



Alaska Seafood Marketing Institute

Alaska Seafood Marketing Institute
International Marketing Committee Meeting
March 5, 2019
Trident Seafoods, 5303 Shilshole Avenue
Seattle, WA

INTRODUCTION

A regular meeting of the Alaska Seafood Marketing Institute (ASMI) International Marketing Committee (IMC) was called to order at 9AM on March 5, 2019, in Seattle, Washington.

Roll Call

Committee members present:

Lance Magnuson, Chairman

Julie Yeasting, Vice Chair

Michael McGinley

Bob Janzing

Norman Aoyagi

Shigeki Okano

Jeff Stephan

Dean Pugh

Phil Young

Kevin Adams

Bob Barnett

Tomi Marsh

Rasmus Soerensen telephonic

Richard Riggs telephonic

Merle Knapp – after lunch

Committee members not present:

Duncan Fields

Staff present:

Hannah Lindoff, International Marketing Director

Alice Ottoson-McKeen, Assistant International Program Coordinator

Ashley Heimbigner, International Marketing Coordinator

Michael Kohan, Technical Director

Guests:

Kathy Dupuis American Seafoods, Steven Nast Ocean Beauty, Tina Boggs Deep Sea Fisheries, Joel Peterson Clipper Seafoods, Ron Risher Icicle, Pat Shanahan GAPP, Susan Marks ASMI Sustainability and Certification Advisor, Julia Ying Polar Bay Seafoods, Frank O'Hara, O'Hara Corporation.

Approval of Previous Meeting Minutes:

McGinley moved to approve the minutes from the International Marketing Committee meeting on October 30, 2018; Aoyagi seconded. The motion passed unanimously.

Introduction of Guests/Visitors:

Cathy Dupuis American Seafoods, Steven Nast Ocean Beauty, Tina Boggs Deep Sea Fisheries, Joel Petersen Clipper Seafoods, Ron Risher Icicle, Pat Shanahan Genuine Alaska Pollock Producers, Frank O'Hara O'Hara Corporation, Julia Ying Polar Bay Seafoods

Public Comment:

No public Comment

Chairman Report:

Magnuson said it would be an interesting meeting because of the additional funds the International Program would have to spend in FY20 due to the Agriculture Trade Promotion (ATP) program. He called on committee members who had agreed to look at individual regions to forward their ideas to International staff to help sharpen the focus in those markets. He said he was pleased with the optimism the International program faced and was happy to see new, younger faces at the meeting.

Vice Chair Report:

Yeasting also recognized the opportunity the International Program has with ATP funds and noted that the International Program's MAP funds had increased as well. She saw the increased budget as a chance to look at markets product was going in to but that had not received marketing dollars in the past. She welcomed the younger professionals at the meeting and said it was important to get people involved in the industry in a way that was passionate and could drive it forward.

Program Director's Report:

Lindoff welcomed Kevin Adams, Bob Barnett and Rich Riggs to the International Marketing Committee.

Lindoff stated the ASMI Executive Director (ED) search was still underway, and that a Domestic Marketing Director would not be hired until after the Board had selected a new ED, but that Megan Rider was serving in the interim.

Lindoff informed the committee that RFM was being worked on and that a roll out of the new version would be coming soon. She asked members of the RFM committee to provide an update on the program.

Marsh expressed excitement about the Olympics as a good opportunity to finalize the details on RFM and market it in a way that would make it mean something for common people. She thought it was a great chance to tell the Alaska story and highlight culture, community and future generations.

Lindoff commented that there was a movement behind origin specific RFM programs and expressed her hope that ASMI could work with these other programs or use their momentum gaining provenance to repackage and bring RFM back to the world.

Janzing asked if there was a target for how to launch RFM in Japan.

Marsh said no, but that it would be great to crowdsource it to the OMRs. She said it was important to launch it in a culturally appropriate way.

