



Alaska Seafood Marketing Institute

Alaska Seafood Marketing Institute
International Marketing Committee Meeting
February 6, 2020
Icicle Seafoods, 4019 21st Ave W, Seattle, WA 98199
Seattle, WA

North America 1 855-274-7738
Call-in Number: 8888436

Introduction

A regular meeting of the Alaska Seafood Marketing Institute (ASMI) International Marketing Committee (IMC) was called to order at 9:03AM on February 6, 2020, in Seattle, Washington.

Roll Call

Committee members present:

Julie Yeasting, Acting Chair
Shigeki Okano
Phil Young
Rasmus Soerensen
Bob Barnett
Bob Janzing
Merle Knapp
Frank O'Hara
Lance Magnuson
Michael McGinley (joined at 9:30)
Tomi Marsh – on zoom and teleconference
Jeffrey Stephan (telephonic)

Committee members not present:

Dean Pugh
Norman Aoyagi

ASMI Staff

Hannah Lindoff, Sr. Director of Global Marketing and Strategy
Alysha Guthrie, Assistant International Program Coordinator
Nicole Stangeland, International Marketing & Grants Coordinator
Alice Ottoson-McKeen, International Marketing Coordinator
Susan Marks, Sustainability/Certification Advisor
Monica George, International Marketing Specialist
Jeremy Woodrow, Executive Director
Ashley Heimbigner, Communications Director – via teleconference

IMC Chair Comments

Yeasting explained that she will be acting as chair due to Magnuson's role shifting to ex-officio committee member with his retirement status. Yeasting requested an explanation for the role of an ex-officio and Lindoff explained that it means a nonvoting member, but still a member of the committee.

Yeasting commended Magnuson for the work he has done, the strong voice he is for the industry and his work with the OMRs on behalf of ASMI. She noted that he always made himself available as a resource to help and teach others in the industry and he provides great advice and feet-on-the-ground feedback. Yeasting also thanked Magnuson for his critical role in helping develop the Latin America market; she thanked him for being an informed ASMI committee member and hoped to continue to call on his experience and knowledge.

Magnuson shared that the first ASMI meeting he participated in, he was a guest. He further stated he appreciated networking to problem solve. He shared that ASMI staff is willing to do the work if you give them direction. He noted that ASMI staff has always been positively reactive if you show them the direction and goal they are willing to go. The relationship has always been positive.

Guests:

Julia Yang, Polar Bay Foods
Patrick Weber, Fishermen's Finest Seafood
Ron Risher, Icicle Seafoods

Approval of Previous Meeting Minutes:

Knapp moved to approve the minutes from the International Marketing Committee meeting on October 9, 2019; Janzing seconded. The motion passed unanimously.

Approval of Agenda:

O'Hara moved to approve the minutes from the International Marketing Committee agenda for February 6, 2020; Knapp seconded. The motion passed unanimously.

Announcements:

Guthrie announced Lindoff's promotion to Senior Director of Global Marketing and Strategy. Lindoff explained that it meant that she can focus on high-level trade barriers, ASMI-wide projects and program strategy and the international team can focus on more of the daily program management and administrative responsibilities.

Yeasting asked ASMI staff to introduce themselves so the IMC would know who to talk to regarding specific regions. Ottosson-McKeen introduced herself and announced that she works with the Southeast Asia, Japan, and China programs. Stangeland noted she previously worked with ASMI from 2012-2017 in various capacities, but is now hired under the ATP grant for compliance; she also manages the South America marketing program. Guthrie works with McClellan in Southern Europe and Lindoff stated that George oversees the Western Europe, Central Europe and Northern Europe regions.

Marks stated that she started with ASMI as a consultant then transitioned to the Sustainability Director role, before transitioning back into a consultant for the RFM program. She announced that for the past couple of years she has focused on sustainability and working with the ASMI international program.

Introduction of Guests/Visitors:

Julia Yang for Polar Bear Foods stated that she looks forward to learning more about ASMI's international marketing efforts.

Ron Risher introduced himself as the chair of the ASMI Whitefish Committee and as the International Sales Manager for Icicle Seafoods.

