



Wild, Natural & Sustainable®

To: ASMI Board of Directors

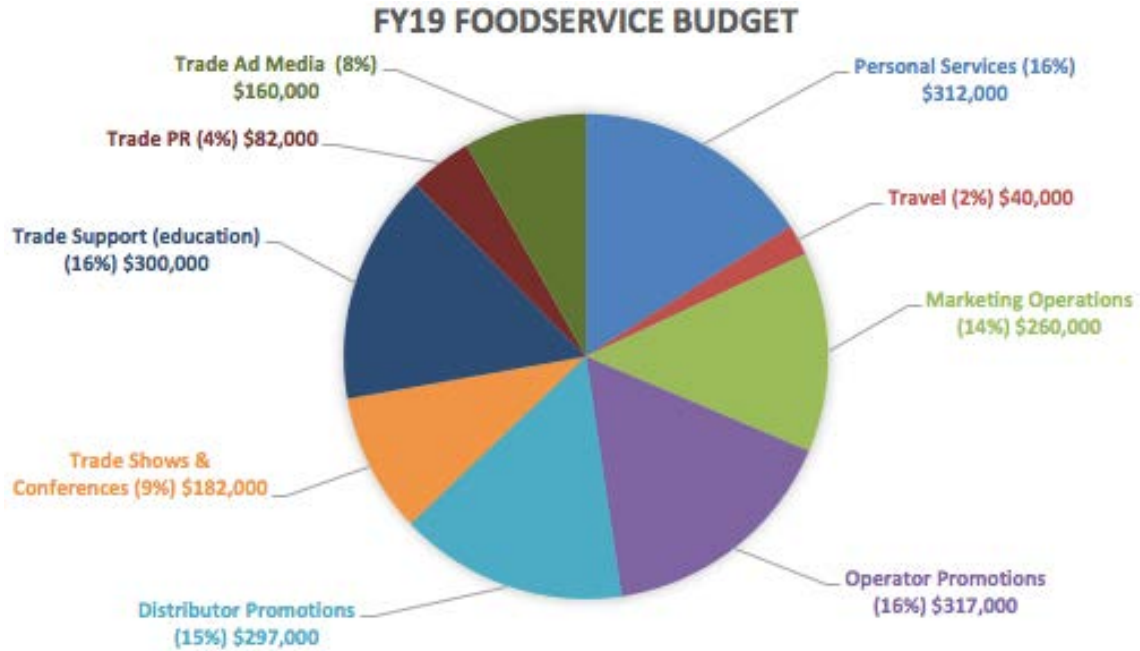
Date: May 10, 2018

From: Victoria Parr, Marketing Director
Megan Rider, Marketing Manager
Sarah Cannard, Marketing Coordinator

RE: FY2019 Proposed Foodservice Program Budget

	FY18	FY19	
Foodservice	Budget	Proposed Budget	Difference
Program Operations (Staff)	\$335,000	\$352,000	\$17,000
Mktg. Operations (Reps)	\$306,000	\$260,000	(\$46,000)
Operator Promotions	\$379,000	\$317,000	(\$62,000)
Distributor Promotions	\$297,000	\$297,000	-0-
Trade Shows & Conferences	\$182,000	\$182,000	-0-
Trade Support	\$361,000	\$300,000	(\$61,000)
Trade Relations	\$100,000	\$82,000	(\$18,000)
Trade Advertising	\$160,000	\$160,000	-0-
Total	\$2,120,000	\$1,950,000	(\$170,000)

Foodservice FY19 Budget Breakdown by Percentage:



Foodservice Program Budget Summary and Activity Overview:

	<u>FY2018 Budget</u>	<u>FY2019 Budget</u>
Total Foodservice Budget:	\$2,120,000	\$1,950,000
<u>PERSONAL SERVICES:</u>	\$335,000	\$352,000
Personnel	\$295,000	\$312,000
Travel	\$40,000	\$40,000

↑ **17,000** (*Salary & benefits funding determined by ASMI Fiscal*)

Filling open staff positions and balancing between the two programs and keeping travel costs at FY18 levels.

This category funds 50% of the domestic marketing director (Victoria Parr), 50% of the domestic marketing manager (Megan Rider), 100% of the marketing coordinator (Sarah Cannard) and 50% marketing technician (TBD) plus all travel expenses for staff members.