Lindoff provided an update on the State of Alaska budget. She stated ASMI would not be receiving state general funds in FY20, same as the year prior. She stated that ASMI had received a blanket approval to travel through the end of FY19, but that at the start of FY20 ASMI would have to re-apply for travel approval. She noted that there was a statewide hiring freeze, so ASMI would have to ask the state for an exception to hire any new positions. She said that overall ASMI had not been affected by the state of Alaska budget climate in the same way many other services had.

In regards to the ASMI budget, Lindoff recognized the International Program was lucky because they were adding money to their budget, while the other programs at ASMI were not. She expressed her intention to use the additional funds to invest in some projects that could be of benefit to multiple ASMI programs, such as new photo and video assets.

Budget Presentation and Discussion:

Lindoff presented the International Program's proposed budget for FY20. She explained the different funding sources, and presented budget breakdowns for each program region.

China

Lindoff presented the proposed FY2020 budget for China.

Lindoff asked what the industry's priorities were in China, noting there was no update on the trade war situation.

Stephan asked who the audience was for the "LED Billboards" activity. Lindoff said it was for consumers.

Barnett asked if the E-Learning Program in China could be used across ASMI programs, similar to Seafood University. Lindoff replied that the program China had proposed was more complicated than Seafood U and would include links and partnerships with Chinese ecommerce apps. She said Seafood U could potentially be the basis for the program, but that the goal was to drive consumers to purchase Alaska seafood.

Yeasting asked if Roger was back in the China office. Lindoff said yes.

Yeasting asked how OMRs were planning to handle the increase in budget in terms of staffing and structure. Lindoff stated she had encouraged OMRs to make whatever staffing changes they needed to incorporate the new, higher budgets. She noted that in China specifically, the ASMI contractors had a large firm with the flexibility to hire new people.

Yeasting asked if the OMRs had experience in the areas of the ATP activities. Lindoff said yes, and that most of the activity proposals had come from the OMRs.

Soerensen asked Lindoff to speak to meal kits and their potential. Lindoff was wary to speculate about their potential, and stated that the great thing about having extra money was the ability to take risks. She brought up how the China program had gotten in on the ground floor with e-commerce partners, and now worked with them at discounted rates. She said with meal kits it was important to find the right partner and that if ASMI could get in with one that was successful, the payoff could be big.

Ying asked if ASMI put funds towards marketing pet food in China.

Lindoff stated whether to market pet food was a board level decision. She said that as of now, ASMI did not use the Alaska seafood brand for pet food. She thought it could be something the technical program took up behind the scenes.

Japan

Lindoff presented the proposed FY2020 budget for Japan.

McGinley commented that he had lost an Asian roe account because Ocean Beauty did not produce a flavored roe, which seemed to be the trend in developing sushi markets in China. He said the problem was the recipes were proprietary to the Japanese companies. McGinley asked if ASMI money could go into developing a recipe for flavored roe that could be given out to the industry. Lindoff said there was a lot that could be done within the roe activity line because it was broadly written.

Okano stated the Olympics were going to be an important event, and a great opportunity to reach tourists. Lindoff agreed, and said ASMI received a recent proposal to create branded gift packs of roe to give to visitors, in an effort to make mentaiko a souvenir item.

Soerensen expressed his concern about ASMI expanding to South America and Southeast Asia. He worried ASMI was running the risk of spreading money too thin across many countries and that the results would not last. He proposed increasing investment in established markets, such as Japan, instead.

Riggs agreed with Rasmus.

Riggs asked if the roe promotions in Japan would be focused on all roe, or was species specific. Lindoff said it was meant for all roe products.

Okano suggested increasing the budget for the roe promotions. Janzing agreed.

Kimball said there were new products worth looking at promoting in Japan. He said it was a growing market for flesh side wild Alaska pollock and that the surimi market was strong in terms of demand for Alaska products. He said new Alaska products could be found at convenience stores that had not been there before, such as wild Alaska pollock sandwiches. Kimball said it might be worth focusing marketing efforts in certain markets for priority, echoing Sorensen's comments from earlier. He felt the IMC should invest wherever they felt would result in the biggest return on investment.