Public Comment:

No public Comment

Vice Chair Report and Comments:

Yeasting noted that she had recently returned from Japan, and while she was there, she set up meetings with the ASMI Japan office and met with Akiko, Aya, and Keiko. She encouraged the committee to set up meetings with ASMI OMRs when they traveling.

She further welcomed the newest member of the International Marketing Committee, Frank O'Hara.

Yeasting encouraged everyone to be engaged and invited all members to share their opinions and knowledge.

She mentioned that there are concerns regarding the coronavirus and that the topic is on the agenda to discuss. The purpose of the meeting is to make comments and provide feedback on the budget.

Each committee member introduced themselves and their role at their respective company.

Program Director's Report and Comments:

Lindoff thanked the committee for being there and remarked it has been wonderful to work so closely with the industry. She noted it has been great to be able to call on them to answer questions about what they are seeing in different markets, particularly over the last year while undergoing major changes in key international markets.

Lindoff stated that it was a pleasure working with Magnuson while he was chair. Lindoff noted that he is a mentor for many and she appreciated that he always works in the best interest of the industry. She stated he was a model committee member as he worked with the industry to strategically guide ASMI's work.

Sustainability/Certification Advisor RFM Update:

Marks gave an update regarding logo usage and how it is being used internationally with retailers. For chain of custody, there are no license fees so the log is free to use as long as you are certified. Marks encouraged everyone with CoC to utilize the new logo on their point of sale, packaging, and on their websites.

Marks stated that they are working to find auditors; the fact that they are for profit and RFM is a small program creates a barrier. She assured the committee that they are working towards the certification and accreditation goals that have been discussed. The main point of differentiation for RFM is the affordability.

Soerensen asked about the cost of getting chain of custody. Marks explained the certification process and that it could be between \$1,800-\$2,500 annually for certification. Marks further explained that getting RFM certification is simpler if you are MSC certified, but that the timing is dependent on when the audit can get scheduled.

Marks explained the transition plan for the RFM program, from being under ASMI to being an independent entity. The new owners, as of July 2020, will be the Certified Seafood Collaborative (CSC). The RFM committee, which oversaw strategy and policy for the program, was dissolved in January and the CSC recently had their first meeting. There were two advisory groups that helped with RFM (Fisheries Standard Committee and the Technical Committee which oversaw chain of custody) which will remain in place during this transition - although a new RFM technical committee will be appointed.

Soerensen asked how CSC is funded. Marks responded that it will remain funded by ASMI for this fiscal year. A memorandum of understanding (MOU) between ASMI and the foundation is still being worked out for the next fiscal year.

Soerensen asked about the long-term goals for CSC. Marks introduced the appointed foundation board and Woodrow reiterated that it is an interim board. He further explained that this foundation board will be developing the business plan for CSC and then select a permanent board. Marks followed up that the CSC's major deliverable will be to develop the strategic and business plan, which will outline a funding mechanism for the program moving forward. Woodrow explained that the reason two ASMI board members are on the CSC was to provide oversight, as current owners of the RFM, to see it through the transition towards financial and operational independence.

Marks explained that they are working on a shared custody program with Iceland and that they have an MOU in place, which will be finalized this year. Norway is working on their RFM program; ASMI is sharing their program policies and standards with Norway and they are likely to develop the same chain of custody standards that are already being used in Iceland and Alaska. Denmark and the Gulf states will follow as well.

Soerensen asked if Russia was utilizing this as they fish in the same waters. O'Hara asked about recruiting other countries or areas such as New Zealand and New England. Marks explained that they are taking it one step at a time and that if the CSC wants to expand the program geographically they would look at the West Coast, for example with Pacific whiting.

Woodrow clarified that the countries that utilize RFM would have a place on the board and that is what he meant with the CSC RFM committee being interim.

Marks noted that all of the collateral for the RFM program is available on the website. She encouraged everyone to sign up for the e-newsletter and noted that there is a new fisheries certification announcement being made next week for Atka mackerel and rockfish.

Budget Presentation and Discussion:

Lindoff started by stating that ASMI has a lot of unknowns for the upcoming year with many moving parts.

ASMI Long-Term Funding

This budget reflects some minor cuts, but the plan remains to build assets with Agricultural Trade Program (ATP) money and to try to stretch the budget as far as possible. In seven years, the plan now will reduce ASMI's total funding to \$10M, not including MAP funds.

