



Alaska Seafood Marketing Institute

Board of Directors Meeting
at Annual All Hands On Deck Conference (virtual)
Friday, November 12, 2021
9:00 am Alaska Time

Zoom

Unapproved Minutes

ASMI Chair Allen Kimball welcomed everyone and called the meeting to order.

Chair Kimball invited ASMI Board Liaison Heather Johnson-Smith to do Roll Call.

Present:

Chair Allen Kimball
Michael Erickson
Vice Chair Tomi Marsh
Mark Palmer
Richard Riggs
Executive Director Jeremy Woodrow

Representative Chris Tuck – joined at end of meeting

Also Present Virtually: ASMI Program Directors & Staff, Committee Members, Program Contractors, Members of Industry, Members of Press, Members of the Public

Absent:

Jack Schultheis
Lt. Governor Kevin Meyer
Commissioner Julie Anderson
Senator Lyman Hoffman
Senator Peter Micciche
Senator Gary Stevens
Representative Geran Tarr

A quorum was established.

Approval of Agenda

Chair Kimball requested motion to approve the agenda.

Erickson moved to approve the agenda for November 12, 2021. Riggs seconded the motion.

Approval of minutes from October 6, 2021

Chair Kimball requested a motion to approve minutes from October 6, 2021.

Palmer moved to approve the minutes from October 6, 2021. Erickson seconded the motion.

Chairman's Remarks

Chair Kimball remarked that the past few days have been exceptional and looks forward to hear the reports today and asked board members to think about things we can do as the board to support initiatives and provide direction.

Reading of Anti-Trust Statement

Executive Director Jeremy Woodrow read the Anti-Trust Statement for the record.

Executive Director Report

Chair Kimball invited Jeremy Woodrow to give the Executive Director report.

Woodrow extended thank yous to all who helped make this week a success, especially staff members and all the committee chairs and committee members. He welcomed the new chairs and vice chairs and the new committee members; it is great to have new involvement. He thanked the CAP members and commented that it was a great way to start All Hands on Tuesday and looks forward to the rest of today and hearing the reports.

Public Comment

Chair Kimball asked for public comment to be shared verbally or in the chat box. There was no public comment.

ASMI Budget Update

Chair Kimball invited Becky Monagle, ASMI Finance Director to give a budget update. Monagle shared her slides - Fiscal Presentation for FY 21. She reviewed FY21 (July 1, 2020 - June 30, 2020) in total and by program, compared FY21 to FY22 with authorization amounts and budgets by program, and look at what was collected in FY21 by voluntary industry assessment and what is estimated for FY22.

Expenditures in FY21 was \$15,965. Final FY21 Board approved budget was \$18.7 million, so the balance remaining was approximately \$2.8 million. The revenue sources that support the expenditures were \$8253.5 million in federal receipts and Statutory Designated Program Receipts of \$7711.5. The amount carried forward from FY21 into FY22 was just under \$15.5 million. Next, Monagle showed FY21 totals by program with the breakdown for each by budget, expenditure and difference. Next, she showed the Revenues FY21 vs FY22 Legislative Revenue Authorization comparison. FY21 total was \$20,360.3 and FY22 total is \$28,601.7. The increase is an addition in federal funding as well as \$7 million for ARPA. The next slide compared FY21 budget to the FY22 budget by program. At board meeting in May, board approved an operating budget of approximately \$17.5 million. In October the board increased the budget by approximately \$2 million which included \$1.5 million in ARPA funds plus some federal carryover. There is still additional federal carryover that will be added to budget when final figure is known. Allocations are \$400,000 to Consumer PR, \$500,000 to International, \$59,000 to Communications, \$137,500 to Foodservice, remainder of \$416,600 to Retail. There is still an additional \$500,000 of MAP rollover that will hit International budget as well. The next slide came from Department of Revenue and identifies the Voluntary Assessment by quarter; it shows we received a total of \$9.8 million in FY21. Monagle next shared the Actual & Estimated Ex-Vessel Value Revenue from the past 5 years of revenues received and McKinley Group's estimated projections of \$9.2 million in FY22. We just received first quarter of this year and amount was \$3.5 million.

Palmer asked about savings from not going to shows because of the cancellations and if the shows are budgeted in FY22. Monagle said this year's shows are reflected in the budget. Woodrow added that the cancellations came at end of fiscal year so it has been difficult to spend.

ASMI Global Food Aid Update

Chair Kimball invited Bruce Schactler, Global Food Aid Coordinator, to give an update. Schactler began by saying it has been a very strange year because of market disruptions like shipping and infrastructure. It is also harder to interact and connect with folks for program development since they're mostly working from home. Department of Agriculture has been increasing the amount of food they've been purchasing. Last year the dietary guidelines for Americans came out and said seafood should be eaten at least twice a week. Potential new seafood product is wild Alaska rockfish fillets. Every 10 years, WIC does a product review; canned salmon has been in 7 WIC baskets. New, canned sockeye product coming soon. In 2021, nutritional products were added, specific seafood wording was added, and new product into programs were added. For 2021 USDA has purchased approximately \$97 million in Alaska seafood so far and should hit \$100 million mark for 2021. They have accepted our proposal to purchase another \$95 million to start the year off which is \$50 million in pink salmon and \$45 million in pollock.

Chair Kimball thanked Schactler for sharing this great news, and asked if there were questions. Chair Kimball summarized a comment in chat box from Laine Welch about baby food and why there is no seafood included by major US baby food makers and how the answer has been "we don't know." Schactler replied that when it comes to government programs, they do not do experimental products; they want products that food insecure consumers already know and use. Chair Kimball said it is a good point to bring up for further discussion.

Alaska Seafood Economic Value Update

Chair Kimball invited Dan Lesh, McKinley Research, to give an update. Lesh shared a slide presentation. Ongoing and upcoming work for ASMI includes 3 more COVID Impact Briefing Papers in 2021 & 2022, Salmon & Groundfish Harvest Updates, Market Bulletins, Ad Hoc Research Support, New Economic Impact Report, and a Supply Chain Overview Report with SE Asia, UK, and US case studies. Alaska Seafood Industry Overview: Alaska seafood industry supports 60,000 jobs in Alaska with \$1.7 billion in earnings with more than 9000 vessels harvest \$2 billion worth ex-vessel value and over 200 small and large shoreside and at-sea processing plants turn that into \$4.5 billion wholesale value. Alaska pollock is 29% and second is salmon with 26%, and high-value/low-volume halibut, sablefish & crab is 21% of ex-vessel value. From 2019 to 2020 there was a drop in ex-vessel value from \$2 billion to \$1.5 billion (27% drop) and \$4.7 billion to \$3.7 billion (21% drop) in wholesale value; this was felt across most fisheries. It was influenced by COVID but also poor salmon runs. Lesh compared the 2020 impacts from COVID with 2021. In 2020, there were increased operating costs of \$70 million for seafood processors and in 2021 mitigation costs are unknown but despite vaccines available mitigation processes were maintained and there were increased costs throughout the supply chain and hiring is still challenging with a 28% rise in processing labor costs. The continued demand shift for food has created an increase in retail sales including seafood. There has been a partial recovery in export value from 2020; may still break \$3 billion. Transportation/logistics challenges continue to be extreme; spot prices per container on key shipping routes have increased 3 times or more. We are expecting a rebound to normal range with ex-vessel and wholesale values in 2021. Salmon was big improvement over 2020, but although runs were strong the fish are smaller and it pushed the total volume down. Alaska 80% of global sockeye supply and 1/3 of global pink supply. In 2021 for groundfish, pollock TAC has been fully harvested, BSAI crab had reductions, flatfish is only at half of TAC right now, and halibut was strong. Chair Kimball thanked him and invited questions. There were no questions.

Responsible Fisheries Management Update

Chair Kimball invited Jeff Regnart, RFM Program Manager to give an update and thanked Mark Fina, Board President of Certified Seafood Collaborative (CSC), for joining and presenting as well. Regnart shared a slide presentation on RFM's ongoing activities and accomplishments with progress since November 2020. Ongoing activities: continue collaboration with GULF & Japan RFM, GSA/RFM Pilot development & implementation, fishery outside AK considers RFM, develop revised Data Limited Framework, and develop 'low risk' CoC for spring 2022. Accomplishments: maintained GSSI Benchmark status, new RFM website (independent from ASMI), finalized joint CoC with Iceland, CSC Board finalized cost sharing plan, and new certification body joins RFM. In July 2020, RFM transferred from ASMI. Regnart shared the CSC Foundation Board Members and organization-governance chart, and vision statement ("By 2025, RFM certification is broadly used in the primary seafood markets worldwide"). He shared the CSC Foundation board's core values and

strategic initiatives. RFM program expanded to North America and now has its first US fishery outside of Alaska to enter RFM, but it is not a public announcement yet to share the who the fishery is. RFM will also be adding a Certification (CB) to the program. Regnart gave a chain of custody update. Next he shared the business plan's costs and projections. FY22 is the last year ASMI will fund RFM program's administrative costs, \$362,000. Certification costs are covered by fishery clients starting in FY22; average cost is \$38,000 per year. For FY23 and beyond, program costs are apportioned by ex-vessel values. ASMI & RFM continue CSC work. MOA is in place; it is the most important relationship. GSA & RFM Pilot will include two companies from North America; plants will be audited against GSA standard and RFM logo will be used on consumer products. Pilot Objective: GSA (global seafood assurances) will demonstrate how they can assist RFM in opening up additional markets for Alaska RFM certified seafood. New partnership with FishChoice, which is an online platform that helps businesses with seafood sustainability; it is great exposure for RFM. Regnart said that there is a shared chain of custody with Iceland; this global collaboration can work as a RFM alternative to MSC.

Chair Kimball invited Mark Fina to share also. Fina said he wanted to emphasize the opportunity of working with Iceland and other countries that have RFM programs. Another opportunity is low risk chain of custody to find another niche in the market. Overall emphasis is getting people to understand why RFM program exists. Palmer asked if there is one-page flyer that customers like him could share with people they work with highlighting the benefits. Chair Kimball said that his invitation is and has been that Alaska producers need to use this and put this no-cost logo on the packaging.

Chair Kimball took a moment to welcome Louise Stutes, Speaker of the House and former ASMI Ex Officio, to the Zoom meeting.

Chair Kimball read question from chat box by Craig Morris who asked how frequently Alaska pollock has been the largest catch by volume and value for Alaska seafood ex vessel value. Kimball share and Dan Lesh replied in the chat box that most years it's the salmon group that is the largest slice, but about a third of the time over the last 15 years it's been pollock.