Riggs recommended looking at growth areas not just by percentage, but also by volume, and to pay attention to markets that might have short-term issues, such as an abundance of inventory that would be uncharacteristic of a normal year.

Lindoff commented that the budget allocations made at the meeting could be shifted within programs during the program year to address issues as they arose.

Yeasting asked cod producers to provide input on how to promote cod in Japan.

Petersen stated it had been a challenging year with *macrocephalus* from Russia entering the market to compete with Alaska product. He said this had hindered domestic and European markets as well, but did not know what the specific ask would be at that time.

On the topic of roe, Kimball stated that Russia and Alaska both had large forecasts, and that it had been a good season for pollock roe. He said recovery rates were higher in Alaska, while Russia was struggling. Kimball recognized this as an opportunity for Alaska product. He urged everyone to keep in mind what the industry was facing in terms of inventory.

Soerensen said he was seeing increased interest in labeling the origin of the species being put on shelves.

Okano said convenience stores were huge in Japan, but that they often did not label origin. He asked if there was something ASMI could do with convenience stores to make them use Alaska origin. Lindoff agreed this was a challenge and said ASMI only gave marketing dollars to companies that called out Alaska origin.

Aoyagi commented that in Japan products were often labeled just as American or Russian, not differentiated by state or province. He said Hokkaido brands are very successful and putting Alaska on pack could be more successful in the future.

Aoyagi said he was sending more pink salmon to Japan, many in the form of salmon steaks, which were processed in Bangkok. He said they were trying to target the products through the Japanese cooperative systems.

Northern Europe

Lindoff presented the proposed FY2020 budget for Northern Europe.

Kimball asked where the majority of the resources were going in Northern Europe. Lindoff responded that roughly 85% of the budget went to the UK and Netherlands. She noted that there was a Danish participant on the recent Northern Europe buyer's mission.

Magnuson commented that marketing with Danish companies was complicated because so much product was processed in Denmark and then sent to Italy and therefore fell under two different regions – Northern Europe and Southern Europe. Lindoff thanked Magnuson for bringing up this issue with Danish processors and said because of similar comments in the past, ASMI had put the Danish participant from the NEU mission in touch with David McClellan, the OMR for Southern Europe.

Yeasting asked for an update on Brexit. Lindoff responded that it had hurt the market. She said there were people who wanted to go on the buyers' mission and decided not to because the market was so uncertain. She noted that it was possible when the deals were negotiated, there could be benefits for US companies, such as lower tariffs.

Petersen asked if there was an effort to boost spending during certain times, such as Lent. Lindoff stated that the Northern Europe marketing calendar was roughly split into quarters, with the new year focused on healthy eating, spring on Easter and Lent, summer on barbecues, and winter on Christmas holiday promotions.

Aoyagi asked if the UK were to separate from the EU, would the region have a new representative. Lindoff said she believed ASMI could keep the same framework.

Southern Europe

Lindoff presented the proposed FY2020 budget for Southern Europe.

Lindoff reminded the committee that ASMI had added Greece to the Southern European region.

Yeasting asked what new retail platforms the Southern European program was planning to invest in. Lindoff said the plan was to work with more health food chains and possibly go into ecommerce.

Magnuson asked if the OMR for Southern Europe, David McClellan, would be able to accommodate the addition to his budget. Lindoff said she had spoken to him last week and that he and his contractors were ready for the increase.

Magnuson asked if McClellan did work in Greece for other clients. Lindoff did not know, but said it used to be part of his region for ASMI so he had connections in the region.

Eastern Europe

Lindoff presented the proposed FY2020 budget for Eastern Europe.

McGinley asked if there would be an inbound trade mission from Eastern Europe in 2019. Lindoff responded yes, but that it would be from a region other than the Ukraine, or possibly from a mix of countries, since ASMI hosted a mission from the Ukraine in 2018.

