major national newspaper **Asahi Shimbun** which has a daily circulation of 7.6 million.*



Elle Tie-up pages



Queens Isetan Alaska Seafood Fair Flyer

Consumer Advertising: ASMI Japan conducted outreach activities directly to consumers outside of retail or HRI outlets. These activities included Alaska seafood cooking classes, chef demonstrations, taste-tests, events, and large scale consumer shows.

- *On October 9, 2014, **Komazawa Women's University, Tokyo** hosted an educational seminar on Alaska seafood and on how to cook sockeye salmon. The seminar was conducted by cooking specialist Mr. Ryuta Kijia, who often appears on television, Mr. Tomohiro Asakawa from the US Embassy in Japan, and Keiko Sasaki of ASMI Japan. The University also hosted a recipe contest where several awards were distributed to participants. The winning recipe was featured at Cafe le Repas in Inagi. 50 students participated in the seminar and the recipe contest.*
- *ASMI Japan participated in the **Megami ("Goddess") Festival** on October 12 -13, 2014 in Jiyugaoka, an upscale town in south Tokyo. The Megami Festival is the biggest event in the Jiyugaoka area; approximately 500,000 people attend every year. Alaska seafood dishes using fried Pacific cod, baked snow crab and crab miso soup were featured and 650 Alaska seafood dishes were sold.*



Megami (Goddess) Festival



Komanzawa Women's University



Komanzawa Women's University

Retail Merchandising: ASMI will continue to support the supply chain for Alaska seafood in Japan by encouraging origin identification. The ultimate goal is for vendors to label their Alaska sourced products as from Alaska, with Alaska imagery, the ASMI logo and Japanese taglines. ASMI provides a full array of point of sale materials for various species and messaging in the form of posters, shelf talkers, stickers and more, and sometimes accompanies materials with Alaska seafood samplings and cooking demonstrations.

- *Annually, **Zenkama** organizes a seminar on Alaska pollock surimi. On October 14, 2014 a presentation on preparing otsumami (“appetizers”) using Alaska pollock surimi/neri products was given by Mr. Maguchi, an “Iron Chef”. Of the 60 participants, ninety-percent of attendees were from surimi/neri producer companies and the remaining 10% were from surimi suppliers and neri/surimi processing machinery manufacturers.*
- *Retail **Co-op Sapporo** supported an Alaska Seafood Fair October 1st - 31st 2014. 109 stores promoted sockeye salmon, pollock roe, Pacific cod, sujiko roe, surimi products, coho salmon and herring roe. Dried herring (migaki) sales were 143.4% vs 2013, and seasoned chum salmon roe (sujiko) was 263.7% vs 2013 results. Total sales value during fair: 33,840,000JPY.*
- ***Co-op Kobe** hosted two hour Alaska Seafood seminars at 5 stores November 10th, 13th, 19th, 21st and 28th, 2014. Marinated herring roe samples were provided.*
- ***Co-op Miyagi & Co-op Fukushima** hosted an Alaska Seafood Fair in 60 stores; November 10th, 13th, 19th, 21st and 28th, 2014. Samples of pollock roe, sockeye salmon, Pacific cod, herring roe, sujiko, black cod, snow crab, Pacific ocean perch, atka mackerel, herring roe and herring were featured. Sales during the fair period: 126,705 packages, JPY 42,334,906 (approx. USD\$360,000).*
- ***Yamazawa Food Supermarket** supported an Alaska Seafood Fair at 66 stores featuring sockeye salmon roe, sockeye salmon, pollock roe, rockfish, Pacific*



Coop Sapporo display

cod, black cod and red king crab. ASMI Japan sent demonstration staff to 20 of their larger stores on Dec 15 to explain why consumers should choose Alaska pollock roe.

- *Year-end Herring roe promotion at Ito-Yokado, December 15th – 21st, 2014.*
- *Year-end Alaska crab promotion at Aeon, December 29th, 30th, & 31st, 2014.*
- *Year-end Alaska crab promotion at Costco, December 2014.*



Coop Fukae Seminar



Alaska Surimi Presentation

Trade PR and Advertisement: ASMI Japan continues to collaborate with Japanese seafood trade groups, trade press and industry. Efforts are enhanced by ASMI's newsletters, press releases, interviews, Japanese-language collaterals and ads. In order to maintain and develop 'sustainable' trade relationships with existing and younger generations in the Japanese seafood industry distribution channels, ASMI will provide year-round Alaska seafood information services through sales calls, and academic and hands-on forums. A principal focus will be on ASMI's sustainability platform. ASMI will arrange for prominent sustainability experts from various sectors, both public and private, from the US and Japan, to speak with and educate Japanese industry members. ASMI Japan placed advertisements in three major seafood industry publications:

- *Suisan Keizai Shimbun, November 4, 2014: circulation of 59,000 copies.*
- *Suisan Time, November 7th, 2014: circulation of 58,000 copies.*
- *Minato Shimbun, October 31st, 2014: circulation of 8,500 copies.*

Foodservice Promotions: ASMI Japan regularly conducts Alaska Seafood Fairs at HRI establishments (from high-end to fast food), encouraging placement of Alaska origin identification on menus and in-store POS. ASMI works with chefs and chef associations to educate them about cooking with Alaska seafood. ASMI developed new activities for underutilized species (such as flatfish and new preparations of herring roe) and relatively new-to-market products to be introduced and experimented with by HRI users.