ASMI Operational Committee Chair Reports

Chair Kimball invited ASMI International Marketing Committee Chair Julie Yeasting to give a report. Yeasting reviewed the committee's responses to the questions provided by ASMI Executive Director. A copy of the responses was provided to each board member. Yeasting also shared that OMRs need information from us. IMC met 4 extra times with OMRs so feedback and advice was freely shared. She also invited the board to please view the prerecorded videos from the OMRs that are on the All Hands page on website. She thanked ASMI staff especially Hannah Lindoff, ASMI Sr. Director of Global Marketing & Strategy, is a great guide.

Vice Chair Marsh thanked IMC and commented on the deep dive and appreciative of that.

Chair Kimball invited ASMI Domestic Marketing Committee Chair Lilani Dunn to give a report. Dunn began by thanking her committee by naming them, the board members, ASMI Director of Domestic Marketing Megan Rider and ASMI team; she applauded Executive Director Jeremy Woodrow and ASMI team and congratulated on 40th anniversary. Dunn reviewed the committee's responses to the questions provided by ASMI Executive Director. A copy of the responses was provided to each board member.

Palmer asked about the mislabeling concern. There was discussion. Chair Kimball echoed Palmer and said that if it is seen it needs to be reported.

Chair Kimball invited ASMI Communications Committee Chair Pat Shanahan to give a report. Shanahan began by thanking the board and the communications committee; she encouraged all to visit the ASMI website to see the committee members' bios. Shanahan reviewed the committee's responses to the questions provided by ASMI Executive Director. A copy of the responses was provided to each board member.

Shanahan thanked ASMI's Communications program staff, Communications Director Ashley Heimbigner, Tanna Peters, and Arianna Elnes for their hard work all year.

Chair Kimball invited any questions. There were none.

Vice Chair Marsh commended the Communications team, and Domestic Marketing team also with their joint meeting; she is glad to see focus on holistic health.

Chair Kimball invited ASMI Seafood Technical Committee Chair Brandii Holmdahl to give a report. Holmdahl reviewed the committee's responses to the questions provided by ASMI Executive Director. A copy of the responses was provided to each board member.

Chair Kimball invited any questions. There were none.

Operational Committee Recommendations Discussion

Chair Kimball invited further discussion from the Board. There was discussion of committees' recommendations to the board.

Palmer asked when was the last time we did a market basket analysis. If people are cooking more at home, maybe we should look to partner with a company. On customer loyalty programs there is so much info. Experiment with putting it in basket (and consumer has to take out) or perhaps a coupon or incentive.

Kimball remarked that it is different than 20 years ago, and we have seen people want to spend money on food service. One aspect we could consider is data collection, like the basket analysis Palmer suggested. It will help us prioritize. IMC Chair Yeasting shared that Central Europe, Eastern Europe, Southeast Asia, and Japan are collecting data; OMRs would be responsive.

Palmer asked Yeasting since re-processing centers are cropping up in other parts of the world, is there an opportunity for Alaska Seafood to be processed outside China and utilized within the markets. Yeasting said there is potential in several countries.

Riggs shared that he has enjoyed opportunity to take part in the meetings this week and McKinley Research's presentation and highlighted different comments from the reports.

There was board discussion on market basket collection and the type of information that is collected, and the importance of us using current data metrics in today's market place to find areas of growth.

Chair Kimball was interested that packaging came up in several of the committees and with CAP. We should spend a little time on this and try to find alternatives for all product types for Alaska seafood.

DMC Chair Dunn shared that Domestic program has some market basket info although not Alaska specific but the companies doing the gathering will pull info. Woodrow said that is part of the ARPA funding that allows us to go after that info.

Seafood Technical Chair Holmdahl said that regarding packaging, the technical committee would like input from other committees and board to help identify the parameters.

Chair Kimball said another common thread he heard was about having more digital information. ASMI has provided best digital images in the business. We need to stay current and provide resources.

Palmer brought up home delivery and how that has changed consumer purchasing. He would like ASMI to explore who are the partners we should work with.

Chair Kimball made a commercial for RFM since it will not be funded by ASMI in 2022. As “parents” it will be good to see progress and updates. Chain of custody and ease of use is a big advantage. There will continue to be questions, like some will have to decide on how to use logos – ASMI and/or RFM. Kimball asked if others had any ideas, concerns or challenges for use of RFM. Woodrow said he hopes it becomes a problem because it means they’ve grown and are a success story.

Chair Kimball asked board to think about CAP -- do we want to have CAP at All Hands or keep it separate? Palmer said CAP is best when tied to more people listening so at All Hands. Marsh added a 6-month follow up would be good. Riggs said CAP is usually longer, and CAP being in person was every other year because of cost. Global CAP input is valuable, so maybe combine and integrate more frequent so perhaps with online participation. Communications Chair Shanahan offered a committee perspective that having CAP at All Hands is very valuable.

New Business & Good of the Order

Chair Kimball shared new business items. ASMI is planning future board meeting in early winter to review and discuss ASMI goals and mission, as well as, follow up on what we’ve seen and heard here to look at priorities and how best to support staff. Also a poll will be sent to find a spring budget meeting.

Representative Chris Tuck joined. He apologized for not being able to participate this week. He appreciated the informative reports today. He returned from National Council of State Legislators. He attended an invite only reception there and had an idea to have joint reception with Hawaii and promote Alaska seafood alongside them.

Chair Kimball thanked Rep Tuck for joining and providing input.

Chair Kimball asked for any other new business or good of the order. He invited Executive Director Jeremy Woodrow.

Woodrow said we will send a doodle poll to find a date to meet in Juneau in late January. Maybe we can tie in a CAP meeting for Spring. Hopefully Barcelona Show will be happening so we will look for board meeting date to be end of April beginning of May. It’s been a great meeting – thank you everyone.

Chair Kimball thanked Woodrow for his leadership and thanked ASMI staff who represent Alaska brand so well. Thanked the committee members in the industry; it takes extra time and energy.

Chair Kimball invited a motion to adjourn meeting.

Palmer moved to adjourn the meeting. Riggs seconded the motion.

Meeting adjourned at 11:41am.



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Alaska Seafood Marketing Institute Antitrust Statement

(to be read prior to board and committee meetings)

The Alaska Seafood Marketing Institute is a marketing organization with the mission of increasing the economic value of the Alaska seafood resource. All meetings and correspondence conducted through ASMI are subject to certain legal limits imposed by state and federal antitrust laws. It is important to recognize that some of the activities of ASMI could be perceived as an opportunity for anticompetitive conduct. Any person who participates in an ASMI meeting or activity is encouraged to familiarize themselves with antitrust laws that strictly prohibit price fixing and activities such as agreements to reduce prices, standardize discounts, divide territorial markets or customers, or to promote group boycotts which may be subject to legal liability. ASMI's antitrust statement may be found in its entirety online at www.alaskaseafood.org.



Alaska Seafood Marketing Institute

2021 ASMI All Hands on Deck Key Questions for Operational Committees

COMMUNICATIONS

1. What are the biggest opportunities for your program that are emerging post-pandemic?

- Develop more holistic approach to messaging health and wellness
 - Whole food from a natural source
 - Dietary guidelines for pregnant women, all stages of life, including menopause for women
 - Focus on self-care, omega-3's and mood/mental health
 - Health of local communities; eating Alaska seafood is of service to others
- Encourage at-home cooks to level-up their cooking skills and loyalty to Alaska Seafood by:
 - Gathering more data on the customer journey of how they engage with Alaska Seafood, try new products, etc.
 - Investigate customer journey on new website to determine where else we can engage consumers
 - Teach consumers how to utilize a whole fish/fillet a fish
 - Whole cooked Dungeness
 - Create experiences, not just meals, through digital access/storytelling
 - Continue to integrate Alaska seafood into the plant forward diet trend
- Continue to build out and expand communication around Alaska's sustainability story and its importance to the industry:
 - Share data regarding climate change impacts to fisheries and positive stories of how we/management are responding
 - Build on diversity of messaging on this topic
 - Gather carbon footprint data
 - Gear retrieval programs
 - Integration of climate change science into fishery management decision making process
- Partner with the Domestic program to investigate new opportunities to market to visitors as the tourism industry reopens in Alaska
 - Video content on board cruise lines
- Engage with Alaska Native communities to appropriately include and represent their and other stakeholder communities' experiences with the commercial seafood industry, without appropriating that experience.

2. What long-term challenges must your program continue to monitor and/or address?

- Erosion or appropriation of key brand attributes
 - Look to data to identify future consumer preferences
 - Hone in on points of differentiation from farmed, plant/cell based proteins
 - Whole food from a natural source
 - RFM, food security (providing food for the nation), every boat a small business, nutritional benefits of wild
 - Monitor and support efforts to combat inaccurate labeling on plant/cell based proteins
- Continued need to message around sustainability and social responsibility
 - Sustainability:
 - Investigate how to message on low carbon footprint for generic “Alaska seafood”
 - Continue to provide and expand messaging on fishery closures and/or lower TAC as part of the responsive/active management model
 - Utilize RFM third party verification
 - Crab fishery closures
 - Provide reassurance to market of Alaska seafood availability
 - Dialogue with industry on availability of species and product forms
 - Enhance traceability messaging to address trade concerns IUU
 - Social Responsibility:
 - Consumers are well served with family fisherman messaging; continue to include all boat sizes and gear types
 - Trade needs additional support on social responsibility messaging; aligned with industry efforts and communicate when appropriate
- Respond to trend of smaller fish size (multiple species)
 - Messaging on why fish are getting small for trade and media.
 - Revamp recipes/cooking technique for smaller fish.
 - Research tools to convey nutritional information for different portion sizes.
- Continue to portray Alaska seafood as premium product with awareness and sensitivity to increased prices
 - Worth it: Focus on value and worth price point
 - “There is a fish for every price point”
 - Offer substitution suggestions
 - Creative recipe development with smaller portions
- Continue to monitor consumer misconceptions around heavy metals, contaminants and parasites; be prepared with accurate messaging on what is already being done to monitor contaminants (ADEC)

3. Please address the comments from the species committees that were directed toward your program. In response, do you have any recommendations for which your operational program should take action?

Many of the species committee comments were addressed in the responses above. Additional recommendations include:

- General:
 - Communication about variety seafood species and product forms available at a wide range of price points
 - Investigate ways to communicate low carbon footprint of generic Alaska seafood
- Salmon:
 - Target younger generation with convenient shelf-stable items like skinless, boneless canned pink salmon
 - Create messaging about how to identify wild salmon in the marketplace
- Whitefish
 - Create communications and marketing tools on flatfish, rockfish, POP
 - Create consumer-friendly adaptations of technical resources on freezing technology
- Shellfish
 - Message to consumers about diversity and availability of shellfish species, particularly golden king crab and Dungeness
- Halibut/Sablefish
 - Sablefish needs domestic marketing support
 - Recipe development and how-to cooking videos
 - Consider an influencer marketing campaign

4. Are there any specific questions or items of interest pertaining to your program you would like the ASMI Board to consider? If not, write N/A.