South America

Lindoff presented the proposed FY2020 budget for South America.

Stephan asked what the GDP growth was of Argentina and Chile. Lindoff did not have the information at hand. She noted that a big reason the region was appealing was for its potential as a new reprocessing center, which could be valuable depending on how long the trade conflict with China lasted or if the industry has a desire to diversify where they process.

Janzing asked if there was any growth in South America in terms of Alaska products being exported there. Lindoff said she had heard anecdotally that people were doing well there. McGinley confirmed.

Soerensen voiced concerns about spreading resources too thin in South America. He complimented Jose and Carolina on the work they had done in Brazil, but was unsure whether expanding to the rest of South America was worth spending budget on. He did not think ASMI would be getting the most bang for their buck.

Yeasting asked what ASMI would be doing with the funds in South America. Lindoff said they would mainly go to trade missions – both inbound and outbound – and trade PR projects such as translating materials. She said the additional South America portion was not meant to be a huge part of the overall program.

Magnuson clarified that the majority of the budget increase would go to Brazil. Lindoff said that was the idea since the OMRS for Brazil had the infrastructure to go into South America and starting a program from the ground up was more difficult than bolstering an existing program. However, Lindoff said she was open to suggestions.

Magnuson brought up concerns about the amount being spent in Brazil compared to the amount of fish that was being sold there. He said he shared some of Soerensen's reservations about the amount of money being proposed for South America and Brazil.

McGinley stated there were two kinds of markets – emerging and established – and that it was his opinion that there was a bigger return on investments in emerging markets.

Ying stated her company had left Brazil in 2007 due to additive issues, but due to recent changes, they were looking at Brazil again.

Soerensen expressed his support for the Brazilian program, and clarified his reservation was about jumping into the other countries in South America.

Stephan noted that the total budget for the region was not tremendous. He pointed out that Argentina and Chile were seafood-consuming countries. He felt it was worth exploring the region since ASMI was fortunate to have some extra money. Okano agreed.

Pugh noted that DIPOA was getting easier.

Lindoff clarified that in the South America budget the retail merchandising line would go to Brazil and the trade PR line would be split between Brazil and new markets.

Yeasting asked if the retainer would be increased. Lindoff said yes.

Western Europe

Lindoff presented the proposed FY2020 budget for Western Europe.

Stephan brought up statistics he had read in the Western Europe CPR that showed decreased Alaska Seafood exports to France. He asked if the French were consuming less Alaska seafood and if ASMI was adjusting its strategy in the region. Lindoff replied that the OMRs hadn't reported any rapid declines in the market and explained that it was hard to judge consumption based on import statistics alone because so much product was re-routed through ports outside of France. She said the strategy in the region would remain mostly the same, with some movement from print advertising to digital to reach the younger generations.

Okano commented that on a recent visit to a supermarket in Europe, he had not seen any mention of Alaska on the package of the products.

Adams asked if there was a country of origin law in Europe. Lindoff said usually you could turn a package over and see FAO 67. On the topic of origin identification, she brought up a proposed activity to create marketing tools for smoked salmon suppliers, the idea being that their products and brands were known and available at retail and so they would be good partners in increasing awareness of the Alaska brand.

Nast asked if the US could apply for a Designation Origin of Product (DOP) in Europe. Lindoff said she had heard anecdotally that Europe had so many already that it was not worth trying to break in.

Lindoff noted that the US was in trade negotiations with the EU, and that ASMI was hosting a meeting between industry and the U.S. Ambassador to the EU in Seattle on March 26. She invited the committee to attend.

Central Europe

Lindoff presented the proposed FY2020 budget for Central Europe.

Lindoff mentioned central Europe would be working on technical kits and a member asked if they would be species specific. Lindoff said they would be.

Southeast Asia

Lindoff presented the proposed FY2020 budget for Southeast Asia.