- *MLB Cafe's Alaska Seafood Fair was conducted throughout November, 2014 at both the Ebisu and Shinjuku branches. Seven recipes in total, using pollock roe, Pacific cod, sockeye salmon, salmon roe and king crab were developed. MLB Café's regular menu is dominated by a variety of meats, so the Alaska Seafood menu was original and a fresh change for customers.*

300 customers tried Alaska seafood.

- Chef Kataoka, head chef at **Ristorante Al Porte, Tokyo**, conducted cooking classes using Alaska seafood on July 26, 2014. This was followed by an Alaska seafood lunch menu promotion at his restaurant in November, 2014. Mr. Kataoka, demonstrated how to make three recipes using Alaska snow crab, pollock roe and salmon roe. Approximately 50 people attended.
- Restaurant **Patina in Shibuya, Tokyo**, conducted an Alaska seafood seminar event on November 19, 2014, with the theme “the marriage of Alaska seafood and US wines.” ASMI Japan’s Celebrity Ambassador Mr. Shinya Tasaki conducted a dinner seminar for approximately 60 consumers and journalists. Attendees were served a four-dish Alaska-inspired course: Pacific cod, herring roe, salmon roe, sockeye salmon, king crab and snow crab. Alaska seafood recipes will be included in the regular menu.



MLB Cafe



Patina in Shibuya Alaska Seminar

Western EU (France and Belgium)

Market Update: The frozen seafood importers association SNCE held a workshop in October 2014. Presentations were given on purchasing power, consumer behavior, and meat and seafood consumption. Two points were highlighted:

- In 2001, the conversion into Euro had an impact on prices; food products became more expensive and the “horsegate scandal” had an impact on meat consumption;
- Since 2010, fresh seafood prices increased more than inflation

They discussed what is important to the consumer: price 83%, brand 71% and quality label 64%.

Retailers are cutting private label product lines and have only one brand instead of a lost leader and a private label, but they want the same quality as the processor’s premium brand.

The impact of the November 2013 TV program about farmed salmon is still felt in the market. An alliance of French salmon smokers has formed and salmon smoked

in France is promoted in the market. Norway has done additional PR to explain their farming practices.

Consumer PR/Advertising: ASMI has worked effectively with radio in the region, in addition to print magazines and websites that reach ASMI's consumer target audience. ASMI's slogan "Alaska poissonémont" is a clever word play that has worked well for radio, and Alaska imagery is essential to effective print and online campaigns. ASMI is always ready to participate in seminars with chefs, cooking magazines, and other functions where we can get exposure such as seminars, workshops with schools or consumer associations.

- *ASMI placed six insertions in magazines, circulation 6,825,161 – readership: 25,398,004. Over 100 consumers contacted ASMI by phone and by mail to know where to buy Alaska salmon. After doing store checks and contacting smokers, ASMI put together a list of brands available in retail stores and mentioned also that Alaska salmon is identified as Pacific salmon.*
- *ASMI produced 5,000 consumer leaflets. Smokers Fumet des Dombes and Mericq as well as Salaisons du Golfe employees wear ASMI hats and ASMI aprons when selling smoked salmon during consumer shows. The smokers participated in 13 consumer shows throughout the country. The consumer fairs on the French Riviera were very popular, as well as Saveurs in Paris (about 15,000 consumers reached).*
- *On October 18, 2014 ASMI participated in the Launching of Ponant 2015 Alaska Cruises. ASMI provided smoked salmon, press kits and recipes. ASMI also met with 10 journalists at the Ponant function.*



Launching of Ponant

Trade Shows: The Seafood Exposition Global, SEG, is a worldwide seafood market place where suppliers and buyers meet once a year. Importers and distributors of Alaska seafood also exhibit at the show. Each country or region has its own booth and ASMI has its own umbrella booth to accommodate Alaska companies that want to display their products and meet with their clients. The demand for space is such that ASMI also sells table booths.

ASMI staff and overseas marketing representatives take advantage of the show to meet with buyers to talk about the program, possible activities and to connect buyers with Alaska suppliers. ASMI also distributed POS material and brochures to companies marketing Alaska seafood at the show.

This year the ASMI pavilion hosted 20 co-exhibitors- ten exhibiting in booths and ten with tables. On site sales were reported to be over \$44 million. Additionally, seafood producers project sales over the next 12 months to be over \$650 million as a result of attendance at the show, a substantial increase over last year.