Lindoff stated that the Foreign Agricultural Service (FAS) has extended the timeframe that we have to spend ATP funds and ASMI has applied for this extension. She stated ASMI hopes to be approved to take advantage of this, which will allow ATP funds to be stretched over five years and give ASMI more time to make a greater impact. This budget presentation takes that into account and shows a significant decrease, however, it is primarily due to the ATP funding.

Lindoff continued by stating that MAP funds decreased slightly, which was not a surprise. She further stated that MAP funding fluctuates annually, but typically remains between \$4.2M-\$4.5. With the SDPR funds decreasing slightly as well, the total cuts equal nearly \$1M for next fiscal year. Lindoff continued that ASMI internally moved an accounting position out of the international program and into the administrative budget to help absorb some of the cuts.

Lindoff also stated that the ATP funding ASMI received does not all go into the international budget as we are also funding ASMI-wide projects; we have given the technical program \$50k directly and we also help fund the sustainability program, as well as a large digital asset project that will be run through the communications program.

Budget Strategic Overview

Lindoff explained that China has taken the biggest cut and it is primarily due to the trade war: there are not as many products in the market. ATP and matching funds will roll over; they don't have to be used right we can wait until we have something to promote. Across the board there are cuts, primarily to ATP lines, but there are some exceptions to that: the SE Asia budget increased, primarily to accommodate a trade show that will move from Hong Kong to Singapore. SEU increased to accommodate SEG and the WEU budget decreased proportionately.

Lindoff stated that a lot of the ATP lines that have been cut are actually completed projects. We have put a big emphasis on infrastructure for ASMI and some of those projects will be done with this year's budget.

Knapp asked what the cost comparison was for SEG in Barcelona versus Brussels. Lindoff answered that there will be cost savings, but nothing remarkable. She noted that Barcelona does have twice as many hotels rooms available and is better equipped to hold the show, but that the largest budget items are the show space which is likely to remain the same and the stand building which might be a slight cost savings.

Budget Strategy Presentation and Discussion

There was discussion about using ATP over three years versus five years. Lindoff explained that this budget is built for the five years with the hope that we could continue to build assets over a longer

period for ASMI. She noted, however, that we want to see what the priorities are for ASMI in either case scenario for the ATP funding.

Lindoff shared that the overall budget goes to \$8.5M, which is about a 10% cut for 2021.

Lindoff noted that the global budget line includes grant required evaluations for all of the marketing programs. We have added “sustainability technical events” to this line in addition to the budget line for a revolving trade show or trade mission (previously to Dubai and Mexico). This line has been used to fund parts of an inbound mission, as well.

Yeasting asked if the IMC wanted materials for Korea, whether that could come out of the global budget. Lindoff replied that yes, if the IMC wanted to do something where ASMI did not have an established program it could come out of the global line.

Korea discussion:

Yeasting suggested examining the opportunities available. She stated that Korea continues to be brought up and that there is product in the Korean market. Soerensen added that Korea is a very important and growing market. He asked if ASMI would consider adding it to the Japan program or if it belongs more in Southeast Asia. Lindoff stated that historically Japan has serviced that area primarily because of our representative who is familiar with that market. She noted that would be the easiest way to continue. Soerensen asked about utilizing ATP funds to jump start the Korea market. Lindoff replied that it is not that simple because it was not a part of ASMI’s original plan for the ATP application, but that ASMI could always go back to FAS because of all the changes and movement and ask if it was possible to add Korea as one of the marketing regions.

O’Hara commented that the tariff for yellowfin and pollock will be decreasing to zero by 2023 making sales a lot easier. Soerensen stated that Korea is interesting because the demand is for high value products; there are high quality products going into the market such as surimi and roe. O’Hara stated that it is a consistent market annually for yellowfin. Yeasting added that there are inquiries about salmon, as well.

Lindoff shared that this year Ottoson-McKeen was able to represent ASMI at the Busan show alongside FAS. Lindoff further stated that we can continue to go to that show and could produce materials; she asked the IMC if there are any activities such as trade servicing or promotions that they wanted to recommend for that market.

Lindoff asked if there are any trade issues. Magnuson commented that the issue is a non-tariff trade barrier. Risher commented that due to the economic turndown, things are not looking good in Busan. The growth from the trade mission four years ago has diminished from his perspective. He stated that he is on board with direct marketing, but does not feel there is potential for a lot of volume compared to other markets.