Yeasting asked if Korea was included in Southeast Asia. Lindoff replied that Korea was included in the Global line. Yeasting asked what countries fell under Southeast Asia. Lindoff said Thailand, Vietnam, the Philippines, Malaysia and Singapore.

Barnett asked how ASMI would choose where the office was based. Lindoff said it would depend on who was awarded the contract and where they were based.

Okano asked how the chefs were chosen for the chef seminars, considering the different regions in Southeast Asia had very different styles of food. Lindoff said the program had not gotten that far and welcomed committee input. She said when chef seminars would be focused on training chefs and promotions would be uplifting the sales of restaurants that already had Alaska seafood.

Yeasting asked if the IMC needed to provide approval to allocate ATP funds for a new position. Yeasting wanted to ensure the International Program had the staff necessary to implement ATP and effectively market in all their regions – new and established.

Lindoff said certainly having someone working on the back end of the grant would free up more staff time to work on marketing and developing new regions.

Marsh hoped the new position, if hired, could potentially help other programs with grants as well.

Adams noted the issue with hiring a new position was that the State of Alaska was in a hiring freeze.

Lindoff agreed, and said the support of the committee would help with the proposal to hire a new position.

Barnett noted funding for the position only lasted three years. He asked if the position would be advertised as a temporary job. Lindoff said yes, but she hoped ASMI could find someone who was a grant specialist and could secure additional grants to continue funding the position.

The committee decided to come up with a motion to support the hiring of a new position and the present it after lunch.

Stephan moved that the international committee support the FY20 international budget as proposed. Barnett seconded.

Stephan said he thought the presentation had provided good explanation for why the budget was allocated the way it was. Young agreed and said one thing he liked was that in many of the smaller markets the focus was on creating materials that would be useful across markets.

Yeasting noted it was a one-year budget so as money was allocated to different activities the committee could pay attention to what worked and make adjustments in the next year.

Aoyagi asked if there was data for the 2018 export breakdown. Lindoff said the numbers had been delayed because of the government shutdown, but noted that the numbers did not always give the best breakdown because of reprocessing. She said much of the budget allocation was based on feedback from the IMC and OMRs.

Marsh asked if it was possible to shift ATP funds around if an activity was not working. Lindoff said any unspent match would stay in the ASMI budget, whereas unspent MAP would go back into the MAP pot. She did not know what happened if ATP was not spent, but said ASMI could change how the money was allocated the following year.

Magnuson called for a vote on the proposed budget. The budget passed unanimously.

Yeasting asked where Mexico fit in. Lindoff said it was in the global line. She said there was currently some servicing of the Mexico market through crossover with the US domestic program. She said if there was a trade promotion with a US entity who was also in Mexico they were serviced through the domestic market. She said

the plan was to create more Latin America focused materials in the South America program, which would be available for Mexico.

McGinley thought ASMI should do more in Mexico.

Risher asked how many materials were available in Spanish. Lindoff replied not a ton. There were a few bilingual materials for the domestic market and then Spanish materials from Spain, but the type of Spanish was different.

Okano asked about Canada. Lindoff replied that it fell under the domestic market.

Yeasting said she thought there was an interest in Mexico, and that she worked with producers who were selling there.

Stephan mentioned he had been to a trade show in Mexico years ago and worked out of the WUSATA booth. He said he would try to find the report from the trip.

Lindoff asked what kind of presence the IMC wanted to see in Mexico, if it was through attendance at a trade show, having someone go into the market, or doing retail merchandising? She said it sounded like retail merchandising might be a good place to start. She stated in the global line could be expanded to include some retail merchandising.

Yeasting said Mexico was especially interesting in light of the China trade dispute.

Yeasting moved to take a break for lunch. Magnuson seconded. The motion passed unanimously. The meeting was called back to order at 12pm.

Introduction of New Visitors

Annalise Gonzales Trident, Jeremy Salter Trident, Justin Choe Trident, Ali Turner Trident, Frank O'Hara O'Hara Corporation, Steven Nast Ocean Beauty

Merle Knapp joined the meeting.