- Encourage the board to continue to prioritize content development for improved digital storytelling in the areas of the Alaska seafood experience, sustainability and holistic health and wellness.
- We are investigating the area of consumer concerns regarding the carbon footprint of various protein resources. Data on Alaska seafood footprint (following Alaska pollock example) may require additional funding.



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2021 ASMI All Hands on Deck Key Questions for Operational Committees

INTERNATIONAL MARKETING

1. **What are the biggest opportunities for your program that are emerging post-pandemic?**

- Robust online resources, including social media content, developed during the pandemic can be utilized for species awareness and understanding through storytelling. We can reach more consumers on these platforms and tell our Alaska story more directly.
- Healthy sustainable proteins are in higher demand post-pandemic. The positive health attributes of our Wild Alaska Seafood products align with consumer trends toward health and focus on responsible sourcing of where their food comes from.
- OMR's should have renewed focus to supporting the HRI sector as it recovers post-pandemic.
- Don't lose the gains we've made in the retail sector. Continue to support the home cook with simple easy recipes and in-store promotions to keep their interest.
- There are market opportunities for Alaska Seafood in Mexico, Korea, Peru and SE Asia as well as opportunities to develop reprocessing in Eastern EU facilities.
- There is a developing market for pollock and cod roe in the Eastern EU market.
- Market more rockfish in Europe now that it is RFM/MSC certified.
- Flatfish tariffs in Europe have been reduced. There is opportunity to educate the market and producers about these species from Alaska and create new markets outside of China.

2. **What long-term challenges must your program continue to monitor and/or address?**

- Differentiate Wild Alaska Seafood from other available seafood and alternatives such as plant-based proteins.
- Alaska Pollock – 2022 quotas are expected to decrease in the Alaska fishery as well as Russia. There may be market challenges with the modernization of the Russian fishing fleet which should be monitored and understood. Quality of block products will increase with more single frozen block and less double frozen block from China. This will increase the base cost of raw materials so promotions should focus on quality and value.
- Cost inflation will be long-term challenge. With increased prices and logistics costs impacting most Alaska species, continue to emphasize the premium value of Alaska Seafood
- Monitor Alaska fish abundance (or lack of abundance) messages in the media. The perception of fishery closures or quota reductions can be that a fishery is failing. Flip that message by continuing positive focus on the robust, sustainable, science-based management practices in place in the Alaska fisheries.
- Industry must continue to communicate with OMRS when there are changes or challenges, so the marketing can adjust.

3. **Please address the comments from the species committees that were directed toward your program. In response, do you have any recommendations for which your operational program should take action?**
- Continue creating content for online and social media platforms.
 - Fully utilize current assets and expand library of high-quality photographs and short videos which have increased impact.
 - Species committees noted that fish size continues to be a concern for Alaska producers and our international programs should be aware of these trends.
 - Salmon – The end customers may need to shift their operations to accommodate smaller fish size possibly related to warmer ocean temperature.
 - Sablefish have similar impacts as salmon with smaller fish size.
 - Pollock year class is healthy but smaller fish are coming into the fishery. We are waiting for the year classes to grow up and reduction in quota addresses this.
 - Pacific Cod producers are concerned that survey results may not accurately reflect cod abundance and fish size.
 - Many of the species committee comments and requests were addressed in the answers to questions 1 & 2 regarding opportunities and challenges.
4. **Are there any specific questions or items of interest pertaining to your program you would like the ASMI Board to consider? If not, write N/A.**
- Keep funding the international programs because they are clearly working to spread the positive messaging of Alaska Seafood.
 - We would like to invite the board members to take time to view the pre-recorded OMR presentations that were presented to our committee in deep dive sessions this fall. We were impressed with how the OMR's were able to pivot during the pandemic and develop virtual classes, direct to consumer content and connect via social media platforms and influencers well suited to spreading our Alaska story. Our international committee would like the executive board to know that we greatly appreciate all the work our OMRs are doing in their respective markets.



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2021 ASMI All Hands on Deck
Key Questions for Operational Committees

SEAFOOD TECHNICAL

1. What are the biggest opportunities for your program that are emerging post-pandemic?

- Advance in nutritional and contaminant studies and keeping the program running
- Alternate options in product availability and exposure due to challenges of shifting supply chain – help maintain quality, paying attention to the shelf-life of frozen products.
- Direct to consumer markets – the pivot companies have made to work with the FDA for food safety on the consumer’s end but also presents a significant challenge.
- Maintain the increase in retail sales during the pandemic – how to maintain the marketplace gained, particularly in the domestic retail sales sector while also continuing to support the resurgence of foodservice
- Opportunities with the recognition by the FDA on the nutritional value of seafood

2. What long-term challenges must your program continue to monitor and/or address?

- Constant change of the supply chain and how to address those changes/issues that come up – packaging material into the box, into the container, how to get it shipped
- Monitor and keep up with the changing biomass of the seafood industry with marketing efforts – and addressing the proper messaging on education of the consumer – it’s not that there is no more product, but that it is being sustainably managed (red king crab, for example) - how to respond to consumers and these changes more dynamically, certification can only go so far
- Continue to monitor the increased social and environmental accountability role of the industry
- Monitor cell-based seafood products
- Make sure the messaging of fresh product is not in relationship to the packaging material
- Challenges associated with ensuring the availability of necessary data to market Alaska seafood industry-wide
- Support, both in funding and in terms of policy for nutrient and contaminant research

3. Please address the comments from the species committees that were directed toward your program. In response, do you have any recommendations for which your operational program should take action?

PLEASE SEE ADDITIONAL DOCUMENT for individual comment responses. For broader ASMI Technical recommendations, many of the opportunities and challenges facing ASMI programs intertwined heavily with technical information or needs. Environmental concerns, the evolving nature of sustainability asks, and the need for data/research remain paramount considerations for the success of the Technical Program and ASMI as a whole.

4. Are there any specific questions or items of interest pertaining to your program you would like the ASMI Board to consider? If not, write N/A.

- Appreciate the continued support and funding from the board and from Commissioner Brune on the nutritional/contaminant studies, fish monitoring program and the development of a defensible nutrition and contaminant database - there will be questions of how to support it, both in policy and funding (for challenges looking forward)
- Ideas for additional funding/resources to utilize for more research projects



Alaska Seafood Marketing Institute

Communications & Consumer PR Research Tools

Communications Research

The Communications program works with McKinley Research Group to provide the latest analysis of market and harvest conditions and news on the performance of Alaska's seafood product portfolio. ASMI also works with McKinley Research on special projects and topics relevant to Alaska's seafood industry including the Economic Value of Alaska's Seafood Industry report published every two years. These resources guide our communications to the fleet, Alaskans, the media and serve as a resource for the broader industry.

Other Current Projects

- COVID-19 Impact to Alaska's Seafood Industry
 - On-going research and reporting on the varied impacts of the pandemic to the industry
- Alaska Seafood Supply Chain
 - Detailed case studies overviewing the supply chains starting in Alaska to three primary markets: SE Asia, UK and US Domestic Market. Purpose of research is to better inform stakeholders of logistical challenges, needs and opportunities to improve aspects of the Alaska seafood supply chain.

Consumer PR Research

The Consumer PR program utilizes proprietary and secondary data to inform the consumer PR + digital program, as well as Domestic trade media efforts. This research provides insights into consumers as well as the industries they work in and the marketing channels they use.

Based on the data we develop our program strategy and tactics for the FY including campaigns and always-on efforts. For example, with more than a quarter of Americans purchasing seafood at retail for the first time during the pandemic, and 75% of consumers wanting to be more knowledgeable about how to cook, prepare and flavor seafood, we determined an opportunity to ensure consumers continue to ask for Alaska seafood through simple and authentic culinary education content.

Consumer insights have also highlighted the important role that recipes play in encouraging seafood purchases, and on ASMI's social channels, as culinary content was a top performer amid the rise of at-home cooking.

Sample Proprietary Data/Sources

- [ASMI and Datassential Retail and Consumer Reports](#)
- [ASMI Economic Value of Alaska's Seafood Report \(McKinley Research\)](#)
- [ASMI COVID-19 Impact Briefing Papers \(McKinley Research\)](#)
- [ASMI Annual, Quarterly, Weekly Seasonal Harvest Summaries \(McKinley Research\)](#)
- ASMI Technical Research, various reports
- Edelman Trust Barometer, including annual and special reports
- ASMI Owned Social Media Analytics (via ASMI's consumer Facebook, Instagram, Twitter and Pinterest accounts)
 - These real-time analytics provide insight into our consumer and guide our content creation and direction based on engagement and trends.

Sample Secondary Data/Sources

- FMI, [Power of Seafood Annual Report](#)
- Mintel Consumer Research, including Fish & Shellfish
- Sales Reports from various sources and outlets, often published by seafood industry press (via IRI, 210 Analytics and other resources)
- Consumer Trend Reports, various sources and outlets
- MuckRuck State of the Industry Journalism Reports

ASMI Domestic Research

ASMI Domestic works to educate and provide support to retailers and foodservice operators on the growing consumer demand for seafood and the Alaska Seafood brand. We leverage this data in our all marketing efforts.

- ASMI Retail is working with IRI to gain insights and datasets to help understand sales patterns (including shopper basket analysis), consumer trends, and category trends on consumer purchasing behavior across the US. The data and insights will enable us to work with retailers, processors, media, and other industry partners to demonstrate the power of the Alaska name in driving overall seafood and fish sales. This research will conclude by end of FY22.

IRI is a leading provider of big data, predictive analytics, and forward-looking insights that help companies grow their businesses. With the largest repository of purchase, media, social, causal, and loyalty data, all integrated on an on-demand, cloud-based technology platform, IRI is empowering the personalization revolution, helping to guide its more than 5,000 clients around the world in their quests to remain relevant, capture market share, connect with consumers, collaborate with key constituents and deliver market-leading growth. For more information, visit www.iriworldwide.com.