Trade Advertising/Retail Merchandising: Two newsletters for the trade are produced each year, one to announce the harvest and program allocation, the second announces SEG (Brussels) information. Trade ads are also placed promoting all species in key publications and distributor diaries. In addition, ASMI conducts retail merchandising activities to increase brand awareness and inspire sales.

- *The fall newsletter included information on fisheries management, Alaska pollock and the Bering Sea canyons. Seven-hundred and fifty copies were mailed.*
- *ASMI placed three advertorials in October, 2014: Produits de La Mer, Le Monde du Surgele and Gondola, a Belgian retail publication, published in French and Dutch. ASMI negotiated free ad placement in Le Monde du Surgele October and November, 2014 editions and in the directory of Produits de la Mer.*

Website:

- *The website had 10,052 visitors, 24,082 pages read in the second quarter of FY15.*

Foodservice Promotion: ASMI WEU has identified two target markets for the foodservice sector: white tablecloth restaurants for high-end species and foodservice operations and industrial restaurants for higher volume species.

- *Davigel featured single frozen Alaska pollock fillet “au gratin” and cornflake breaded pollock with the ASMI logo in 25,000 catalogues for commercial restaurants and 60,000 institutional restaurants during the months of November and December 2014. Davigel received a Normandy award for its cornflake breaded pollock and the product will be part of a school lunch event next quarter.*
- *Flunch placed one insertion in the free national magazine Metronews (circulation 2.5 million) on November 18, 2014. The message was, “Flunch serves only wild fish, Flunch gives its preference to wild fish coming from wild fisheries.” For three weeks in December Flunch also had meals made with chum fillets, which were identified with the ASMI*

logo on the menu. Roughly 1,000 consumers supported each of the 250 Flunch cafeterias in France during this time.

- *Volume Products promoted: Alaska pollock fillets: cooked and breaded, chum fillets. Volume 87 tons and value \$1,010,000.*

Chef Education: ASMI now has more than 20 chefs from the South of France and other regions who cook Alaska Seafood. *L'Epicurien* published extensive coverage of the cooking demos. In the South of France there are now three importers selling frozen black cod and king crab. One distributor, specialized in distribution for Japanese restaurants is making big inroads into trendy and Japanese restaurants and is now importing frozen-at-sea salmon. ASMI will work with the distributor to capitalize on this market expansion.

Central EU (Germany, Austria, Switzerland, Czech Republic and Poland)

Market Update: Processor inventory is one of the main factors affecting this market. With leftover inventory certain processors were very aggressive in terms of price to get to retailer's private labels in Germany, France and other countries. With the increased availability of Canadian sockeye, smokers and retailers decided to remove the word "Alaska" and replace it with "Wild Pacific salmon (FAO 67)."

The seafood operators are concerned; German consumers are not ready to spend money on food. Discussion revolves around sustainability and quality but the reality for retailers is price.

Seafood consumption in Germany decreased by 1 kilo in 2014 compared to 2013. Norway is the largest supplier to this market with salmon, pollock, cod, and skrei. The Norwegian Seafood Council (NSC) continues investing a lot of money to create consumer demand. NSC wants to push fresh seafood consumption and encourage retailers to have fresh seafood displays.

Consumer Program: ASMI places ads in media (print and online) based on collaboration with the industry to maximize our advertising dollars, as ad space in German publications is notoriously expensive. ASMI seeks large circulation magazines that address its target group (educated women 30 to 55 years). ASMI also has been able to build up a database of journalists met through press events, press trips and trade shows like Internoga. ASMI assists journalists and TV crews who want to go to Alaska.

- *ASMI placed one advertorial in **Meine Familie&Ich** and one advertorial in **Place of Spirit**, an upscale magazine for foodies. Two advertorials, circulation 570,935 – Readership 1,380,000.*
- *ASMI was listed in the FAS cooperator's calendar with one page dedicated to*

Alaska Salmon. The goal is to update the importers list; ASMI provided a list of seafood buyers in Germany and Austria.

- *October 29: ASMI participated in the Sustainability FAS Global Based Initiative at the US Embassy in Berlin. Twelve people and journalists attended the meeting. There were many discussions about NGOs and the president of the trawlers association pointed out the pressure they get from retailers to maintain MSC certification.*
- *From November 11-12, 2014 eight participants from a June 2014 Alaska trade mission met in **Bremerhaven at Transgourmet** to review the different activities conducted after the trip. The group visited a smoker and a processor who cuts and vacuum packs fillets of sockeye, black cod, and halibut.*

Retail Merchandising/Trade Advertising: In addition to retail promotions, ASMI produces two newsletters to reach the German trade and also advertises in several key trade publications. ASMI has been contributing to smoked salmon and salmon roe promotions with the major manufacturers in this region: Friedrichs, Stührk and Youkon, a company based in Austria.