Olympics 2020 Presentation and Discussion

Ashley Heimbigner of ASMI International presented on the ASMI strategy for the Japan 2020 Olympics.

Heimbigner mentioned that the Olympic procurement policy favored domestic products. Yeasting asked if that included products processed in Japan. Heimbigner did not know, but said she would check and hoped that it did.

Moreland said she had heard some push back regarding the RFM logo in Japan, specifically that there was concern about having the ASMI logo within the RFM logo and the close connection between marketing and ownership of the standard.

Marks said she had received some questions about whether the logo would change, but not about the design of the current logo.

Moreland emphasized that it was important to determine if the current logo was viable going forward.

Lindoff said the International Program had been operating under the assumption there would be a logo change and in some ways, it had been holding them back from fully going forward on RFM. She hoped the decision of whether or not to change the RFM logo would be decided as soon as possible, be it by the ASMI Board or the RFM committee.

Moreland thought the IMC providing a strong recommendation to the board would be helpful. She said an alternative would be to ensure Alaska origin in business-to-business claims with Global Sustainable Seafood Initiative (GSSI).

Lindoff felt it was important to decide one way or the other on the logo soon so it could be promoted in China and Japan.

Magnuson asked if the IMC should submit a recommendation to the Board. Lindoff thought it might be something the IMC submitted to the RFM committee.

Marsh asked if having a new logo would be more helpful than the old one. Lindoff said if that was what people were hearing from customers.

Marks stated that where RFM was at now was trying to understand what the next iteration of the logo looked like. She recognized there was a time sensitive issue with the Olympics coming up and said that in order to capitalize on the event it would be good to make a decision.

Lindoff believed there were two things holding ASMI back. The first was whether RFM could get chain of custody and the second was the logo. Marks said they had accomplished the first one and that the logo was next.

Moreland encouraged the committee to submit their recommendation for the logo to the Board ahead of their next meeting.

Aoyagi asked why ASMI had chosen University of Tokyo for an Alaska Seafood event described in the presentation. Heimbigner said the OMR for Japan was able to make inroads with the marine research group there, but the goal was to spread the program to other schools.

Magnuson noted, on the topic of RFM, that because other countries such as Russia were gaining MSC, RFM was a good opportunity to call out something very specific about fish from Alaska.

Heimbigner stated that with the new consumer agency, ASMI had big plans for messaging during the Olympics and recognized the importance of that messaging being culturally sensitive and effective in the market.

Yeasting did not feel the current Japan contract was particularly forward thinking, and was not tapped into social media and other digital platforms.

Adams stated it was important that the sustainability messaging was able to last beyond 2020.

O'Hara noted that Atka mackerel was very popular in Japan currently, particularly with young people. He said his customers were forcing them to get MSC and RFM, which was something they had not done in the past. He said by the end of the year PoP and Atka mackerel would have MSC. He said RFM would follow.

Salter asked if there was any push or movement to talk about climate change.

Kohan said the strategy was to address it one on one with people who were interested. She said ASMI had white pages on individual issues, but they were meant for clients not consumers. She said emphasizing management was most important when talking to consumers.

Younger Generation Outreach

Alice Ottoson-McKeen presented on marketing strategies for reaching the younger generations of consumers, and ideas for reaching out to the seafood trade.

Knapp asked if information about social media trends was transferable globally. Ottoson-McKeen said global data was hard to find but that in general yes, social media networks and trends were not restricted to one country.

Choe agreed that convenience was important to millennial consumers, and noted everyone in his building received meal kits. Nast noted that many meal kit companies were going out of business.

Turner said prepared foods was the number one growth area and that, in terms of product forms, skin pack was popular and in general, millennials did not want to talk at a seafood counter. Yeasting noted that skin pack also allowed consumers to see the product before they bought it.

Adams asked how you would tell the sustainable seafood message in such a short shopping moment. Turner said consumers trusted their retailer to provide a responsible product.