- ASMI Retail works with Datassential to gather detail on fish and seafood consumption habits & preferences of the general and affluent consumer, determine what would motivate consumers to increase their seafood consumption at home, and understand consumer perceptions of seafood from Alaska in comparison to other seafood at retailers/grocers. With these reports, we learn about the protein consumption landscape, grocery shopping behavior relating to fish and seafood, fish and seafood attitudes and preferences, and Alaska seafood attitudes and preferences. We take the data learned to motivate retailers on the power of the Alaska seafood brand, e.g. at retail, 77% of affluent consumers and 72% of general seafood consumers are more likely to buy seafood when they see the Alaska seafood logo. We create engaging brochures and infographics based on the latest research with [Grocery Dive](#) and [Progressive Grocer](#).
- Every other year, ASMI Foodservice works with Datassential to gather detail on seafood consumption habits and preferences in quick service, fast casual, and casual dining restaurants. We seek to determine if and where consumers are interested in seeing more seafood dishes on the menu and understand consumer perceptions of seafood from Alaska and gauge the lift in consumer interest in a dish if it's made with Alaska seafood. Lastly, we access the Datassential menu database to determine where Alaska as a brand lands on the menu. In 2021 – we are the #1 branded animal protein on the menu. Additionally, ASMI Foodservice has an annual subscription to Datassential TrendReports that helps provide insight for marketing planning and gives us great content in our communications with National Accounts and via our advertising and public relations efforts.

For more information on Datassential go to <https://datassential.com/about/>



Alaska Seafood Marketing Institute

International Research

Each year ASMI international conducts extensive research in all markets in order to fulfill reporting requirements. In France, Germany, the UK, China and Japan Rose Research conducted 750 online consumer surveys in each region and provided ASMI with recommendations for each market:

- In China, consumer responses are high in comparison to the other regions, however, recognition of Alaska as a seafood producing country/region continues to decline as fewer consumers are currently purchasing Alaskan seafood compared to the past two years. This is largely related to the on-going trade dispute with China and the 301-tariffs applied to US seafood rather than the ASMI marketing program. Traceability, sustainability and wild are all attributes are considered important by Chinese consumers when making a fish/seafood purchase decision, and ASMI should continue pushing these messages, especially for the species that are still heading to the China domestic market.
- In Japan, ASMI's program widely exceeded their goal for percentage of target consumers who believe Alaska seafood is wild-caught. This is an important metric for differentiating from Chile and other farmed competitors and the marketing program's emphasis on wild has also translated into growing demand for the Alaska origin, especially among higher income, female shoppers, an important micro-target for ASMI. ASMI should continue to market wild, as it is a major differentiator, but note that not all consumers have a strong preference between wild and farmed, but sustainability continues to grow in importance. ASMI's program should strongly showcase sustainability as well as wild.
- In both France and Germany a majority of consumers, 66% and 67% respectively, believe that Alaska smoked salmon is higher quality than farmed smoked salmon. ASMI partners closely with smokers in both countries and this perception showcases the success of years of ongoing promotions. Smoked salmon is a well-branded, high quality item that ASMI can continue to use as a flagship product in both markets. Throughout the pandemic, European smokers continued to seek Alaska salmon and the five different species of Alaska salmon offer different price points. In Germany awareness of the country of origin when purchasing fish/seafood is increasing and ASMI can take advantage of this trend to continue to push trade members to call out Alaska on product packaging. Unprompted awareness of Alaska seafood in France remains low, and ASMI must push harder in both the consumer and retail space to correlate the origin Alaska with high-quality wild seafood.

- The UK, purchase intent of Alaska fish/seafood is directionally higher than the past three years of data. The increase in intent to purchase Alaska canned salmon can be seen as a positive consequence of the pandemic. As consumers turned to canned goods during the early months of the pandemic, ASMI pushed recipe ideas to our target consumers so that these consumers would become repeat customers. The uptick in canned salmon purchase intent follows a decade long sales slide and measuring this level of increased intent well after the initial panic-buying phase demonstrates an effective marketing strategy from ASMI. In order to keep this momentum up, ASMI must continue to push canned salmon recipe ideas to consumers, looking for new and exciting ways to use this product.

Additional research projects undertaken by the OMRs include:

- Japan, Consumer Survey on Alaska Origin- May 2021
- Japan, Consumer Survey Herring Roe- July 2021
- China, Retail Survey conducted bi-annually to observe presence in the market
- China chef product research –pollock roe 2021
- SE Asia McKinley Research Case Study to inform supply chain project- December 2021
- NEU Quarterly retail Market Survey FY20-21 & FY21-22
- Southern Europe restaurant survey Fall 2021
- UK McKinley Research Case Study to inform supply chain project- December 2021
- Eastern Europe, pollock & cod roe consumer research
- UK food innovation study

In addition, ASMI OMRs use outside research sources, purchase reports and seek free data available through partners in order to inform strategy. ASMI submitted an EMP application for a research project assessing market potential in Africa on Dec. 2021, pending authorization.

ASMI Seafood Technical Program Research Projects



Alaska Seafood Nutrient/Contaminant Database

Partners: Alaska Department of Environmental Conservation

Funding: NOAA Saltonstall-Kennedy Grant (~300k over 2 years)

Summary:

Collaboration with ADEC in developing a database housing nutrient/contaminant data specific to Alaska seafood species. This multi-year project was awarded \$298,450.00 for the project which began in September in 2021 and will run until August 2023. We will develop a comprehensive, current, and defensible nutrient and contaminant dataset for Alaska seafood and disseminate the results through an extensive outreach strategy. Evaluation is done by a representative technical advisory committee guiding the project and we will also employ consumer marketing surveys in various markets for Alaska seafood. To date, several meetings of the Technical Advisory Committee (TAC) have occurred, analyses to be performed for both contaminant and nutrition analysis have been determined, and species have been identified for inclusion as well as sourcing options.

Recovery of Nutritional Food from Seafood Byproducts

Partners: Oregon State University (Primary Investigator)

Funding: FFAR Research Grant, Matching from Industry, NGO's, agencies. Total awards= ~668k. Half from match. ASMI contributed a \$10 k match.

Summary

Study to recover protein from various seafood processing by-products with the purpose of developing viable, marketable food items. Occurring over a span of three years, ASMI's matching fund is one of several being supplied, with other contributing entities including Oregon State University, OSU's Food Innovation Center, Pacific Seafood Group, Seafood Industry Research Fund, Trident Seafoods, and the West Coast Seafood Processors' Association. The researchers (comprised of experts in food chemistry, nutrition, food processing, product development, and sensory evaluation) will extract, purify, characterize functionality, and assess the nutritional content of the protein isolates of various species. The study will seek to reduce discard of edible proteins from seafood processing, increase percentage of harvest utilization for human consumption, provide additional viable revenue streams to processors/harvesters, and increase protein availability. The nutritional efficacy and health impact of the generated protein isolates will be assessed in an animal model compared to protein isolates such as whey and soy. Subsequently, seafood protein isolate will be utilized to develop multiple prototype products including dietary supplement products, novel food products, and food aid fortification

formulations, with the culinary potential for products containing seafood protein isolates being assessed by a panel. FFAR recently issued full approval and released their funds (October 2021), and results of early stages will be available in the Spring.

Alaska Salmon Consumption and Reduced Inflammation for Breast Cancer Survivors

Partners: University of Connecticut, Seafood Industry Research Fund (NFI)

Funding: ASMI contributed roughly 16k since 2020 to ensure finalization.

Summary:

Funded collaboratively with Seafood Industry Research Fund (National Fisheries Institute) to gather key information regarding dietary fish consumption patterns in breast cancer survivors experiencing symptoms of persistent pain and fatigue. The intended 2-year investigation uses the USDA dietary guidelines as a basis to assess the consumption of more fish consumption for improved dietary intake patterns for breast cancer survivors. Consumption of omega-3 fatty acid in fish, and not in supplements, is encouraged as a component of the Nutrition and Physical Activity Guidelines for cancer survivors. A specific aim of the project will be to look at the effects of high and low DHA diets on inflammatory load and persistent pain and fatigue severity for breast cancer survivors. There are 180+ participants in the study who have personalized meal plans of frozen Alaska salmon fillets 2-3 times a week for a period of 6 weeks. Due to COVID closures from February 2020-December 2020, the study's latest recruitment phase was delayed and the finalization is now expected in December 2021 with a larger sample size than initially scoped (over 180 participants instead of 150). However, due to ASMI's continued support of the project, ASMI will be a named contributor on the secondary follow-up study examining the effects of seafood consumption of the gut microbiome in this same survivor group. A no-cost extension through Spring for gathering of microbiome data was approved in December 2021.

Consumer Acceptability and Shelf-life Assessment of Frozen Seafood

Partners: OSU's Food Innovation Center

Funding: NA

Summary:

ASMI technical is supporting a forthcoming study by OSU which is funded by a Saltonstall-Kennedy Grant to determine shelf life (nutrient density, oxidation, texture) and consumer acceptability of three frozen seafood species stored in two different freezer types (commercial/industrial and home), and to develop and pilot educational outreach efforts about frozen seafood. The project timeline is two years from January 2021-January 2023, with the shelf life testing over an 18-month period within that 24 months. ASMI is supporting by serving as a member of the study's Technical Advisory Committee. The three species have been chosen by the advisory committee, two of which (coho salmon and sablefish) are relevant to Alaska seafood.

(Proposal in Progress) Sustainable Package Guide

Partners: Bristol Bay Regional Seafood Development Association, OSU's FIC (tentative)

Funding: TBD

Summary:

Early discussions have been initiated for development of a research effort to equip industry members with most up to date information regarding more sustainable packaging options for Alaska seafood. ASMI technical will create a literature/legal review of various packaging types and relevant regulation, and perform a confidential (and likely blinded) survey of AK seafood QA/QC personnel to determine what sustainable packaging efforts are ongoing, if any. Feasibility of packaging types will be determined for significant product forms and survey and industry input is to be sourced widely from varied operation sizes and to include direct marketers. The end result will be a guide for industry to determine what sustainable packaging types may be most practical for their operations and to provide a roadmap to switching packaging. ASMI RFM/Sustainability contractors have been made aware of the project, and all involved will be engaged with the Communications Program to ensure messaging regarding sustainability remains consistent and that packaging efforts do not bleed into greater fishery sustainability. Technical Committee Chairs have been briefed and approved of project.

Chef Sensory Evaluation of Frozen Alaska Seafood (Tentative, requires large in-person setting)

Partners: OSU's Food Innovation Center, BBRSDA

Funding: TBD

Summary:

Conduct of a sensory evaluation of frozen Alaska seafood with chef participants. Test data will be collected using the Qualtrics and/or Compusense data acquisition systems. Sensory test results will be analyzed at the 95% confidence level and raw and summarized data will be presented in a summary report. Event timing was originally scheduled for Fall of 2019 and delayed due to COVID pandemic. Due to the technical committee's request of avoiding of directly comparing fresh and frozen product, the initial study design is being re-examined to feature solely frozen product evaluation. An event to gather chef responses in Washington DC during September 2021 had been scheduled but was upended by the continuing pandemic. ASMI Technical is now working with OSU on a tentative start for early 2022, collaborating with a culinary institute to ensure proper preparation of product and a more robust sample size of chefs ($n \geq 40$). This institute will be either in the Mid-West, Southeast, Mid-Atlantic, or Northeast to target chefs who may not have had exposure to high quality frozen Alaska seafood.