- *ASMI placed one insertion in **Minus 18 /TK Report** which has a circulation of 8,000 and a readership of 15,000.*
- ***Youkon** conducted in-store demos in Kaufhof stores in Germany and 78 days of in-store demos in Metro, Pfeiffer and Kastner. Youkon promotes smoked king, sockeye, coho, chum, pink, and frozen sockeye and coho.*
- *In the Czech Republic, **Kimbex** promoted chum steaks, chum fillets and pollock cubes.*
- *In Poland, **Suempol** promoted smoked sockeye in Alma stores (45) and had promotions in the catalogue of Piotr & Pawel.*

Website:

- *6,009 pages read, with 3,850 visitors.*
- *20% of visitors went to the pages dedicated to the species.*

Foodservice Promotion: ASMI assists the German foodservice industry with Alaska seafood menu development, advertising promotions and by following up on opportunities gained at HRI shows.

- *ASMI contributed to the printing of the **Transgourmet Christmas catalogue** featuring high value products: sockeye, halibut, and black cod fillets.
 - *5,000 copies of the Christmas catalogue were distributed**
- ***Youkon** participated in 19 in-house trade shows in Germany and Austria in cash and carry stores to promote smoked sockeye, coho, pink and chum, and frozen king, sockeye and chum salmon.*

Northern EU (UK, Ireland, The Netherlands, Finland, Denmark, Sweden)

Market Update: The range of economic forecasts continue to be divergent with optimism provided by low oil prices, negative or low interest and inflation rates tempered by concerns around currency instability and the resilience of financial structures. In the UK the Consumer Prices Index (CPI) stands at 0.5% at Dec 14 (the joint lowest rate on record since in May 2000) partly driven by food inflation continuing to fall (1.8% at Dec 14). The UK economy grew by 2.6% in 2014, its strongest rate since 2007 although slowing towards the end of the year.

The fish CPI peaked at 5.6% in July 14, closing at 0.2% in December whilst meat stood at -1.8%. This remains a worrying trend and is impacting consumption.

Savvy shopping tactics have become normal practice and this is not expected to change, however spend on eating out is set to benefit as the pent-up spend over the last few years may now be released on more discretionary items which consumers might have been avoiding. A record 54% say they bought food or groceries from food discounters; 15% of shoppers now use Aldi or Lidl as their main store up from 3% 4 years ago and therefore record numbers are shifting to the discount channel attracted by price & quality.

Consumer PR/Advertising: ASMI uses a variety of public relations activities, including social media, event sponsorships, press releases and consumer events in order to generate publicity about the high quality Alaska Seafood available in the UK market.

- *Over the last quarter, editorial samples have been sent to: Francine White, Your Wellness Magazine, Helen Greaves, Food Stories, Jack Calvert, Scottish Provincial Press, Natalie Seldon, freelance recipe developer, Bernadette Fallon, All about you.*
- ***Lonely Planet** organized a consumer event in collaboration with the State of Alaska to promote the destination to Lonely Planet readers. ASMI was invited to participate at the event and supplied salmon, branding at the event in the form of banners, and recipe books. Lonely Planet is a monthly glossy magazine with a circulation of approximately 60,000.*
- *ASMI produced a supplemental article in **Mini-Kin** on areas such as the importance of incorporating fish and seafood in the diet of mums-to-be, mums and their young family. The agreement includes a full page 1,000 word editorial article, interview with Jon Harman for publication, the ASMI logo on 155 TV adverts to be aired across the Channel 4 Network directing people to the Mini Kin website, recipes and articles on the Mini Kin website and four competitions on the website.*
- ***Waitrose weekend magazine** has a circulation of 250,000. As a result of the half page in the weekly magazine the sales increased from 4,937 to 10,110 in the*

week of the ad and 10,991 in the second week. This totals an increase of 204% on sales in the first week and 222% in the second week.