Magnuson complimented Central Europe on an activity that placed Alaska pollock brochures in freshman welcome bags in Germany. He asked how it would be translated to other markets. Ottoson-McKeen said there was potential to do so, and noted that ASMI does other things to target students such as working with institutional kitchens, culinary schools and student bloggers.

Ottoson-McKeen proposed some ideas for reaching out to the younger trade, such as a millennial trade mission or a "Top 40 under 40" award in seafood. She asked the people in the meeting for their ideas for how to reach younger trade members.

Salter said that Trident had a group of young employees called The Next Generation (TNG) that conducted a lunch and learn series. He said it would be great for the group to meet other industry members from different companies. He also noted that Seattle was difficult for recruiting because of the high cost of living and competitive job market.

Turner stated the most important questions were how to attract, keep and promote people in the industry. She said it was important to get the word out about what it was like to work in the seafood industry. Choe agreed, adding millennials did not understand the seafood industry, and some had negative opinions due to misleading online videos.

Yeasting asked if it was viable to use ATP to generate new content to counter negative messaging.

Adams asked what product forms were popular. The younger meeting members said sushi, poke, convenience, ready-grills, sauced and seasoned, affordability and on trend.

Okano asked if the ASMI bear holding the salmon was still used for promotions. Ottoson-McKeen said yes, and that it did well on social media.

Gonzales recognized huge potential in sharing the nutritional messaging of Alaska seafood and showcasing the heart of the industry.

Lindoff asked what ASMI should do to attract younger traders in other markets, and asked if there were certain tools or ways of doing business that had been effective with younger generations of buyers. She asked if it was worth the investment into the buyers, considering the risk of them switching careers.

The consensus of the group was that yes, it would be worth it to invest in the next generation of traders.

Marsh asked if ATP funds could be used for an internship. Lindoff said she wasn't sure, but that it can be used for trade missions.

Yeasting suggested conducting a contest on social media where the prize was a trip to Alaska.

Adams suggested an inbound trade mission with younger members of the industry.

McGinley suggested bringing youth from rural Alaska to Seattle to learn about the industry there, and looking to young fishermen, not just Seattle talent.

The committee decided to take a short break.

Stephan moved:

The IMC supports the hire of a grants coordinator that is supported by ATP funds. The IMC believes that the addition of grants coordination is fundamental to achieving the beneficial objectives made possible through the provision, expenditure and application of additional ATP funds. It is anticipated that the grants administrator is hired for the primary purpose of addressing ASMI's international objectives but may also address other objectives authorized by the brand.

Barnett seconded. The motion passed unanimously.

New Business

On the topic of the RFM logo, Yeasting proposed that she and Magnuson work with Akiko Yakata, the OMR for Japan, and Marks to determine if it was necessary to have a logo change and then bring their recommendation to the RFM committee.

Adams noted the issue was time sensitive. Yeasting agreed, and said they would do it within the next month.

McGinley asked where the board was on the logo currently. Marks replied that the plan was for RFM to spin off into an independent foundation and that when the logo would be redone, if it was before or after that, was up

for debate. Marks felt it was important for the IMC to emphasize to the RFM committee that it was a time sensitive issue because of the Tokyo Olympics.

Janzing asked if it was practical to get a new logo approved within a short time frame.

Yeasting felt the IMC's piece was to say time was of the essence, and urge the committee to move ahead.

Adams asked how long it would take to trademark and develop a new label. Marks replied that it was not a long process, and the more difficult part was getting it vetted through the RFM committee and the Board.

Magnuson requested the committee's support in he and Yeasting taking on the project. The committee agreed.

Species updates

Flatfish

O'Hara stated that the European markets were strong. He said flatfish prices were climbing and at a record high. He saw a huge demand and a shortage among customers. He speculated that demand was very high in Europe due to low European plaice catch. He noted that flatfish was one of the few species still on the China tariff list. He said that in Japan prices were already very high for flatfish, and so with the increases there was some pushback but people were still buying.