Executive Summary

The Alaska Seafood Marketing Institute (ASMI) commissioned McDowell Group to compile reference information and identify development challenges/opportunities for specialty seafood products from Alaska. The scope of this project was intentionally broad, covering 10 low-value species and specialty (ancillary) product categories. Categories were selected based on their potential as an ancillary product form that could utilize current waste streams, or because the species currently produces low values but could be harvested in greater quantities.

This report is intended to serve as a resource document for ASMI, industry, economic development professionals, and fishery managers. Key takeaways from each species/product are provided below:

FISH HEADS

- Alaska produces an estimated 1 billion pounds of fish heads per year. Heads likely account for the majority of processing waste created by Alaska commercial fisheries.
- Some fish heads are used in meal/oil production, and approximately 1 percent are sold as frozen heads. The volume of heads discharged each year is unknown, but represents a substantial amount of raw material.
- Export markets for frozen fish heads exist, but markets tend to be relatively limited in size and most favor cod/salmon heads from approximately 10-lb. fish. Depending on the species, fish heads can be used to produce fishmeal and oil. However, not all species carry much oil in the head area and since heads contain a high percentage of bone, meal, and hydrolysate products tend to have higher ash percentages (which greatly reduces value).

FISHMEAL & OIL

- Alaska processors produce approximately 70,000 metric tons (MT) of fishmeal and 90,000 MT of fish oil. Most large fishing ports in Alaska have meal/oil facilities, but collectively there is much meal/oil which could be produced from smaller ports (and/or those with more seasonal landings). However, industry experts believe meal/oil production is near its feasible limit in Alaska. Increasing the number of meal/oil plants will probably require a change in investment/operational costs, technology, raw material supply, or product value.
- The pet food sector shows promise as a market for Alaska fishmeal and other products derived from waste streams as the Alaska seafood brand resonates strongly with consumers and provides a point of differentiation for pet food manufacturers.

ROE PRODUCTS

- Alaska faces many challenges in key roe markets, including: a strong U.S. dollar, changing eating patterns in core Asian markets, access to Russia, competition from Russian producers, oversupplied markets, and inherent variability in Alaska roe supply and quality. Roe is a critical product for the industry, but its value has generally been in decline over the past decade.
- Increasing the value of Alaska roe products will require the industry to do one or both of the following:

- Develop alternative markets for traditional roe products, either in existing or new markets
- Develop new roe products or find new markets that make use of low to medium grade roe, such as roe oil products.

INTERNAL ORGANS

- Internal organs are usually discharged or used as raw material for fish meal/oil production. Cod and pollock livers are especially high in valuable omega-3 fatty acids. Niche markets also exist for cod milt and stomachs.

SPECIALTY CRAB PRODUCTS

- Alaska's crab fisheries produce an average of 10.6 million lbs. of crab shells. Crab and other arthropods shells contain chitin, a relatively valuable material used in a variety of industries. Until recently, shells were typically discarded but that is changing as Tidal Vision has plans to scale up chitin and chitosan production using waste crab shells from Alaska fisheries.

HERRING FILLETS

- Male herring are essentially a by-product of Alaska's sac roe fisheries, but larger fish from the Togiak fishery could be used to produce a herring fillet product; up to an estimated 10 million lbs. is available for that purpose.
- Alaska herring promotions in the Pacific Northwest have been successful. Competing on fillet quality with other global herring producers who target fish well before spawning is challenging for Alaska, but the regional allure of Alaska herring may connect with "foodie" consumers on the West Coast.

ARROWTOOTH FLOUNDER

- Arrowtooth flounder look similar to Pacific halibut and live in similar habitats, but whereas halibut flesh is sweet and dense, Arrowtooth meat often contains an enzyme that results in very soft, poor fillet quality. As a result, Arrowtooth flounder is one of Alaska's lowest priced commercial species, whereas halibut is one of the most valuable.
- Arrowtooth and halibut compete for habitat and food and the imbalance in their populations have shifted dramatically over the past 20 years. In 1996, there was 3.1 metric tons of Arrowtooth/Kamchatka flounder for each metric ton of exploitable Alaska halibut biomass. That figure increased nearly 250 percent to 10.7 metric tons by 2017, as Arrowtooth populations continued to rise and halibut populations declined.
- A concerted effort to significantly increase Arrowtooth harvests, while minimizing halibut bycatch mortality, could increase the value of Arrowtooth and provide better growth prospects for halibut populations.

SPINY DOGFISH

- Developing markets for dogfish (i.e. sharks) is challenging for several reasons:
 - There is no directed fishery, leading to inconsistent supply
 - Dogfish require specialized handling and retention techniques in order to maintain quality, which costs fishermen time that could be spent targeting other, more valuable species

- The FDA advises pregnant women and children to limit dogfish consumption because the fish contain toxins, including relatively high amounts of mercury
- Public awareness campaigns aimed at exposing cruel shark fin harvesting methods has reduced demand for all shark, including dogfish from Alaska.
- Alaska fishermen typically catch 3 to 5 million lbs. of dogfish per year, but only a small amount is retained. If properly handled, dogfish can produce quality fillets. As a type of shark, cartilage-based products also hold potential. Alaska dogfish products may fill a niche for responsibly harvested shark products, but Alaska dogfish is not certified as sustainable.

SKATES

- Skates are harvested in substantial quantities in Alaska (generally over 60 million lbs. per year), but only about a third of the harvest is retained for processing.
- Skate meat comes from the animal's "wing." Skate wings are prized for fish and chips in the UK and often sautéed in butter with decadent accompaniments in upscale French restaurants. However, the value of the species suffers due to:
 - Relatively low yield of skate wings (compared to fish fillets)
 - More costly retention/processing procedures to ensure quality
 - Limited demand from retail or high-volume food service operators.
- Due to its unique physiology, skates have nutraceutical benefits that are the subject of increasing research.

Common Challenges

Increasing production of specialty products and low-value species will require Alaska's seafood industry to overcome a plethora of challenges. Several common production hurdles are:

- Capacity limitations
- Economies of scale
- Lower production and investment priority for specialty products and low value species
- Production costs
- Market development costs

In many cases, it may be necessary to aggregate product from several facilities or ports in order to make production feasible. Production can be aggregated by selling raw material to a third-party firm or creating a separate cooperative that performs value-added processing but is owned by the raw material suppliers.

See table on following page.

Table 1. Summary of Alaska Seafood Specialty Products and Selected Low-Value Species

Potential for Increased Total Value	Species/Product	Challenges	Opportunities	Alaska Supply (Million Lbs.)		First Wholesale Value (2011-2015 Avg., \$Millions)
				2011-2015 Avg.	Potential	
Highest	Fish Oil	- Refining product to supplement grade - Accessing new markets	- Supplement market offers much higher value - Significant supply	54	201	\$30
↑	Roe	- Oversupply of some species and stagnant demand in key markets - Variable production and quality	- New products in traditional markets - U.S. & Europe - Roe oil	40	N/A	\$413
	Fishmeal & Bonemeal	- Creating economies of scale for new production - Commodity product	- Pet food market - Soil remediation - Large potential supply	142	N/A	\$108
	Skates	- More difficult to retain and process with quality - Competing supply - Mostly bycatch species	- Niche markets - Great product if high quality, need more consumption	21 (Total Retained)	69 (Total Catch)	\$7
	Arrowtooth Flounder	- Low quality meat - Halibut bycatch limits harvest potential	- Huge biomass in Alaska - Harvesting more AF is good for halibut - Meal/oil/engawa focus	81	661	\$26
	Fish Heads	- Limited market, size/species dependent - Processing costs for higher value products - Freezing capacity	- Large available supply - Pet food producers - Asia/Africa as frozen or dried product - Meal/oil production, particularly salmon	10	1,002	\$6
	Crab Shells	- Shipping costs - Competing with low cost Asian shrimp shells	- Specialized chitin products/markets - Product of U.S.A.	N/A	11	N/A
	Herring Fillets	- Processing costs and seasonality of fishery - Sac roe fishery produces softer meat - Competing supply	- Significant potential supply (i.e. males) - Regional demand for herring fillets on West Coast	Several thousand lbs.	\$10	N/A
	Crab Tails	- Supply limited to king crab - Added processing costs	- High crab prices creates better market for tails	N/A	0.3	N/A
	Internal Organs	- Limited markets - Synthetic enzyme reproduction	- Livers for oil - Large available supply - Cod milt	N/A	699	N/A
	Lowest	Dogfish	- No directed fishery - Toxins/mercury	- Potential substitute for shark products from irresponsible fisheries	0.3	3.0

Future Research Suggestions

In addition to research suggestions specific to product/species, this project identified several topics/issues which could benefit from further research, including:

- Comprehensive yield database and raw material analysis
- Development of a directory of potential buyers
- Assessment of marketing Alaska seafood produced by foreign, value-added processors

BYLAWS

ALASKA SEAFOOD MARKETING INSTITUTE

A Public Corporation of the State of Alaska

ARTICLE I OFFICES

Section 1. PRINCIPAL OFFICE

The principal office of the corporation is located in the City and Borough of Juneau, Alaska.

Section 2. OTHER OFFICES

The Institute may also have offices at such other places, within or without its state of incorporation, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

ARTICLE II REVENUE

Section 1. ASSESSMENTS

Pursuant to, and in compliance with the procedures set forth in AS 16.51.140, the Alaska Seafood Marketing Institute (the "Institute") may conduct an election among eligible seafood processors, as defined in AS 16.51.180, who together produce at least fifty-one percent (51%) of the value of seafood products produced in Alaska in the given calendar year. Such seafood processors shall approve or reject a mandatory seafood marketing assessment to be levied at one of six levels on seafood products produced in Alaska, the assessment to be paid by all seafood processors who produce seafood products with an ex-vessel value of fifty thousand dollars (\$50,000) or more in a given year, in accordance with AS 16.51.120.

"AS16.51.120(g): A processor is not subject to, or liable for payment of an assessment under this section if the value...is less than \$50,000"

Such seafood marketing assessment shall be collected and deposited in the general fund of the State of Alaska (the "state") for the share deemed appropriate by the seafood processing industry (the "industry") of the cooperative seafood marketing effort between the state and the industry. Such seafood marketing assessment may be terminated under the procedures set forth in AS 16.51.130.