Okano stated that the local production has gone down, which has increased the demand for pollock from elsewhere. Soerensen stated that ASMI should be focused on the long-term strategy, which is where he sees the opportunity. He stated that he believes there is a lot of opportunity for Alaska seafood in general in the South Korean market. There was further discussion about the full utilization of seafood species that is common in Korea.

Knapp shared that tourism has gone down due to the coronavirus; and that trickles down to seafood. He stated he hopes it will only be short term, but that during this period seafood is going to be hit hard.

Lindoff shared that in terms of what ASMI can do to help, we will develop a white paper and will get in touch with USDA. She asked if the IMC wanted to allocate any funding specifically for Korea.

There was discussion on the Busan show. Ottoson-McKeen shared that it was substantially smaller than Conxemar, SEG, and China Fisheries, but that it was a great opportunity to meet with the USDA representatives in Korea. She stated that seafood is a large import into Korea and they were very willing to work with ASMI.

CHINA

Lindoff proposed an overall budget reduction of -24%, primarily coming from ATP funds. She explained that some ATP activities, such as the e-learning platform, will be completed, and that there are other projects that did not develop how ASMI originally planned. The opportunities did not show up and therefore Lindoff decided to reduce the budget. She explained that certain ATP activities, such as LED Billboards, do not make sense if to goal is to stretch the budget. In China, ASMI is looking into e-commerce opportunities rather than brick-and-mortar.

Lindoff stated that the phase one deal that was signed had some good news from a regulatory standpoint, but it did not eliminate the extra tariffs on Alaska seafood products. She stated that from what ASMI had heard, there would not be a phase two agreement until after the elections.

There was discussion on the tariff situation in China with regard to the announcement that there will be a 50% reduction from the additional 10% tariff to take place on February 14.

Yeasting commended the HS Code table in the presentation and stated that it was helpful to see what products are being affected.

To end the China discussion, Lindoff shared the program's video project that highlights different species and demographics as an ATP project example. She shared that we have the capabilities to use portions of it for different marketing campaigns.

Discussion on coronavirus:

Soerensen commented that they had received news yesterday from their freight forwarder that there are ports shut down in China due to the coronavirus; he stated it will have a severe impact on global trade in general as the necessary documents to receive a container shipment are not available as large cities have shut down. They are not opening the Qingdao port until March 1. Yang stated that in Dalian some of the shipping liners are starting to work. Yang further shared that most of the processing plants will be able to reopen by late February or early March.

JAPAN

Lindoff proposed a reduction to the Japan budget, but noted that it would stay above \$1M. She stated that she thought there was funding available to put towards Korea and that some of the budget decrease was for roe product promotions, which was an ATP budget line that was utilized to create recipes and assets for other programs to conduct promotions for different roe products.

Lindoff stated that the funding for consumer demographic outreach took the largest hit, but the decrease was offset by consumer promotions - which would now be coming from match and MAP funds.

Lindoff shared that 64% of the Japan budget goes to trade. Knapp suggested putting some funding into pollock roe. He shared that the industry is getting a full percent up in recovery on pollock roe right now; the inventories are high, production is good, but consumption is down. Lindoff shared that ASMI was bringing the mentaiko association to Boston because they are trying to target the US market.

There was discussion about funding roe promotions and working to differentiate Alaska origin roe. Lindoff shared that she was working with Akiko Yakata, ASMI's overseas representative for Japan, to identify someone interested in creating new roe products for the Japan market. She explained that the goal was to find a new partner or a new product to support.

Okano commented that consistently doing promotions is important; the question is how ASMI is going to spend money to impact consumption.

Yeasting talked about Russian products and how they are Alaska's main competition in Japan and China; she liked the emphasis on innovation and products that are readily available. Lindoff shared that ASMI has talked to the team about tracing the flow of products going from Japan into China to help with promotions and differentiation, particularly with pollock roe, surimi, and salmon roe.

Lindoff shared that one of the goals ASMI measured on the UES grant application is the number of distributors and importers carrying herring roe. She shared that the number of importers of pollock roe in China had grown. She stated that there is always a push to promote roe year round, not just during traditional times of year or with traditional recipes. Lindoff commented that ASMI is looking into where roe is in the market to elevate it there as well.