MARKETING OPERATIONS: **\$306,000** **\$260,000**
(↓\$46,000 Recommended)

Decrease reflects evenly splitting TS fees between programs & starting contract fee level w/new National Accounts Rep

This category funds foodservice marketing representatives and all of their travel and expenses. These representatives include 100% National Accounts Rep (TBD), 100% Distributor Promotions (Dave Woolley), and 33% Marketing Consultant (Tricia Sanguinetti).

OPERATOR PROMOTIONS: **\$379,000** **\$317,000**
(↓\$62,000 Recommended)

FY19 Domestic is targeting the “Originator” and the “Optimizer” looking for new partnerships that are popular with these super consumer segments.

This category covers customized national restaurant account promotions which have been very effective in expanding menu visibility of Alaska seafood. The latest research from Datassential shows that among proteins, Alaska seafood remains the #1 brand featured on U.S. menus. This program has been important in supporting species that need help in the marketplace as well as creating demand for all Alaska seafood. With the new strategy Domestic will use this channel to reach our target super consumers: Optimizer and Originator. With a new National Accounts Representative coming on and our new strategy we are reducing spend and making effort to micro target those segments.

- Leading growth chains
- Quick service and fast casual restaurants
- Casual and targeted upscale chain restaurants
- Non-commercial/foodservice management firms

DISTRIBUTOR PROMOTIONS: **\$297,000** **\$297,000**
(no change recommended)

ASMI works with the top distributors in the U.S. to generate increased demand for all species of Alaska seafood. The majority of distributor promotions involve the sales of frozen Alaska seafood items into all foodservice segments. Distributors are a critical link in the foodservice sales path because they sell to chain accounts, foodservice management companies, and independent operators. Through these promotions, Domestic has been very successful in partnering with distributors at the corporate level to facilitate the growth of the Alaska seafood brand. Target segments include:

- Top broadline distributors
- Seafood specialty distributors

TRADE SHOWS & CONFERENCES: **\$182,000** **\$182,000**
(no change recommended)

- National Association College and University Foodservice (NACUFS)
- Marketing Executive Group (MEG)
- National Restaurant Association (NRA)
- Culinary Institute of America (CIA) Conferences
- Boston Seafood Show (Seafood Expo North America)
- Les Dames d’Escoffier
- International Corporate Chefs Association (ICCA)
- The Flavor Conference

To heighten awareness about the Alaska brand and build relationships throughout the foodservice industry, Domestic participates in key trade shows and conferences. It allows staff the opportunity to meet a large number of key decision makers with minimal cost to the organization. Product demonstrations and seminars are also leveraged to maximize brand impact. Seafood Expo North America is the largest expenditure that comes out of this category.

TRADE SUPPORT: **\$361,000** **\$300,000**
(↓\$61,000 recommended)

Decrease by incorporating recipe dev with training programs contracts, better management print materials – reducing silos between programs, and exploring digital collateral packages.

Creating educational materials and programs for foodservice operators and distributors is an important part of the foodservice program. While Domestic is known for excellence in this area it is important that we continue to refresh collaterals to remain on trend and inspire promotions with operators. These materials are extensively used by our industry and the offer of collateral support is a wonderful sales tool.

Trade support includes recipe development, photography, website content, culinary training programs, patron research, seafood products for display or tasting at events, production (creative), and print costs of our point-of-sale (POS) materials.

Domestic is looking into ways of decreasing storage costs, sharing assets between programs, and digitizing support materials as a way of reducing costs.

FOODSERVICE TRADE RELATIONS: **\$100,000** **\$82,000**
(↓\$18,000 Recommended)

Decrease is a result of balancing contract fee between programs.

Foodservice public relations efforts are targeted toward the foodservice trade which includes chefs, distributors, marketing and purchasing executives, culinary schools and anyone associated with the foodservice industry. These activities include editorials, product releases

and news articles in foodservice publications, as well as media events that promote Alaska seafood to operators and influential food editors. Domestic strives to create new in this B2B space with inspirational recipes, discovering and developing new talent, and creating and executing interesting campaigns.

Revelry agency is our contract partner and they are also working with us in retail. We are splitting the contract fee between the two programs going forward.

FOODSERVICE TRADE ADVERTISING: \$160,000 \$160,000
(no change recommended)

Foodservice trade advertising is used to strengthen brand awareness and communicate key attributes about Alaska seafood to operators and distributors. The FY19 foodservice media plan will be all digital and repeat the success of our CIA/NRA SmartBrief and Heritage Radio New campaigns in FY18.