Section 2. CONTRIBUTIONS

Pursuant to AS 16.51.090(7), the Institute may solicit and receive contributions of money. The Institute may also attempt to derive revenue from other sources, including, but not limited to, government grants and contracts, private gifts, the sale of promotional materials, and other services.

Section 3. EXPENDITURES

- (a) The operating budget of the Institute shall be prepared and submitted in accordance with the Executive Budget Act (AS 37.07.010-37.07.130).
- (b) Administrative expenditures will be kept to a minimum in accordance with a budget approved by the Board of Directors.
- (c) After administrative costs, the balance of the Institute's revenue will be used to promote the sale of Alaska seafood in domestic and international markets, (and to) develop quality assurance programs. Funds may also be made available for special promotions or other purposes at the discretion of the Board of Directors.
- (d) Budget planning and expenditures will take place according to the guidelines established in Article VI of these Bylaws.

ARTICLE III BOARD OF DIRECTORS

Section 1. NUMBER AND COMPOSITION

The management of the Institute shall be vested in a Board of Directors, consisting of seven (7) voting members, who shall be appointed by the governor of the state. The composition of the Board of Directors shall be as follows:

- (a) Four (4) members of the Board of Directors shall be seafood processors, Four of which must have an annual payroll in the state in the amount of more than \$2,500,000 or more, one of the seafood processors must have an annual payroll in the state of \$50,000-\$2,500,000;
- (b) Two members of the Board of Directors must be engaged in commercial fishing.

Section 2. TERM OF OFFICE

The members of the Board of Directors of the Institute shall serve staggered terms of three (3) years, and an appointee to fill a vacancy shall hold office only for the balance of

the term for which his or her predecessor was appointed. Initial appointments to the Board of Directors occurring other than by expiration of term shall be filled in the same manner as the original appointment, but for the unexpired term only.

Section 3. REMOVAL AND VACANCIES

The members of the Board of Directors shall serve at the pleasure of the governor and may be removed by the governor at any time with or without cause. A vacancy on the Board of Directors occurring other than by expiration of term may be filled in the same manner as the original appointment, but for the unexpired term only.

Section 4. QUORUM

Four members of the Board of Directors shall constitute a quorum for the transaction of business and the exercise of the powers and duties of the Board of Directors.

Section 5. COMPENSATION

Members of the Board of Directors and Committees shall receive no salary but are entitled to per diem and travel expenses authorized by law for other state boards and commissions under Alaska Statute AS 39.20.180.

Section 6. MEETINGS

Regular meetings of the Board of Directors shall be held. The board shall determine the number of times a year they meet. Meetings shall occur at the call of the Chairman, as defined in Article IV, Section (3) of these Bylaws, or upon the written request of two (2) members of the Board of Directors. Meetings shall be held at such time and place as stated in the call. The Secretary of the Institute shall provide written notice of a meeting at least ten (10) days prior thereto.

Section 7. EMPLOYMENT OF EXECUTIVE DIRECTOR AND PERSONNEL

The Board of Directors shall employ and determine the salary of the Executive Director. The Executive Director shall be an employee of the Institute approved by the Board of Directors. The Executive Director shall receive such salary and be employed for such term and under such provisions as shall be agreed to by the Board of Directors. The Executive Director shall direct the Institute's affairs, subject to the supervision of the Chairman and the Board of Directors. The Executive Director shall be an ex officio member of all committees, but without the right to vote. The Executive Director may, with the approval of the Board of Directors, select and appoint additional employees to assist in the day to day operations of the Institute as necessary. They shall be salaried and employed for such duration as the Executive Director deems warranted. Such employees shall report to the Executive Director and carry such titles as deemed appropriate to the exercise of their duties. The Executive Director and all employees are in the exempt service of state government employees.

Section 8. POWERS

Pursuant to AS 16.51.090, in carrying out the powers of the Institute, the Board of Directors may:

- (1) adopt, alter, and use a corporate seal;
- (2) prescribe, adopt, amend and repeal bylaws;
- (3) sue and be sued in the name of the Institute;
- (4) enter into any agreements necessary to the exercise of its powers and functions;
- (5) cooperate with a public or private board, organization, or agency engaged in work or activities similar to the work or activities of the Institute, including entering into contracts for joint programs of consumer education, sales promotion, quality control, advertising and research in the production, processing, or distribution of seafood;
- (6) conduct, or contract for, scientific research to develop and discover health, dietetic, or other uses of seafood harvested and processed in the state;
- (7) receive contributions of money from persons;
- (8) establish offices in the state and otherwise incur expenses incidental to the performance of its duties;
- (9) appear on behalf of the Institute before boards, commissions, departments, or other agencies of municipal, state or federal government;

- (10) acquire, hold, lease, sell, or otherwise dispose of property, but such property is limited to that which is necessary to the administrative functioning of the office of the Institute;
- (11) establish and maintain one or more bank accounts for the transaction of the Institute's business;
- (12) prepare market research and product development plans for the promotion of any species of seafood and their by-products that may be harvested in the state and processed for sale.
- (13) establish committees related to the marketing of salmon and salmon products; the board shall, to the extent practicable, appoint equal numbers of seafood processors and persons engaged in commercial fishing to the committees.

Section 9. DUTIES

Pursuant to AS 16.51.100, the Board of Directors shall:

- (1) conduct programs of education, research, advertising, or sales promotion designed to accomplish the purposes of the Institute;
- (2) promote the species of seafood and their by-products that are harvested in the state and processed for sale;
- (3) develop market-oriented quality specifications for Alaska seafoods to be used in fostering a high quality image for Alaska seafood in domestic and world markets, and adopt and distribute recommendations regarding the handling of seafood from the moment of capture to final distribution;
- (4) prepare market research and product development plans for the promotion of the species of seafood and their by-products that are harvested in the state and processed for sale;
- (5) submit an annual report to the governor and the legislature describing the activities of the Institute;
- (6) develop marketing programs based on the "inspection" and "premium quality" seals designed under [AS 17.20.066](#) and use the seals in advertising and promotion efforts of the institute.

Section 10. PROHIBITED PROMOTION

Pursuant to AS 16.51.110, the Board of Directors may not promote or make any contract that promotes seafood by:

- (a) geographic origin other than from the state generally;

(b) geographic region of the state; or

(c) specific brand name.

ARTICLE IV

OFFICERS

Section 1. NUMBER

The officers of the Institute shall be a Chairman, a Vice-Chairman, and a Secretary.

Section 2. METHOD OF ELECTION

(a) The Chairman and Vice-Chairman shall be elected by and from the Board of Directors and shall serve a term of two years or until his or her successor is elected and qualified. Elections will be held at every other spring meeting. Nominations will be taken from the floor. An officer's term of service is not limited to a single term. A majority of a quorum present shall be necessary to elect any and all officers.

(b) The Secretary shall not be elected; the Executive Director of the Institute shall be designated as its Secretary.

Section 3. CHAIRMAN

The Chairman shall preside at the meetings of the Board of Directors and shall be an ex officio member, with the right to vote, of all committees. The Chairman shall, at the meetings of the Institute and such other times as he or she deems proper, communicate to the Institute or to the Board of Directors such matters and make such suggestions as may in the Chairman's opinion tend to promote the prosperity and welfare and increase the usefulness of the Institute, and shall perform such other duties as are necessarily incident to the office of Chairman, or as may specifically be delegated to him or her by the Board of Directors.

Section 4. VICE-CHAIRMAN

During the absence or disability of the Chairman, the Vice-Chairman shall perform all of the duties of the Chairman. The Vice-Chairman shall have such other powers and discharge such duties as may be prescribed by the Board of Directors.

Section 5. SECRETARY

The Secretary shall issue required notices for all meetings; shall attend and keep minutes of all meetings of the Board of Directors; shall have charge of the corporate seal and corporate books; shall attempt to assure that all actions required of the Institute are being performed, whether such actions are to be taken by employees or other entities appointed for any given purpose of the Institute; shall make such reports and perform such other duties as are incident to the Office of Secretary, or are properly required of him or her by the Board of Directors; and shall devote his or her best efforts to forwarding the business and advancing the interests of the Institute. During the absence or disability of the Secretary, the Board of Directors may appoint a Secretary pro tem. The Executive Director will function as the Secretary.

Section 6. DELEGATION

In the case of the absence or the inability to act of any officer of the Institute and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, director or other person whom it may select.

Section 7. OTHER OFFICERS

The Board of Directors may appoint such other officers and agents as it shall deem necessary or expedient, who shall hold their offices from such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. The Board may offer ex-officio board positions to representatives from the Alaska Governor's office, the Department in which ASMI resides and the Alaska State Legislature. These ex-officio members will be non-voting positions on the ASMI Board.

Section 8. VACANCIES

Vacancies in any office may be filled by the Board of Directors at any meeting of the Board.

Section 9. REMOVAL

Any officer or other agent of the Institute elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the entire Board of Directors. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 10. LOANS

No loans shall be made by the Institute to any officer.

Section 11. BONDS

The Board of Directors may, by resolution, require any or all of the officers and agents of the Institute to give bonds to the Institute, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

Section 12. REMUNERATION

The officers, except the Secretary, shall serve without compensation.

ARTICLE V
COMMITTEES

Section 3. SEAFOOD TECHNICAL COMMITTEE

There is hereby established a Seafood Technical Committee which shall consist of not more than fifteen (15) members, who shall be appointed by the Chairman and ratified by the Board of Directors. The Chairman, in his or her selection of appointees, shall provide for balanced representation of all sections of the industry. The Seafood Technical Committee shall study and make recommendations to the Board of Directors regarding the development of market-oriented quality specifications for Alaska seafoods to be used in developing a high quality image for Alaska seafood in domestic and world markets, and to adopt and distribute recommendations regarding the handling of seafood from the moment of capture to final distribution, in accordance with Article III, Section 9 (c) of these Bylaws.

(a) There shall be established on an as-needed basis advisory sub-committees made up of Seafood Technical Committee members appointed by the Chairman of the Seafood Technical Committee, which shall report to the full Committee. Each sub-committee shall make recommendations regarding the handling and quality specifications for different species and product forms harvested in Alaska.

Section 4. OTHER COMMITTEES AND SUB-COMMITTEES

The Board of Directors, by resolution adopted by a two-thirds majority of the directors in office, may designate and appoint such other advisory committees and sub-committees as the Board of Directors shall deem appropriate. Committee vacancies shall be filled at the discretion of the Chairman of the Board with preference given to qualified and interested board members. The committees shall have and exercise such authority as is provided for in the resolutions of the Board of Directors which establish said committees.

Section 5. GENERAL

The establishment, designation or appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon him or her by law. Each committee so established, designated or appointed shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Institute.

Section 6. QUORUM OF COMMITTEES

A majority of any committee shall constitute a quorum for the transaction of business, unless any committee shall, by a majority vote of its entire membership, decide otherwise.