Lindoff shared a highlight from Japan: the governor of Alaska visited to Japan and ASMI was happy to support the trip and take advantage of the opportunity to make sure that the governor had a positive visit. He saw Alaska seafood and was educated about the market in order to see what challenges we face. Alaska seafood received positive press out of the visit, as well.

Lindoff explained that the plan for the Tokyo Olympics was to focus on sponsoring athletic events and to promote Alaska seafood's health and nutrition message. She stated that much of the advertising would be in digital outreach, not in the physical space.

NORTHERN EUROPE

With Brexit, they will concentrate on their fishing rights first. We know that everything should stay the same until the end of 2020. Soerensen commented that free trade would be the best recommendation.

Lindoff mentioned that ASMI was asked to submit their recommendations, comments and requests to National Fisheries Institute (NFI) if and when a free trade agreement was being negotiated with the UK. Lindoff asked if there were any non-tariff regulatory barriers that Alaska seafood currently faces that ASMI should work on. She asked that if there is anything the industry would like to include in the conversations.

Soerensen commented that approval of establishments should be considered; if an establishment is FDA approved it is already EU approved as well. If it needs to be audited, it can be a process. He recommended having an agreement in place with the US going into 2021.

Young posed that canned salmon is big, but the question remains what are we going to do? Canned salmon is a huge market and there is not a tariff.

McGinley commented that it is a great market for halibut.

Barnett asked for clarification as to why Alaska seafood was left out the Japan FTA and the China Phase One. Lindoff shared that seafood is a small part of US commodities.

Soerensen asked if there was a task force with the At-Sea Processors Association (APA) and ASMI to make sure that the message is coordinated. Lindoff noted that she, Jeremy and Monica had a call last week with the Pacific Seafood Processors Association (PSPA), APA, and the Groundfish Forum, and that they decided to start next week.

Lindoff shared that one project recently completed, Seafood University, is getting ready to do a soft launch. The goal is that many catering schools throughout Europe will use this program. The program has several modules that cover everything Alaska seafood related, including species and harvesting methods.

WESTERN EUROPE

This program is France and Belgium. The budget looks significantly smaller with SEG's move, however there is still money in a trade show line. There is an interest in some of the smaller shows now in France or Belgium. Lindoff shared that Conxemar has stated that they will be hosting a second show in Belgium in 2021.

Soerensen discussed the Bremen show; it's a small show for retailers that rotates between Bremen and Poland every other year. He suggested ASMI keep an eye on the growth seen of that show.

Lindoff stated there is a regulatory issue going on in France right now regarding parasites. They recently started enforcing parasite count regulations and we've been notified by industry that product has been destroyed. Discussion on the parasites between different species proceeded.

Lindoff shared that the technical program has taken direction from the board to work on a fact sheet. The board also directed ASMI to create internal talking points, and to give a report about country requirements surrounding parasites. ASMI is working to address the issue internally, and to not to make it an outward facing issue.

Lindoff shared another in-progress ATP project, the Find Your Supplier Directory. George described what it will entail and look like once it's completed. The added piece is trade lead connections and improving the user experience.

McGinley suggested allowing the companies to describe their company and link to their company website so the buyer will know who they are contacting (e.g. a producer or trader).

Yeasting suggested having a per species basis who to contact.

Lindoff suggested we have some industry members join a committee to provide feedback during the process, George agreed it is a great idea. Yeasting will join the committee and recommended John Salle from Trident Seafoods and the ASMI domestic committee participate in discussions as we look for the next step of the supplier directory.

Lindoff discussed the efforts ASMI is doing surrounding the branding and high-end products in our markets.

McGinley commented that there was a trio pack of the smoked salmon to help differentiate between species. He commented that we can do work to differentiate and get them to eat more sockeye.

CENTRAL EUROPE

Lindoff shared that we mainly concentrate on Germany and Poland in this region. The cut that is planned for this region relates to the Seafood University project, which will be completed and will not need funds next year. She stated that the overseas team in this region has learned the market well and there is opportunity to easily utilize ATP funding, if need be.

They are working on a processor information kit project in coordination with the technical program as well as a processor outreach that should be complete by next year.

