



Halibut-Sablefish Committee Meeting

All Hands On Deck

November 2, 2023

3:00 – 5:00 PM AKST

Adventure Room, lower lobby level, Hotel Captain Cook, Anchorage

Virtual

Draft Minutes

Call to Order

3pm Meeting called to order by Chair Parker.

Roll Call & Introduction of guests

Members Present: Chair Peggy Parker, Vice Chair William Sullivan, Todd Greenwood, Bob Barnett, Kendall Whitney, Jessica Keplinger, Hank Baumgart, John Jensen

Members Absent: Jim Hubbard, Jim Lagucik

Quorum was met.

Guests Present: Kate Consenstein (Communications Committee/Rising Tide Communications), Stephen Rhoads (International Marketing Committee & Seafood Producers Cooperative); Hannah Heimbuch (Communications Committee & Harvester), Christine DeWitt (Seafood Technical Committee & OSU Seafood Lab), Alicia Parker (NEU OMR), Akiko Yakata (Japan OMR), David McClellan (SEU OMR), Jens Hombeck (CEU & WEU OMR), Staff for Sarah Vance (BOD Ex-Officio Member), Christina DeWitt (Seafood Technical Committee), Mike Erickson (BOD & Alaska Glacier Seafoods), Scott Sandvig (Alaskan Leader Seafoods), Ezekiel Brown, Hannah Lindoff (Senior Director of International Marketing), Rasmus Soerensen (International Marketing Committee Chair & American Seafoods), Susana Osorio (International Marketing Coordinator), Amy Dukes (Head of Retail Marketing)

Approval of Draft Agenda

Jensen moved to approve draft agenda. Barnett seconded. Motion passed.

Approval of Draft Minutes from October 25, 2023

Chair Parker gave committee members a few minutes to read Draft Minutes.

Jensen moved to approve them. Keplinger seconded. Motion passed.

ASMI Antitrust Statement, read by Chair

Chair Parker read the antitrust statement.

Chair Remarks

No remarks were made by Chair Parker.

Vice Chair Remarks

Vice Chair Sullivan stated meeting should be easy and noted usefulness of having a pre-meeting. Thanked Chair for organizing it.

Public Comment

No comments were made.

New Business

International Sablefish Activities update by International Team (OMRs)

- Yakata, Japan OMR:

Reported on sablefish consumption (uncooked kiritomi portions), stable demand, supporting boost in sales through printed POS materials (recipe images and info about species attributes such as omega 3 and vitamin A content), supporting demo sales to best use budget, and promotions resulting in purchases and increased consumption. 711 Japan and other convenience stores offer grilled sablefish sealed with nitrogen gas to reheat in microwave. Sector is expanding. Ingredients mainly come from Alaska leading collaborations to put ASMI logo on pack. Steady supply from AK will ensure Japanese consumption.

Vice chair asked about domestic farming or catching of sablefish. Yakata reported there is very little Russian product in market. Chair asked about price complaints. Yakata answered there aren't any. Segments expanding are grilled, easy to enjoy product, also bento boxes. Many marinated options are available. Japanese market prefers smaller sizes.

- Hombeck, CEU & WEU OMR:

Reported no product at retail, only available for high-end gastronomy. Programs are focusing on educating foodservice. Species is very suitable markets' preferences despite high price point. Activities have included working with culinary platforms and magazines founded by and targeting chefs, sending H&G and fillets to chefs for familiarization, producing videos for chef education, partnering with chef ambassador for past 2 years and now developing smoked sablefish appetizer to present at Gastrovision foodservice show in Hamburg. Most popular preparation up to now has been grilled.

Cohl Fish German name, known in foodservice. There has been interest in using 'sablefish' for marketing plans.

Potential in the region but lack of awareness and unstable supply, resulting in low commitment to permanently include in assortments.

Barnett asked about portioning smaller size fish. Hombeck answered filleting is for brazing, in Germany portioning into small portions and selling B2C, consumer portion sizes. Size is not big concern.

Greenwood asked about bones when filleting. Hombeck explained bones are removed.

Chair asked about main competing species in CEU. It's monkfish and halibut in terms of price and chef recognition. In general, high value fish used in high-end gastronomy.

- Parker, NEU OMR:

Explained species was made famous by Nobu as in USA, used by high-end seafood specialists, in sexy, luxury restaurants. Free trade agreement with Canada has resulted in switch to Canadian black cod. Activities include creation of materials targeting high-end restaurants, focusing on AK instead of price point, recipe development through AK seafood masters competition to be tied in with importer promotion, retail promotions with Wholefoods in 7 UK stores as well as summer promotions. NESI (premium retailer) has worked with sablefish to go as premium option, seen as treat, not an everyday product.