Section 7. APPOINTMENT OF COMMITTEE CHAIRMEN AND VACANCIES ON COMMITTEES

Committee members shall elect committee chairs. Chairs shall serve a 2-year term. The chairs can serve more than one term provided the terms are not contiguous. The Board Chairman shall designate replacements to fill any vacancy on any committee; any such replacements shall be ratified by the Board of Directors at the next meeting of the Board of Directors.

ARTICLE VI
BUDGETING AND EXPENDITURE CONTROL

Section 1. ANNUAL BUDGETING

The Executive Director shall present to the Board of Directors the proposed budget for a given fiscal year in advance of submission of the Institute's total budget to the Legislature for authorization of expenditure of state funds. The Board shall take action to approve the submission to the Legislature.

Section 2. EXPENDITURE CONTROL

It shall be the responsibility of the Executive Director to approve all expenditures of Institute funds in accordance with the budgets approved by the Board of Directors

Section 3. EXPENDITURE REPORTING

The Executive Director shall establish a system to provide a monthly report of all expenditures, to show all budget categories as approved by the Board of Directors, with authorization level, funds expended, and balance remaining. Quarterly, the expenditure report shall also list funds obligated and show projections of full annual expenses for all budget categories. Financial reports shall be provided to the Board of Directors at each meeting and quarterly reports to all directors.

ARTICLE VII
SEAL

The Seal of the Institute shall be in such form and bear such inscription as may be adopted by resolution of the Board of Directors.

ARTICLE VIII
LIMITATION OF LIABILITY AND INDEMNIFICATION

No member of the Board of Directors shall, solely by reason of being or having been a director, be subject to any liability to any party in connection with the property or affairs of the Institute. The Institute shall indemnify present and former directors of the Institute, their representatives and present and former officers of the Institute against all claims, liabilities, and reasonable legal and other expenses of defense, whether such claims proceed to judgment or are settled or otherwise brought to a conclusion, to which the same may become subject solely by reason of being or having been a director, such representative or officer. The rights accruing under this Article VIII shall not exclude any other rights to which such director or officer may be lawfully entitled, nor shall anything herein contained restrict the right of the Institute to indemnify or reimburse such director or officer in any appropriate situation even though not specifically provided herein.

ARTICLE IX
DISSOLUTION

In the event of the dissolution of the Institute, any assets thereof remaining after paying or adequately providing for the debts and obligations of the Institute and expenses of dissolution shall be returned to the General Fund of the State of Alaska.

ARTICLE X
AMENDMENTS

These Bylaws may be altered, amended or repealed and any new bylaw may be adopted by a two-thirds vote of all the directors of the Institute, but only if notice of the proposed amendment has been included in the notice calling the meeting.

ARTICLE XI
FISCAL YEAR

The fiscal year of the Institute shall be same as that of the State of Alaska: July 1 to June 30.

ARTICLE XII
GENERAL PROVISIONS

The division of these Bylaws into articles, sections and paragraphs is for convenience only, and such divisions and subdivisions and captions shall not affect the meaning or interpretation of these Bylaws. Personal pronouns, whether expressed in the masculine or feminine, shall be read as applying to all genders wherever applicable.

I hereby certify that these Bylaws are adopted by a majority of all of the directors of the Board of Directors at a meeting duly called and held on the 18th Day of September 2018.



Alexa Tonkovich
Secretary



ASMI Strategic Plan 2018

ASMI's Establishing Legislation

There is established the Alaska Seafood Marketing Institute. The institute is a public corporation of the state. It is an instrumentality of the state in the Department of Commerce, Community, and Economic Development, but has a legal existence independent of and separate from the state. Exercise by the institute of the powers conferred by this chapter is an essential governmental function of the state.

Alaska Statutes - Section 16.51.010

ASMI's board of directors is appointed by the Governor of Alaska and includes representatives of 5 processors (4 large processors, 1 small processor) and 2 commercial harvesters, as well as ex-officio members representing the Alaska Senate, Alaska House of Representatives, Office of the Governor, and Alaska Department of Commerce, Community, and Economic Development.

Mission Statement

The Alaska Seafood Marketing Institute is a marketing organization with the mission to increase the economic value of the Alaska seafood resource through:

- Increasing positive awareness of the Alaska Seafood brand.
- Collaborative marketing programs that align ASMI and industry marketing efforts for maximum impact within the food industry
- Championing the sustainability of Alaska seafood harvests resulting from existing Alaska fisheries management imperatives. (State of Alaska Constitution and Magnuson-Stevens Fishery Management and Conservation Act, and the Halibut Act).
- Proactive marketing planning to address short and long-term goals while remaining flexible and responsive to a changing environment and economy.
- Quality assurance, technical industry analysis, education, advocacy and research.
- Prudent, efficient fiscal management.

Vision Statement (?)

Possible inclusion of a vision statement. Suggested: ASMI exists to increase the economic value of Alaska Seafood and we do so by marketing Alaska as the world's most trusted source of premium quality, sustainable seafood.

Core Principles

ASMI exists to serve the entire Alaska Seafood Industry, harvester and processor alike. It is supported by industry self-assessments and uses available public funds to achieve marketing successes for the common good. ASMI adheres to the following Core Principles:

- ASMI follows the highest ethical standards in its day-to-day operations and in its business relationships.
- ASMI values its employees and members and insists that all be treated with dignity and respect.
- ASMI conducts business in the open so its actions and decisions are visible.
- ASMI tells the truth when it conducts promotions or makes claims in the marketplace.
- ASMI conducts marketing activities that provide the largest economic benefit for its industry members.

ASMI Goals (Vision)

1. Continue development of the Alaska Seafood brand into the most respected and valued seafood brand in the world.
2. Provide an environment where processors and harvesters can work together for the common good of the industry.
3. Facilitate the continuous improvement in quality of Alaska Seafood along the entire value chain through education, research, and advocacy.
4. Continually broaden the participation by industry members and existing and new customers in ASMI programs and activities.
5. Look for collaborative opportunities and seek out partnerships that align with our goals and principles.

Industry Assessment

Threats and Challenges

1. Alaska seafood production must address challenges of high transportation and energy costs relative to other center of the plate proteins.
2. Seafood consumption in some key markets like Japan, is declining.

3. ASMI will need to develop and update position and strategy papers to address factors relating to the seafood supply chain, environmental issues, and social responsibility.
4. The harvestable biomass of wild fish stocks varies year to year due to natural environmental conditions. Alaska's commitment to sustainable management can result in additional harvest variability resulting from self-imposed restrictions to protect the biodiversity and sustainability of the ecosystem.
5. In fisheries with intense time pressures, slowing the product delivery stream is not possible. Additionally, remote operations and variable harvest timing can constrain product form choices.
6. There is confusion in the marketplace around seafood which causes consumer paralysis and feeds the mindset that seafood is difficult and other proteins are an easier choice.
7. Alaska's RFM program faces hurdles including: Strength of the MSC, marketplace confusion, and insecure future funding, all of which hamper outreach efforts.
8. Social welfare benchmarking standards could present additional industry operating costs and/or market access barriers.
9. Infrastructure improvements and certification gains made by competing seafood suppliers result in steeper world-wide competition for quality, sustainable seafood products.
10. Trade issues including tariffs, trade agreements, exchange rates, and competing supply both overseas and among imports to the US often create an unfair playing field on which Alaska seafood must compete.
11. Technological and digital advances necessitate the industry and ASMI to keep pace and to remain aligned as we move toward digital maturity.

Assets and Opportunities

1. Brand equity in the Alaska Seafood name is strong.
2. Health benefits, nutritional strengths, intrinsic qualities of flavor and texture, and pristine environment ensure Alaska Seafood is superior in the market place.
3. Alaska's constitutionally mandated commitment to sustainable management practices, as well as the sustainability mandates in the Magnuson-Stevens Fishery Management and Conservation Act and Halibut Act, ensure that all Alaska commercially harvested seafood species are sustainable.

4. Alaska seafood harvesting and processing as an integral part of its people, communities and history have enormous market appeal.
5. The large production and diversity of Alaska seafood stocks make us unique, and the effectiveness of Alaska's sustainability-focused stock management make us leaders among wild-capture fisheries.
6. New products and product categories that improve quality, flavor, and ease of use have the potential to create life-long brand loyalty and positive impressions over generations.
7. Mariculture, traditionally underutilized species, and full utilization efforts present opportunities to grow the size and value of the Alaska Seafood harvest.
8. The growing prevalence of social media, e-commerce, and other digital innovations allows ASMI messaging and Alaska products to reach a wider market often at a reduced cost compared to print ads and brick and mortar promotions.

Major Initiatives

1. **Strengthen the "Alaska Brand" in the global market**
Brand management is ASMI's number one job. It must be closely aligned with those who manage, harvest, process, and sell Alaska seafood products.
2. **Differentiate Alaska Seafood in the Marketplace**
Maintain marketing emphasis on key differentiating factors, primarily: "wild," "natural" and "sustainable."
3. **Continuously improve the quality of Alaska Seafood**
Education in quality handling and improvement is a priority for ASMI. ASMI will continue to encourage quality standards that promote industry-wide quality benchmarks.
4. **Align ASMI activities with those of the Alaska Seafood Industry**
 - Develop a timeline of ASMI activities so industry can coordinate.
 - Provide access to ASMI information and resources to all processors and harvesters participating in the Alaska Seafood industry.
 - Provide services to all members of the Alaska seafood industry where it is appropriate and cost effective to do so, for example trade shows such as SEG.
 - Seek feedback from the Alaska Seafood industry in periodic surveys to determine how well it is aligned with industry expectations.

5. **Constituent Outreach**

- ASMI will continue to expand outreach to encourage participation by constituent groups – harvesters, processors, distributors, customers, and members of the public.
- When possible, schedule ASMI activities to facilitate attendance by a wide range of industry participants, for example by co-locating events.
- ASMI will meet with industry groups, legislators, and key decision makers to stay current on issues facing the industry and the state. ASMI will conduct research and provide references about the economic importance of the fishing industry to the state of Alaska.
- ASMI will meet with key federal agencies and members of the national delegation to stay current on national issues impacting the industry as well as to ensure continued funding.

6. **Strong and Diverse Funding Base**

Maintain and work to expand a mix of industry, state, and federal funding to support a sustained, and therefore effective, marketing program. Independent of State general funds, ASMI will seek additional funding sources where feasible.

7. **Leverage Technology**

ASMI will control costs by using technology to the greatest extent possible for communications and management.

8. **Bring work in-house**

In light of shrinking budgets, ASMI will restructure programs to increase emphasis on an in-house approach to design and outreach projects when it is economical and efficient to do so.