Germany has hosted successful smoked salmon promotions in partnership with Freidrichs. They had a second round of influencers who attended a workshop where they personally smoked Alaska sockeye and learned how to differentiate Alaska product. Overall the influencers shared 66 posts and reached an audience of almost 35 million people. It was an innovative way to promote sockeye and raise the Alaska profile within this region.

There was discussion regarding the recipe QR code on pack presented for Alaska pollock.

Lindoff stated ASMI is working on a brochure for the European market for product you can smoke; further stating we will make sure to highlight many species and that we will be including smoked cod roe, as well. Knapp stated he has had smoked pollock roe in Japan and it was fantastic.

Lindoff reported that this program also covers Poland and that they have done an excellent job reaching the Polish market; including hosting a chef congress in Warsaw. ASMI has taken advantage of an interesting funding opportunity through FAS where we can spend Polish zloty for promotions. ASMI is working with a new partner in both Germany and France to create new recipes for cod, pollock, surimi, and salmon.

Soerensen asked what type of product they are creating recipes around for pollock. Lindoff replied that it depends on who we are targeting; for foodservice we did "one pan," but this is going to have more of a consumer focus while developing 20 new recipes for the CEU and WEU markets. Lindoff asked if there is a preference. Soerensen replied that he wouldn't go with filets because they typically are not available in the market unless they are Chinese; he suggested going to the store to get what consumers can buy and creating recipes around the product form that is available.

O'Hara shared that rockfish is getting certification and there will be focus on increasing rockfish imports into the German market over the next few years. He stated that a skinless filet would be good for recipe development.

There was discussion on the process to develop recipes; George shared that it will be utilized in the digital space with short videos.

Soerensen suggested that because Germans know flatfish that we push for Alaska flatfish in this market despite the duties.

SOUTHERN EUROPE

This budget is increasing significantly, but that is due in part to Seafood Expo Global (SEG). There will be more information on the trade show coming later.

Soerensen asked what McClellan's thoughts were on Conxemar and how SEG will impact the show in Vigo. Lindoff stated that so far we are taking a positive outlook, believing that both shows can exist because they are held at different times of the year with a different focus.

Knapp thinks Conxemar it is such a strong focus on the region that it will continue successfully. Magnuson agreed stating he thinks it will continue and that the whitefish focus will sustain Conxemar. Soerensen commended David on the work he does for Conxemar and for continuing to improve the efficiencies of the booth.

EASTERN EUROPE

Lindoff explained that this is a smaller program and that a smaller cut might look larger. The trade missions line was brought down, but Lindoff mentioned that if we received direction to conduct a trade mission to EEU, we can. McGinley shared that EEU is an H&G pollock and salmon market. McGinley noted that they cannot buy from Russia legally. They traditionally bought an amazing amount of pink salmon, but that has dried up because China has outdone them.

Lindoff stated we will continue to build our market and differentiation in Ukraine and Romania, but we won't put any money into the trade missions.

There was discussion on the culinary retreat and the famous chef influencer attending from Ukraine. The ASMI team will encourage Ksenia Gorovaya (EEU OMR) to again ask the industry for help with product or samples. Yeasting commented that the follow up after an event with samples is important to be able to know what products worked and if there is an opportunity or potential for a particular product.

SOUTH AMERICA

Lindoff shared that the emphasis has been in Brazil, but that we have been working in South America as a region and we plan to continue. She stated that there was a very small cut to ATP but we grew the trade servicing line because we are working on building some of these markets, particularly in Peru.

Soerensen asked how Alaska seafood is doing in Brazil and how the product flow is now that ASMI has been in Brazil for three years. Lindoff replied that we will be getting the new trade statistics in soon and we can look at that better. She stated that there are challenging market dynamics and that we have a good team on the ground doing good work with the product entering the market.

Lindoff explained that building a market takes time and we need more time to gauge its success.

The Peru trade mission will have a focus on regulatory requirements as well as meeting with buyers. They will meet with the regulatory agencies to explain what it takes to export to Peru. They have a robust itinerary in two different locations set for seven Alaska industry participants.

The strategic direction for Brazil lately is to focus on the health and wellness market, a two-billion-dollar market. They are working to tap into that by working with dietitians, nutritionists, and chefs, to highlight the great story we have with Alaska seafood and nutrition.