Vice Chair asked about import duty into UK. It is 10% for US sablefish.

Chair asked about foodservice and retail markets in UK. Majority goes to foodservice which targets important demographic due variety of high-end gastronomy restaurants.

- McClellan, SEU OMR:

Species is well distributed in Spain and Portugal, sold to Japanese and Korean restaurants. Volume has dropped due to soaring prices (including loss of promotions in Makro cash and carry). Chefs prefer to work with 5oz+ sizes, so buyers target those instead of smaller. There is still a lot product inventory in warehouses, prices should come down eventually. Only available for foodservice, not at retail.

Barnett asked about training chefs. McClellan explained there is potential but requires getting product to chefs, therefore finding importer to bring pallets. Added smokers could make introduction to market but need product. Food service demand is good demand since chefs know sablefish. Chair suggested contacting trawlers since they are catching the small fish (only hook and line harvesters present at meeting). McClellan has spoken to them. Greenwood spoke about encouraging demand for smaller sizes without taking away from bigger sizes. McClellan explained that doing so requires getting product into retail. Keplinger explained that, similar to US market, it is affordable to put 3-4 oz size into portions. McClellan spoke of willingness to do so but reiterated need for contacts with importers in the market.

The committee discussed information provided by OMRs: Greenwood recommended to continue trying to introduce smaller fish for filleting and smoking, producing smaller doses of delicious. Jensen spoke of smoking whole H&G 1-2oz or boiled preparation. Keplinger noted that everyone is catching smaller fish. Chair reported that trawl-caught fish are going to Asia, echoed by Greenwood.

Chair spoke of need to create demand in different markets. Greenwood agreed and added that species is underappreciated resulting in lower prices for smaller fish, but quality is equally high. Suggested hiring chefs to create recipes for smaller sablefish.

Barnett suggested to start producing right product forms to move smaller fish.

Sandvig reported that most small sizes go to Japan. Suggested learning from Japanese market, processing in US and then marketing into Asian influenced markets on West Coast. Keplinger added that deliveries prove that product is going to Chinatown in NY and suggested learning from this type of data. Sandvig added that steak form is also loved by Asian retailers/communities in US.

Greenwood highlighted the importance of AK origin distinction. Jensen added AK doesn't produce the volume to compete with other sablefish origins in US. Baumgart explained there is less oil content in West Coast sablefish resulting in bigger sizes out of AK being preferred, but bigger sizes from elsewhere being chosen when sizes decrease.

Discussion and answer of Board's Species Questions for the Halibut-Sablefish Committee

1

a

- Development of recipes with smaller sablefish by cooperating with experienced chef, i.e. celebrity chef or organization with focus on R&D.
- Retail focus smoked products.

b-

- Development of recipes with smaller sablefish by cooperating with experienced chef, i.e. celebrity chef or organization with focus on R&D. Specifically think of Asian community.
- Working with micro influencers or other to target demographic that already know the species. Use their culture icons, appeal to emotional purchasing.

2

- Research about Henneguya parasite in halibut: literature review, research initiative/grant. Support grant/research with sensor tech to detect muscle myopathy at different stages of handling.
- Produce list of fish that are good for raw application in relation to sushi grade research.

3

- Carbon footprint
- Differentiating factors between Atlantic (landed on West Coast) vs. Pacific halibut in benefit of the latter, in addition to calling out Alaska.
- Halibut biomass reduction messaging to justify it as a positive move and explain why in order to prepare for the coming quota reduction: natural cycle, doing the right thing, 100th years of research and biomass data. Species thriving.

4

- East coast halibut: threat
- Small sablefish: challenge
- Decrease in halibut quota: challenge
- Low consumption of sablefish in US: challenge

5

- Transparency (sharing knowledge): explain the math of the whole process to sell the fish after it is bought from the harvesters (for instance, until it gets to retailer).

Election of Halibut-Sablefish Committee Chair and Vice Chair 2023-2025 term

Sullivan nominated Parker for Vice Chair and Keplinger for Chair. Barnett and Jensen agreed.

For Chair, all committee members agreed openly and unanimously and elected Keplinger.

For Vice Chair, all committee members agreed openly and unanimously and elected Parker.

Good of the Order

Jensen and Barnett reminded the Committee of the importance of transparency.

Adjourn

Jensen moved to adjourn. Barnett seconded. None opposed. Motion passed.

5:02 pm meeting adjourned.