- March 2nd, 2015, the bi-annual **California Wine Tasting** event took place in the Crowne Plaza Promenade Hotel in The Hague. ASMI had a table where Frank's Smokehouse presented and served Alaska seafood to 400 guests from trade, hospitality and media. Smoked wild Alaska salmon, smoked Alaska halibut and Alaska King Crab samples were distributed.
- ASMI has an ongoing campaign with **Great British Chefs**, a premium brand that engages food lovers with recipes by the best leading UK chefs. The campaign includes 60 Alaska seafood focused recipes, website advertisements, and email campaigns with Alaska seafood featured as recipe of the week. Cumulatively this activity resulted in total recipe views of 34,983; with marketing emails and advertising a total reach of 2,583,162 and an engagement of 15,254; social media a total reach of 224,493 and an engagement of 6,000.
- Lotus UK met with **Great British Chefs** to fine tune the final stages of the app development. A competition was launched to coincide with the App launch. The competition included a giveaway of £200 to spend at Waitrose which received 83 entries. The competition generated 105 Facebook likes which is a record for Great British Chefs.
- Alaska Seafood UK Facebook Page: 2,755 fans (increase from 1,974 in January 2014). Content of the Alaska Seafood UK Facebook page centers on fun facts, new recipes, sustainability facts and all information related with Alaska Seafood. We will be running competitions in the forthcoming quarter to increase the number of fans on Facebook.
- This quarter, ASMI was featured in two advertorials in the December issues of **Olive and Delicious magazines**. Delicious has a circulation of 71,316 and a readership of 207,000. Olive has a circulation of 60,178 and a readership of 191,000.
- The **Tijd Voor Max** featured an episode September 29th, 2014 on Alaska seafood and its model of sustainability. An Alaska seafood dish was prepared during the broadcast. This episode had a reach of 500,000.
- **Fishtales** launched 18 new products in 800 Albert Heijn, the largest supermarket chain of The Netherlands. Fishtales produced a line of 5 different Alaska Seafood products that are now being sold in Albert Heijn supermarkets. ASMI will be featured in a full page advertorial with Fishtales products on Delicious Magazine and was featured on the Fishtales Instagram.
- ASMI developed short Instagram cooking videos (15 seconds) with Alaska Seafood which are viewed internationally. <http://instagram.com/bartfishtales> has almost 70,000 followers. ASMI will have a direct link from the Food tube videos to the Fish Tales Instagram. The YouTube videos had a total of 75,880 views; the Instagram with 68.4k followers received a total of 2,153 likes in ASMI videos.
- Facebook: The Alaska Seafood Facebook page has 2,805 fans (increase from 2,780 in September 2014).
- Twitter: Alaska seafood twitter account has 848 followers (increase from 816 followers in September 2014).

- Exposure of Alaska Seafood through social media channels with posts on Facebook (108,000+ likes), Twitter (29,000+ followers) and Pinterest (30,000+ daily reach).
- The launch of an EBook with the 60 Alaska seafood recipes.
- Website advertising and promotion creating 300,000 ad impressions per month.



Great British Chefs website

Olive and Delicious Magazines

- Campaign collaboration with **Mumsnet**, the biggest UK website for parents with over 62 million views per months, 84% of them aged between 25-45 years old. ASMI sponsored a discussion on the Mumsnet message board focusing on understanding why people buy fish and what influences their decision. 1205 Mumsnet users completed our survey via the Mumsnet Insight panel.

Retail Merchandising: ASMI will work with each of the retailers in partnership with key brands to promote Alaska seafood.

- **John West:**
 - **Fix a form -John West is designing a fix-a-form leaflet which will be attached to the top of every pink salmon can. This leaflet contains information about the health benefits of pink salmon, the life cycle of the salmon before being canned along with some recipe ideas.**
 - **Filming:** John West filmed in Alaska last summer to highlight the natural characteristics of canned salmon. Social and partner channels projected to reach 1.5 million viewers.
 - **Sainsbury Magazine Advertorial:** Sainsbury magazine has a circulation of 335,515 and a readership 4,068,000.
- November 14, 2014 ASMI sponsored the **Fish and Season festival**, a sustainable



pop-up restaurant in Amsterdam. This is an initiative where all profits from the event go to charity. ASMI had great coverage throughout and after the event with tweets and Facebook posts, as well as blog posts and website mentions.

- *800 people participated in the VIP dinner and 6500 visitors participated in total.*
 - *Thanks to the profits of the event 1,723 families will receive a pack of rice and pasta every week for a year.*
- ***Waitrose “Salmon Festival” – NES/Youngs Advertorial.*** *Waitrose operate in close partnership with the New England Seafood supply base and have asked NES, who supply refreshed Keta and sockeye salmon to collaborate with Youngs who supply Waitrose label smoked sockeye salmon and Alaska wild salmon pate in a Wild Salmon Festival.*
 - *It is proposed to use ASMI funds to feature Alaska salmon in a March Waitrose Weekend the consumer magazine distributed in the Waitrose supermarkets with a circulation of 250,000.*

Foodservice Promotion: Activities include store promotions, menu features and special Alaska themed promotions.

- *ASMI sponsored the **Quality Food Awards**, a prestigious award event for food and drinks products on sales in UK grocery outlets. Sponsorship included an advertorial in the entry brochure, branding, advertisements on the QFA website, a table at the awards and product supply for the awards.*

Southern EU (Spain, Portugal, Italy)

Market Update:

Cod: Atlantic cod prices continued to rise in the fourth quarter 2014. Portuguese imports of frozen H&G morhua declined this last quarter, while Spanish demand for fresh cod and light-salted cod fillets (mostly from China) has continued relatively strong. Demand for salted cod has been fairly steady in Italy and Spain, while Portuguese imports have dropped significantly since June 2014.