SOUTHEAST ASIA

Lindoff shared that this budget will increase because the Southeast Asia program did not have enough money to do all of the activities they wanted to do this year and an additional trade show is being added to the region next year. She explained that SE Asia does not receive MAP funding so their budget is all ATP and Match. She reported that the team in SE Asia has done a great job over the last seven months and noted that they have a large task at hand along to get a new program off the ground. Lindoff shared that this market is already seeing some direct effects from coronavirus and having to cancel some of their events. Tim Welsh, ASMI's OMR for the region, and his team have been great to work with and ASMI has set the groundwork for the market. They are currently establishing the website in Thai and Vietnamese.

Lindoff mentioned that if anyone is interested in this market to reach out to Welsh and Ottoson-McKeen. Yeasting commented that she met with the OMRs and they were thankful for that connection. The OMRs shared that their first priority was to learn more about the industry.

O'Hara commented that in their visit they realized the opportunity with Atka mackerel and rockfish on the menu at Japanese restaurants. He noted that we have the raw material in Alaska, they have a huge reprocessing sector and there was finished product there, as well. He noted that the budget is small, but he hopes we can increase the budget eventually. Yeasting seconded that and expressed her hope to see this market grow.

BUDGET

Knapp and Young both commented that the rationale for the budget seemed appropriate and they did not have any suggested adjustments.

Knapp asked how we are stretching our dollars and maximizing our impact in our marketing efforts and if we have someone designated to coordinate efforts within ASMI and other trade partners. Lindoff responded that it is not an opportunity that we have fully explored, but that it is a great suggestion to have someone in house helping to coordinate these efforts. She noted ASMI has good relationships and is working with BBRSDA. Knapp followed up that it makes sense to work with our trade partners on joint promotions. Woodrow commented we work with the State of Alaska, PSPA and GAPP to promote the Alaska fishing industry.

Knapp suggested that we have someone that focuses on building partnerships. Lindoff replied that ASMI is open for partnerships and encouraged the endorsement of ASMI for those on committees associated with other potential partners.

The meeting broke for lunch.

The meeting was called back to order at 12:25.

Finalized Budget Recommendation

McGinley moved to approve the budget as proposed. Knapp seconded. The motion passed unanimously.

Seafood Expo Global Discussion

Lindoff and George reported on their visit to Barcelona in November hosted and paid for by Diversified, Seafood Expo Global's official organizer. George said Fira Barcelona is a great venue and ASMI is high on the list for space selection. The space draw will take place on March 12th. George recommended industry begin making their hotel reservations as rooms in Barcelona are filling up. George commented that ASMI would like to stay in the city center.

George reported the city of Barcelona is extremely supportive and excited to host Seafood Expo Global. George stated that we may have to reprioritize our co-exhibitors. Lindoff commented that we may do a lottery with it being a new booth and ensuring fairness for the co-exhibitors.

Soerensen stated that tradeshow booths are increasingly designed more professionally and booth design is important to consider, especially in comparison with Russia, who is our biggest competitor. Discussion took place regarding the booth and the RFP for the stand builder. Lindoff noted that we can include in the RFP to have a booth that is easier to store so we could potentially pay more up front this year, but we would have savings in the following years.

China Fisheries Booth Discussion

Ottoson-McKeen stated that the show is switching venues and acknowledged there the many unknowns in China right now due to the coronavirus. She shared that ASMI China had secured space one and a half times the previous size, based on feedback that the space was too small. She further noted that ASMI will remain in the USA pavilion.

McGinley commented about the meeting space being tight and also that the Alaska booth should be larger. Soerensen echoed the comments to increase the size of the booth. Risher suggested designing a larger kitchen space and to open the space more.

McGinley appreciated the hosting service at Conxemar stating it was a classy way to serve food and suggested ASMI add a hostess and wait staff at the China Fisheries booth. Discussion took place regarding the Conxemar booth. Lindoff suggested we could coordinate a theme for Alaska booths.

Soerensen commented that the China market is changing and moving away from reprocessing and exporting and becoming a larger consumer market.

McGinley asked about the reception and the cost. McGinley and Soerensen suggested taking the money from the reception and putting it towards booth space.