General Guidelines

1. **Fund activities for the common good.**

In allocating marketing funds, the ASMI board will seek a balance of fairness to those who provide funding, areas of industry need, and maximum overall impact.

2. **ASMI activities must be fair**

ASMI is funded by the industry at large and its marketing efforts must focus on those activities that benefit the industry as a whole. The ASMI Board fully supports the limits in Alaska Statutes against marketing an individual Alaska Seafood company brand or

individual region. It is incumbent on industry members to self-police the demands placed on ASMI to ensure its activities are fair and open to all members of the Alaska seafood industry from individual direct marketers to the largest processors.

3. ASMI organizational structure represents the industry.

ASMI Committees are organized into Operational and Advisory committees. The Operational Committees will be the primary interface with the staff and guide the efforts of ASMI programs on behalf of the entire industry. Members of these committees are not expected to advocate for individual species. The Operational Committees are:

- Domestic Marketing
- International Marketing
- Technical
- RFM Committee
- Communications Committee

The ASMI Species Committees are an advisory body to provide feedback and recommendations on ASMI programs to the Operational Committees. The ASMI Species Committees are:

- Salmon
- Halibut and Sablefish
- Whitefish
- Shellfish

ASMI will periodically review its committee structure for streamlining opportunities, but will also be mindful of the need for a broad cross section of the industry to be represented.

The ASMI advisory committees are:

Customer Advisory Panel (CAP)

The CAP was established by Board directive to provide feedback to the ASMI Board. The panel is staffed by international and domestic customers who remove their company personas and come together to help the industry generically. CAP members are

appointed by the Board serve a three year term. The CAP meetings are held on a biennial basis or as determined by the Board.

Fisheries Standard Committee (FSC)

The Fisheries Standard Committee (formerly the Conformance Criteria Committee) assists with the implementation and review of the Standards and the Scoring Guidance for the Responsible Fisheries Management Certification Program for Alaska fisheries. The Committee is an objective-based group, representative of fishery science, management, and environment. Representation is sought from both fishery-specific interests and from wider fishery management and stakeholder interests.

The Terms of Reference of the Committee are available on the ASMI website.

4. Priority goes to those who pay

Although ASMI will support all who market Alaska Seafood products in a way consistent with ASMI goals and guidelines, priority will go to those members who directly support the cost of ASMI operations. For this purpose, the Alaska Seafood Industry is defined as processors who have “intent to process” permits or fishermen who have active fishing permits issued by the State of Alaska.

5. Build an Annual Marketing Budget, Report on Marketing Activities

ASMI will create an annual marketing budget to be approved during the spring board-meeting. Specific information regarding trends, budget cuts, etc. may be requested from the Board and included in the budget report. The ASMI Operational Committees will play the central role in developing the marketing budgets with their respective Program directors.

ASMI international will prepare an annual marketing plan called the “Unified Export Strategy” each spring which will include annual market assessments for all international regions. All programs will provide the Board of Directors written program reports and presentations at the regularly scheduled Board of Director’s meetings.

ASMI will produce an annual report for the Board of Directors, released with timing to coincide with the Alaska State Legislative session.

Strategies

1. Use Push and Pull Tactics

A pull strategy to build consumer interest and demand, though costly, is a powerful means to influence preference and create brand loyalty for Alaska Seafood.

ASMI will continue to use both tactics at retail and foodservice to complement consumer campaigns for maximum impact in the marketplace. Industry trade spending will also provide a certain level of push activities to complement ASMI's efforts. ASMI will work with the industry members to align activities to the maximum degree possible.

Marketing strategies will be reviewed each year by the board as part of the annual budget build and will help influence which tactics programs select.

2. Balance Established Markets with Emerging Market opportunities

ASMI will strengthen and sustain established markets, while examining developing markets, both domestic and international. ASMI will seek guidance from the industry, observe market trends, and conduct research.

Constant attention to changing market conditions is critical to ASMI's future success. An emerging markets strategy, based on market research will be part of the International program and be included in the Unified Export Strategy to the USDA. The International Marketing Committee has designated a program line item to explore new markets and each year the committee will approve any new market exploration.

3. Capitalize on Unique Attributes

ASMI will emphasize attributes that are unique to Alaska Seafood to build a reputation that will be difficult for competitors to best and thereby increase the value of Alaska Seafood branded products.

Alaska Seafood has many attributes that play well in the market place. Wild, sustainable, healthy, natural, supporting a way of life for Alaskans, etc. are all excellent vehicles for telling the Alaska Seafood story and marketing Alaska seafood. ASMI's long term marketing effort will build upon those attributes that are especially unique to Alaska seafood such as the name Alaska itself, plus terms like wild, abundant and sustainable. Other attributes will be leveraged to the degree they increase our reach, but the focus should be on separating Alaska seafood products from other proteins in the market.

Recognizing that not all markets respond to the same differentiating factors, ASMI will pull from a wide variety of positive information about Alaska seafood, including scientific sources, fisherman biographies, etc., to craft the most strategic message for the target audience.

4. Promote Quality and Research

ASMI will focus on broad technical assistance, analysis, education, advocacy, research and support to the industry. ASMI can engage in seafood research and development with the direction from Technical Committee and the finding that the project will benefit the industry as a whole.

5. Select Appropriate Target Audiences

ASMI will target audiences (consumer groups and geographic areas) that are most likely to develop a broad preference for Alaska Seafood and have the resources and willingness to purchase it.

The goal for ASMI's marketing activities is to create a brand impression across the price spectrum of Alaska seafood products of quality, health, sustainability, abundance, thus generating more value for the Alaska harvest.

6. Be a Reliable and Respected Consultant to Industry and Trade

ASMI will be a reliable and factual source of information to both the seafood industry and seafood consumer. ASMI will base any statements or positions on controversial issues such as contaminants, sustainability, health and nutrition upon sound science and research, not speculation. In order to do this ASMI will maintain the technical capability to stay current with food science, regulatory, technical and ecological issues and will provide information to ASMI contractors, staff and the industry through strategic talking points on issues of concern.

ASMI staff will serve as consultants to the Alaska Seafood industry, developing training programs, materials, presentations and feedback that will help the industry better position itself to compete in the marketplace. ASMI staff meets regularly with a cross section of foodservice operators, distributors, and retail store operators during their marketing activities. As such, they have broad knowledge and expertise about the expectations and desires of these groups. This information needs to be available to the Alaska seafood industry members as they develop their own marketing plans and strategies.

7. Seek Customer feedback

A Customer Advisory Panel, consisting of members of the international and domestic foodservice, and the wholesale and retail grocery industry will be maintained to advise the board on the market challenges and provide feedback on the effectiveness of ASMI's marketing activities.

Regular surveys to assess stakeholder satisfaction and attitudes towards the Alaska Seafood Brand will be conducted and the results shared with the entire Alaska seafood industry.

8. Support the Alaska RFM Certification

ASMI will support the Alaska RFM Certification as a credible, objective and formally accredited third party certification of Alaska fisheries that:

- Is based on internationally recognized standards
- Is open and transparent
- Is cost-effective for industry and the supply chain
- Preserves the Alaska origin

Cooperative Activities

1. With others in Alaska:

Within the limits of its founding legislation, ASMI will work with other entities that promote quality, innovative processing and handling methods, and other efforts to improve the marketability of Alaska Seafood. This includes Regional Seafood Development Associations, Alaska Fisheries Development Foundation, Alaska fishermen organizations, Alaska seafood processor organizations and others who are working for the common good of the industry.

ASMI will also work to cross-market Alaska with others in the state who are engaged in promoting Alaska products or Alaska itself such as agriculture and tourism where it makes sense and as budgets allow.

2. With other domestic seafood industries:

Through ASMI, the Alaska seafood industry will partner with other organizations that promote US seafood whenever possible to increase the competitive position for US seafood products at home and abroad.

3. With other US producers of complementary products:

Through ASMI, the Alaska seafood industry will partner with commodity groups such as wine and spice producers to increase the value of our combined sales efforts in both the domestic and export markets.

On behalf of the Alaska Seafood industry, ASMI will continue to partner with organizations such as the US Agriculture Export Development Council and its members to leverage the overall competitiveness of US seafood products in key export markets.

4. With state and federal resource managers:

While it is not ASMI's role to engage in stock or environmental management, ASMI will maintain a close relationship with Alaska Departments of Commerce, Fish and Game, Environmental Conservation, Health and Human Services, as well as the National Marine

Fisheries Service and other resource managers to ensure ASMI is aware of changes that may impact its ability to effectively market Alaska Seafood products.

Measurements

1. External

The following measures will be used to assess the overall economic health of the Alaska Seafood Industry and how well the industry is leveraging ASMI's activities. ASMI programs are structured to support the efforts of Alaska Seafood industry to improve these measures. ***The Board recognizes that ASMI does not have control over these measures. They are simply a gauge of the health of the industry and areas that ASMI programs are intended to support:***

- Percent increase in market value of Alaska Seafood ("first wholesale value")
- Percent increase in grounds price paid per pound to fishermen ("ex-vessel value")

Other key performance indicators (KPIs) may be measured, as determined by the ASMI Board.

2. Internal

ASMI staff will primarily be evaluated on how well they develop and execute the strategic initiatives in this plan. The following overall program evaluation questions will form the basis for an annual measurement report for each program:

- Did the program meet the Board's direction and expectations?
- Did we create visibility into program activities in a timely fashion that provided industry the ability to tie-in or generate their own promotions or join ASMI activities?
- Did the materials developed by ASMI meet the needs of industry as well as providing a sound base with which to build upon?
- Did we increase participation and product placement at retail and foodservice in U.S. and international markets? Applicable to marketing programs only.

3. Program Evaluation by Industry

The Domestic, **Communications**, International, RFM and Technical committees will be responsible for gathering industry and target market feedback on the value of ASMI activities conducted under their purview. This information along with strategy recommendations by the respective committees would determine the program's course in continuing, dropping or modifying specific program activities.

Industry members are expected to share non-proprietary data for this purpose. The Domestic Marketing committee will bear the responsibility for adopting a simple set of measures to provide industry feedback on the value of marketing campaigns. These measures should rely on statistical data available to industry members to the greatest

extent possible.

The International Marketing Committee will use USDA reporting requirements as a basis for their evaluation of ASMI programs. They may develop additional measures as deemed appropriate to gauge the value of International Marketing Program activities.

In addition to the Operational Committees, ASMI's Customer Advisory Panel (CAP) may be called upon to assess and evaluate the effectiveness of ASMI activities both domestically and internationally.

The Finance Director will report to the Board during the annual budget process on ASMI's performance relative to a basic set of overhead and administrative cost measures.