Alaska Pollock: Alaska pollock surimi exports to Spain continued to weaken in the fourth quarter though 4,450 mt of surimi NESOI (probably Pacific hake) were shipped to Spain in October. The Spanish and Italian markets for Alaska pollock fillets continued to import over 1,000 mt per quarter, but almost all is coming from China. Portugal, though only importing 3-500 mt per quarter of APO fillets, buys predominantly once-frozen product directly from the US, mostly for the production of salted migas.

Salmon: Farmed salmon prices dropped in response to the Russian import ban, but good fourth quarter demand drove prices back above previous levels by the end of December. Fresh salmon imports to Spain, Italy and Portugal were higher than in

the previous quarter in all three countries. Frozen salmon fillets imports from China and Chile continued strong as well in the SEU markets. The lack of keta salmon in Alaska and corresponding high prices promise to keep keta imports to SEU at a minimum as buyers switch to frozen Atlantic salmon.

Demand for sockeye, coho and king salmon from Italian smokers continues to be concentrated in the fourth quarter of every year in preparation for the Christmas and New Year season. Demand for high-value wild salmon in Spain is more evenly spread throughout the year since most is sold to restaurants.

Trade Shows: ASMI participates in the leading seafood show for SEU, CONXEMAR because it enables ASMI to present key Alaska seafood messages directly to seafood trade members, educate the trade, provide them with materials that support Alaska seafood's messaging and display product. The ASMI SEU representative also travels to Brussels for the Seafood Expo Global.

- *At SEG in Brussels the ASMI SEU representative met with key industry players, attended a dinner with a Spanish retail buyer and coordinated the services of a Portuguese chef who grilled lightly salted Alaska cod at the ASMI booth.*

Retail Merchandising: ASMI's Southern Europe office will conduct generic in-store promotions of origin-identified Alaska seafood to help introduce and develop demand for Alaska seafood products. These in-store promotions will typically include labeling design assistance, in-store product tastings, generic advertisements in store flyers, and generic POS materials such as in-ice signs, posters, recipe brochures and shelf talkers.

- *ASMI SEU conducted pre-Christmas Alaska cod promotions in 55 Italian supermarkets L'Abbondanza, SuperConti, GM Fioroni, Auchan and COOP with distributor Pambuffetti.*
- *The promotion generated \$161,000 in sales of origin-identified Alaska cod during promotions*

Trade Public Relations: ASMI's SEU office targets HRI and seafood trade press with two press releases focusing on the natural, healthy, and ecological advantages of Alaska seafood products.

- *Comerjapones.com Website & Facebook & Cooking Classes Sponsorship: As part of ASMI SEU's public relations campaign, ASMI continued its sponsorship of Comerjapones.com website, Facebook and cooking classes, generating regular mentions of Alaska seafood products on the Comerjapones.com website and Facebook posts, and use of wild Alaska salmon in their cooking classes in Madrid, Barcelona and Valencia.*
- *119 articles about Alaska seafood were generated in the 1st half of FY2015*

with an advertising value of \$43,433.

- *ASMI's SEU facebook pages have a cumulative 13,026 likes.*

HRI Trade Shows: ASMI participates in HRI trade shows to reach influential HRI professionals that are the decision makers for restaurants and institutions. Our objective is to educate this audience on the benefits of adding Alaska seafood to their menu as well as explaining what the Alaska brand stands for.

- *Forum Gastronomic Barcelona, October 20-23, 2014 in Barcelona, Spain: ASMI contributed wild Alaska salmon and Alaska black cod to the chef at the Jospier booth in Forum Gastronomic Barcelona 2014, to highlight the qualities of Jospier's new Robata grill. Jospier is perhaps Spain's and one of Europe's finest vegetal coal-burning oven and grill producers, exporting to 45 countries from Catalunya. The clients of Jospier are higher-end restaurants and natural customers for Alaska seafood products.*
- *Manga Trade Show in Barcelona from October 30 to November 2, 2014: On Nov. 1, ASMI sponsored the Japanese cuisine chef demonstration by Chef Hideki Matsuhisa of Spain's top Japanese restaurant Koy Shunka titled "Butchery Technique for Alaska King Salmon".*
- *FICOBA Trade Show in Irun, Spain on December 6 to 8, 2014: ASMI assisted with materials and product for the Irrinzi Grills and Sofresal booth in the popular food and drink consumer show FICOBA in Irun, Spain just across the border from France. The booth sold origin-identified salted Alaska cod in various formats as well as value-added products (jarred stuffed peppers, hamburgers, croquets, etc.) all using salted Alaska cod and clearly calling out the Alaska origin of the product.*

Chef/Trade Training Seminar: ASMI organizes training seminars for professional chefs as well as seafood processors, importers, distributors and food journalists.

