

ASMI Foodservice Committee Meeting
Friday, April 4th, 2014
Icicle Seafoods - Seattle, WA
1:00pm
Draft Minutes

Present:

Jennifer Castle, Fisherman, Chair
Mike Cusack, Icicle Seafoods
John Cannon, Cannon Fish Co.
Jerry Eagle, Peter Pan Seafoods
Julianne Curry, Fisherman
Peggy Parker, HANA
Randy Eronimous, Trident Seafoods

Absent:

Jim Kallander, Fisherman
Rasmus Soerensen, American Seafoods

Guests:

Tricia Sanguinetti, Sanguinetti Consulting LLC
Pat Shanahan, Genuine Alaska Pollock Producers

Staff:

Claudia Hogue, Foodservice Program Director
Karl Johan Uri, Foodservice Marketing Specialist
Tyson Fick, ASMI Communications Director

Call to Order:

The meeting was called to order by Chair Jennifer Castle at 1:01PM and Karl Johan Uri called roll. It was determined that a quorum was present. Ms. Castle asked Tyson Fick to provide the legislative update in order to best utilize his time.

Legislative Update:

Mr. Fick provided the committee with an update on the current State budget, and where the legislature is in the process of passing the FY15 budget. The House Bill would cut the general funds by 10%; the Senate Bill would cut the general funding by 5%. Which budget ends up being passed, will be determined in state legislature committee meetings. The legislature will recess in 16 days, with April 20th being the last scheduled day. Mr. Fick stated that we have enough in reserves, that we could pull forward to use for this upcoming fiscal year to not have to make any FY15 budget cuts for ASMI programs, but for future years, there will be changes to individual program budgets.

Ms. Castle and Julianne Curry updated the committee on House Bill 204, value added tax credit for Salmon. Passed 38-0 in the House of Representatives and is in the Senate now.

Ms. Castle welcomed John Cannon to the Foodservice Committee and asked him to introduce himself to the group.

Approval of Agenda:

Ms. Curry moved to approve the agenda, Randy Eronimous seconded and the motion passed.

Approval of Minutes:

Ms. Curry moved to approve the agenda, Mike Cusack seconded and the motion passed.

Public Comment:

There was no public comment on this time.

Committee Chair Report:

Ms. Castle asked the committee to remember to remove their company/species hat and to remember to focus on what ASMI can and cannot take action on. There are two goals of this meeting:

1. To review and pass the proposed budget.
2. Any issues we have for the Board of Directors to address at the April board meeting.

Mr. Cusack asked what happens to the questions the committee answered from the October board meeting. Who summarizes all of them from the various committees and then sends it back out? A discussion followed on the question, process and how is the feedback utilized by the board.

***Action Item:** Staff to find out about the questions from all the committees and if they are summarized somewhere.

Foodservice Director Report:

Claudia Hogue provided the committee with the new Fish Sandwich research, the NRA Culinary Forecast, and the Sales Aids and Literature Catalog. Ms. Hogue presented the committee with the new trade advertising creative. Past years creative focused on sustainability, however this year, the feature is back on food and starts with shellfish and crab, then whitefish and lastly salmon. Ms. Hogue also talked about foodservice publications and how the reader study is utilized to measure the success of an advertisement. ASMI measures in the top 5% of all advertisements.

Mr. Uri described the new canned pink salmon recipes, which focuses on easy, casual dining and photography. Ms. Curry thanked staff for focusing on the breakfast meal part.

FY15 Budget Update and Discussion:

Ms. Hogue walked the committee through the budget comparison document comparing FY14 to FY15.

- Program Operations will not change.
- Marketing Operations will not change at this time but may change given the RFP for a new agency. Ms. Hogue informed the committee that the only RFP we will be putting out is for a Foodservice PR agency/person which is a small part of the budget.
- Mr. Eagle and Ms. Parker agreed with the recommendation. Mr. Eronymous asked how media buying will work and it was explained that it would be a pass through with the agency of record.
- Operator Promotions at this time will remain the same from the previous year.
- Distributor Promotions will remain the same from the previous year.
- Trade Shows and Conferences: Ms. Hogue walked the committee through the conferences and trade shows that staff recommends. A discussion followed on ASMI's relationship with the Culinary Institute of America (CIA).
- Trade Education will remain the same as the previous fiscal year.

- Trade Advertising will be reduced by \$9,000 but the plan is to use the same creative from FY14.
- Trade Relations remains the same as the previous year.

***Action Item:** Mr. Eronymous asked for the Foodservice Media plan.

***Action Item:** Mr. Eagle asked if processors are allowed to donate product to help differ the cost of the "Seafood Product for Shows & Events" line item. Mr. Uri will check with Naresh Shrestha, ASMI Fiscal Officer if this is allowed.

Ms. Castle asked if there is anything going on in the environment and market place that would affect the need to make changes or reallocations to the budget as presented?

Mr. Cannon agreed that a new focus on emerging chains is the right direction for the program.

Mr. Eagle asked that we do not cut funds from Educational Materials and Reprints if there are budget cut to the program.

Ms. Castle asked the committee if they felt that the split between Operator and Distributor promotions is correct and if those two categories are being serviced in the right way. A discussion followed on how the Foodservice program measures success.

***Action Item:** Ms. Hogue will send the program measurement document to the committee.

Mr. Eagle moved to approve the budget as presented and seconded by Mr. Eronymous, motion passed. The committee made a recommendation to the Board that if budget cuts were to occur to the domestic marketing programs that it should be weighed based on the distribution channel.

Industry Update:

Mr. Eronymous updated the committee on the Sysco acquisition of US Foods.

Ms. Hogue asked the committee for any species or segments that need help. A discussion followed on pink salmon inventories.

Mr. Cusack updated the committee on the cod market, and believes that it is coming back.

Ms. Shanahan thanked the staff for their great work on Alaska Pollock.

New Business:

Ms. Curry updated the committee on future budgets. Alaska, in the next 5 years will have major budget issues. ASMI will be facing budget issues because there is a very large anti-commercial fishing sentiment on the hill. A lot of legislatures feel the commercial fishing industry is stealing their fish, fish that they should have in their freezers and that bleeds over to what happens with the ASMI budget. Somehow, over time, the ASMI budget has been inappropriately linked with the Tourism Marketing budget that is in front of the legislature right now, despite the fact that the commercial fishing industry contributed over \$9.7 million for the general fund in seafood marketing tax revue alone. Whenever there is a reduction on one budget (tourism marketing), the other budget (ASMI) gets matched and we have to use the allies we do have up on the hill to nudge these numbers back up. Best case scenario, there is only a 5% budget reduction.

Old Business:

Ms. Curry moved that the Foodservice Committee recommend to the ASMI Board of Directors that greater focus be placed on promoting ASMI within the State of Alaska and that the ASMI Communications Director hire a contractor to help support the program efforts. The motion was seconded by Mr. Cusack. The motion carried.

***Action Item:** Ms. Curry asked for feedback from the board on how the committee can be more helpful.

Next meeting date:

The next meeting will be held Friday, September 12th at the Kathy Casey Food Studio in Ballard at 12pm, along with a tasting of the new canned salmon recipes.

Adjourn:

Ms. Curry moved that the meeting adjourn, Mr. Eronymous seconded. Motion carried and the meeting adjourned.