Soerensen moved to forgo the reception at the China Fisheries Show and repurpose the budget for a larger booth. Janzing seconded. Motion passed unanimously.

Digital Asset Acquisition Project Update

Stangeland presented the photo acquisition project update. She shared that it is an ATP project with the intent to get multimedia content.

She shared that we went through an RFP process and selected a company to lead the asset acquisition project. An Alaska seafood brand video and a sustainability video are two focuses. Stangeland stated that we will get primarily video, but we will also get some still shots.

Soerensen stated that he felt it was important that ASMI get processing shots and footage of catcher/processor vessels. McGinley agreed. Discussion regarding the logistics of catcher/processor photos took place.

Heimbigner, on teleconference, stated that her team will be sending out a survey to get feedback and that ASMI definitely wants to hear from all stakeholders.

Stangeland noted that we are working with Channel Films on this project, well-known for their outstanding work for Alaska tourism. Barnett offered support in helping with suggestions for places to stay in his community as the project rolls out.

Species Updates

SALMON

McGinley commented that canned salmon is a simple and healthy food option, since it is essentially fresh salmon with salt added. He stated that the bones and skin are better for taste. He noted that they are trying to rebrand salmon to appeal to a new generation; it is an exceptionally healthy product, but it is on a slow downward trend.

There was discussion regarding the easy-open top and that it can be challenging to produce it in Alaska. It was also mentioned that bone and skin is a hard sell to the new generation.

Young talked about the canned salmon industry's decreased production and noted that the UK was still looking for more product. Overall, the market has been good and he is impressed with the OMRs representing the UK.

It was shared that 2-4 sockeye is a challenge. Risher commented that growing numbers of salmon may have to be frozen in the near future due to the lessening demand for fresh farmed salmon due to coronavirus.

McGinley suggested ASMI focus on refreshed fish. He suggested ASMI look into how to encourage refreshed on all species. He also stated that Spain is a great market for refreshed and that the US and UK markets have opened up to it, but mainland Europe hasn't picked it up yet (e.g. France).

Risher stated that retailers want to be provided with a finished product and that price is a barrier for the higher quality fish.

WHITEFISH

Soerensen shared that the pollock market globally is in a good place. He stated there had been a rise in price as well as demand, but that the one concern is the roe market. There is an oversupply of product going into a market that is stagnant.

It was noted that fishmeal and fish oil are recovering and the market is bouncing back after China removed the tariff back in September.

Knapp suggested a heavy lift on roe and a little bit on surimi, as it has plateaued.

Knapp mentioned the cruise ship industry wants IQF 4-6.

ROCKFISH FLATFISH ATKA MACKEREL

Discussion took place around yellowfin pricing and rock sole into Germany. The upcoming certification might help with an intro to the German market. There was also discussion on Atka Mackerel and the market in Japan and China.

PACIFIC COD

Magnuson stated that the product is now attractively priced compared to Atlantic, but Russian is more attractive and it's also Pacific cod.

Soerensen pointed out that as the quotas are going down domestically, Russia's quota is increasing so they have a larger volume they are working with.

Knapp stated he is getting a lot of questions regarding sustainability and that we need to get some talking points together. Marks shared that RFM is going through their cod surveillance assessment. She feels confident that cod will remain certified. ASMI will circulate the talking points once available.

Discussion took place on sustainable fisheries, noting that quotas are set based off sound science.

SABLEFISH

Sablefish is facing increased quotas, depressed markets, protests in Hong Kong, and has coronavirus worries.

Lindoff stated that there is an updated technical piece on chalky halibut and "jelly" sablefish.

According to the committee, Japan takes 90% of the less than five-pound sablefish.

Upcoming Events and Next Meeting Date

The next IMC meeting date was set for Tuesday, June 23rd at Trident.

Lindoff noted that Akiko Yakata asked for follow-up on a potential Japan visit. September 30th-October 2nd is the international seafood show and around that time would make sense for a trade mission.

Soerensen stated that if we have money for a mission it should be for an emerging market not an established market. Discussion ensued and the majority agreed.

Election of Chair and Vice Chair:

Chair, Julie Yeasting

Vice Chair, Frank O'Hara

O'Hara moved to adjourn. Young seconded. Meeting adjourned at 3:55.