ASMI SEU contributed Alaska seafood to various chef demo/product tasting activities organized by local distributors during the second quarter of FY 2015:

- *StreetFood Madrid, Oct. 18-19, 2014: Irrinzi Grills set up a food truck serving Alaska cod and salmon tapas at this year's StreetFood event. The stand was very popular and Irrinzi ran out of product the first day and had to ask local distributor Cominport for supplies of Alaska salmon to get them through the second day.*
- *César Anca Restaurant Demonstrations in Alicante, Spain on Oct. 18-20, 2015: ASMI donated product to a series of chef demos by Chef César Anca (<http://www.restaurantecesaranca.com>) and Chef Félix Jiménez (www.felixjimenezsushi.com) at two of Chef Anca's restaurants in Alicante.*

These demonstrations of Japanese cuisine were attended by local chefs, journalists and VIP customers.

- *BeJapo Sushi Stand Chef Demo in Barcelona on Dec. 29, 2014: ASMI donated wild Alaska coho salmon to the chef demo organized at the BeJapo sushi stand in the Glorias shopping mall of Barcelona during the height of the Christmas/New Year shopping season.*

Eastern EU (Russia and Ukraine)

Market Update:

The ASMI EEU program was severely affected by the Decree of the President of the Russian Federation of August 6, 2014 #560 “About the application of certain special economic measures in order to protect the national security of the Russian Federation” which imposes a one year ban on US agricultural exports including “Fish and crustaceans, mollusks and other aquatic invertebrates.”

Due to Russia’s trade ban on goods from the U.S. limited or no promotional opportunities exist for this market. OMR will keep close contact with Alaska industry and ATO to monitor the situation. ASMI will conduct trade servicing with long-term partners in Russia and the Ukraine, participate in select trade promotions in the Ukraine (primarily retail), and participate in select regional trade shows as appropriate.

Additionally, ASMI will conduct market exploration and trade servicing in other Eastern European markets as identified by ASMI’s International Marketing Committee (IMC).

Retail Merchandising:

- *Optim Alliance was the main importer of salmon roe from Alaska (HS1604) into Russia. Processed roe (HS1604) remains open to Russia in spite of the food ban. Optim claims to have imported 460 tons of processed roe. ASMI supported Optim imports with a joint promotion of Alaska salmon roe for their wholesale clientele. A wall calendar with roe images/recipes, fridge magnets and branded plastic bags were developed and produced. This activity also included the production and photography of 12 recipes with Alaska salmon roe.*

Trade Shows and Promotions:

- ***World Food Kiev October 28th -30th, 2014: the event hosted 155 exhibitors, and ASMI collected over 40 trade leads for Alaska seafood and an additional 15 trade leads specifically for Alaska roe.***
- ***Alaska Trading (Alaska Group of Companies) October-November, 2014:***

- *Hosted Alaskan salmon roe tastings*
- *Reached the consumers in a large retail network Auchan (6 stores), Velika Kishenya (4 stores), and Eko Market (4 stores) in Kiev.*
- *19,872 contacts were made.*
- *2,208 samples of roe were distributed.*
- ***RYBNI SVIT “OCEANIA” October – December 2014:*** *ASMI hosted an in store promotion at OCEANIA. Sales of salmon roe, pink salmon and pollock increased by 30% during the promotional period.*
- ***World Food Kazakhstan November 4th-6th, 2014:*** *the leading annual event for the Kazakhstan food and drink market. The event hosts over 350 participant companies annually, with over 5,000 professional visitors. ASMI did not host a booth but met with representatives’ exhibitors to promote Alaskan seafood.*

Website and Social Media:

- *During the second quarter, the number of visitors to the www.alaskaseafood.ru blog reached 3,680. The total number of views reached 5,900. The majority, 3,700 views, came from Russia and 1,050 views came from Ukraine.*



World Food-Ukraine

Brazil

Forecasts from the Brazilian Institute of Geography and Statistics (IBGE) point to 0.2% Brazilian GDP growth and inflation of 6.59% in 2014. While there are no official numbers, according to Serasa Experian, it is estimated that food retail (super and hypermarkets) grew 3.7% in 2014.

In 2014, according to the Brazilian Ministry of Development and Foreign Trade (MDIC), Brazil imported 373.6 thousand tons of seafood, totaling over \$ 1.435 billion. In comparison to 2013 numbers, there was 7.7% growth in the imported value of seafood and a slight decrease of 2.6% in volume. In 2014 seafood imports from the U.S. increased 56.1% in volume to 2,833 MT and 148% in value to \$8,105 million, in comparison with 2013. Alaska represents the largest percentage of U.S. seafood exported to Brazil.

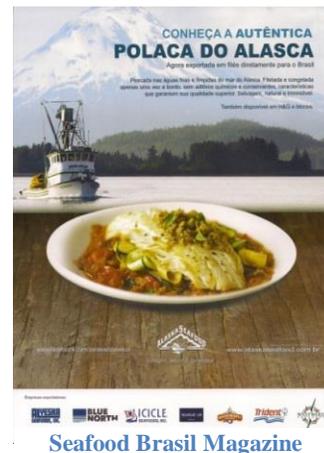
Effective January 1, 2015 a new health certificate is required for U.S. seafood products exported to Brazil. NOAA started issuing the new Seafood Inspection Program (SIP) certificate in December 2014. ASMI Brazil informed the Alaska exporting companies and Brazilian importers of this matter.

Retail Merchandising: ASMI Brazil organized retail promotions in 28 outlets of five major retail chains in the cities of São Paulo, Rio and Belo Horizonte. Products promoted included Alaska cod, keta and pink salmon, and pollock. Properly trained professionals wore uniforms, distributed ASMI branded material, recipe books, and consumers had an opportunity to sample products. “Nanook” the bear was used as in prior campaigns.

- *A month-long retail promotion at **Verdermar** retail in six outlets featured Alaska cod, as well as keta and pink salmon. Verdermar is a new retail chain sourcing Alaska products. Two professionals were hired and trained for the campaign.*
- *ASMI Brazil placed a full back page advertisement featuring Alaska pollock in **Seafood Brasil Magazine**. ASMI also has Alaska pollock banners in the magazine newsletter and website and the ASMI logo featured in the suppliers catalog. Seafood Brasil is a quarterly magazine with a circulation of 4,000 that targets the seafood industry.*
- *ASMI Brazil conducted a two-week in-store promotion in eight Walmart outlets in greater São Paulo.*
- *1.7 MT of Alaska products (Alaska keta and pink salmon, pollock and cod) were reported sold during campaigns.*

Trade PR/Website/Social Media:

- *Peixes do Alasca (Fish of Alaska): Number of likes: 43,000. Total likes to date: 289,000.*
- *Bacalhau do Alasca Facebook gained over 22K new likes. Total likes to date: 120,000.*
- *ASMI Brazil runs two websites, one for trade and one for consumers: www.alaskaseafood.com.br and www.bacalhauoalasca.com.br*
- *ASMI updated the current website throughout the second quarter with new suppliers and updates in the distributor page. For the second quarter, there were 5,158 views for the Alaska Seafood website, 731 views for the Bacalhau website. Total views to date are 10,861 for the Alaska Seafood website and 1,553 for the Bacalhau website.*



Trade Shows/Trade Missions:

- ***Brazil Buyers mission to Alaska:** One buyer’s mission to Alaska and Seattle organized with six importers last July.*

- *ASMI Brazil will participate in the **APAS** trade show.*
 - *APAS May 4th-7th, 2015*

Food Service Promotions:

- *October 24th-26th, 2014 ASMI sponsored the gastronomy event **Do Cru ao Fogo (Raw to Fire)** organized by Embaixada Gourmet (Gourmet Embassy) in partnership with Grupo Zaffari at Hashi restaurant. Chef Tadashi Shiraishi, the main sushi guru of Chef Nobu Matsuhisa's team at Mykonos (Greece) and Saint Moritz (Switzerland), and Chef Carlos Kristensen, with Hashi restaurant, who has been nominated several times as the best chef in the state cooked for the event. The event lasted for three days and had an opening ceremony for 150 journalists and opinion makers, as well as two dinners for 180 people open to the public which featured Alaska black cod and sockeye salmon.*
- *November 1, 2014 ASMI sponsored Chef Marcel Sasaki of the Japanese restaurant Dô in the 4th **Cook n' Groove** event. The event brought together gastronomy, arts and music and about 4,000 people in São Paulo. Alaska black cod was promoted.*
- *December, 2014 ASMI organized a **chef and media tasting event** in São Paulo at the French restaurant Paris 6. The event was in partnership with Go Where Gastronomia, a monthly gastronomy publication. Opinion makers, nine chefs, media and restaurant owners, attended the event. Sockeye salmon and black cod were featured.*
- *December 2nd, 2014, ASMI Brazil held the second annual **Alaska Seafood Trade event** in São Paulo for approximately 60 invitees. The event took place at Bistro Charlo, a top restaurant in São Paulo, with a customized Alaska seafood menu prepared by Chef Francisco Farah. Alaska black cod, sockeye, pink and keta salmon, Pacific cod and pollock were served during the reception.*
- *December 1st 2014 - January 30, 2015 ASMI partnered with Vivenda do Camarão, a restaurant chain that offers a diversified seafood menu. With 160 stores nationwide ASMI and Vivenda do Camarão developed a customized tray cover with information on the Alaska pink and keta salmon, its benefits, nutritional facts, origin, and wild, natural and sustainable aspects in order to educate consumers on the new product. Approximately half a million consumers were reached during the two-month-promotion. ASMI contributed 41% of the total cost of the project for a total of 600,000 pieces.*