O'Hara said Atka mackerel was extremely popular in Japan and popular among young people and at Izakya bars. He said Pacific Ocean perch seemed stable, and observed that its bright red color worked particularly well in Japan and China because red symbolizes good luck. O'Hara felt Atka mackerel and PoP were home runs for ASMI because they were very popular and could bring people to the brand, especially younger people.

Salmon

McGinley stated those who sold product early in the salmon market did well. He warned that large catches would influence salmon, and anyone sitting on salmon was going to see a price drop. He noted that sockeye was the least affected of the species. He said Russia had a major pink catch with China as the number one market, and that they had flooded the market causing the price to drop. He said pink and chum prices were down.

McGinley said there was a big flood of roe coming into the market. He said he had heard there was enough green roe sitting in Japan to satisfy the market for 2019 already.

Janzing said there were good pink harvest projections everywhere except southeast and that it could be a record year for chum salmon. He predicted challenges ahead for salmon.

Young stated canned sales were down in volume but up in value because of a 40% increase in canned red prices and a 20% canned pinks. He said the question ahead was how the market would handle it. He said some of their customers were looking at taking frozen product to Thailand and bringing it back as twice cooked product and shipping it to Europe and Canada. He said overall, things were in balance in terms of supply and demand.

Cod

Petersen said it would be interesting to see how European markets did during Lent. He said he had heard from some customers that they were getting offers from Russia in places that did not typically source Russian product. He stated their long-term customers were still buying, but one area they were struggling was new markets and new customers. He stated prices had softened from what they had been a year ago. He thought the next few months would be a pivotal time and that it would be interesting to see what happened.

Yeasting asked about quota reductions.

Petersen said quota and prices both went down. He said there was a frenzy after the gulf collapse and more interest in cod and making sure suppliers had it. He said with the cuts, some customers were worried there would not be enough product and were looking at supplementing with other species, but then questioning whether it was worth combining Alaska product and that from other places.

Magnuson encouraged everyone to keep in mind that Alaska was only one part of the cod equation compared to the world wide supply, and that it was important to keep in mind what was going on with the global supply.

Wild Alaska Pollock

Yeasting said the market had changed significantly in the last few years, going from a low to the high. She said much of the product from the A and B season was pre-committed and prices were coming up in Europe. She stated there were more promotions going on in the U.S. calling out Wild Alaska Pollock and they were starting to see a lot of traction and recovery in the market. She said many of the new products being made were more U.S. focused with easy ties to origin.

Halibut

Barnett informed the committee that the IPHC was planning to take on the chalky halibut problem. He gave kudos to Michael Kohan for gathering the information on the issue and bringing it to the IPHC.

McGinley commented that one issue with halibut was that certain ports were unable to hit the fresh market, including Kodiak, and were unable to match prices of halibut coming out of Seward and Homer. He said the issue seemed to be getting worse and worse.

Black Cod

McGinley said black cod had taken a bit of a drop. Risher said there was high inventory and low demand, causing the price to drop. Petersen said there were going to be smaller fish around for a while, but noted that in Japan some customers had been successful in establishing younger customers with the smaller fish because there weren't priced out.

Herring

Aoyagi said the market was not there because kazunoko had lost popularity as a gift item. He said herring was just going to the consumer market, which was tougher for pricing. He thought if the price came down, it could have potential in the consumer market.

Next Meeting Date

Lindoff suggested June 10th as the date for the next IMC meeting. The committee agreed on June 10th in Seattle.

Heimbigner said ASMI would send out the information, dates and scope of the summer inbound Cochran trade missions. She said suggestions for participants could be sent to ASMI staff.

New Business

Stephan thanked the staff on their works since all hands, and Yeasting for hosting the meeting in the Trident offices.

McGinley commended ASMI staff on procuring additional funds through ATP.

Yeasting thanked ASMI staff for following up on millennial outreach.

McGinley moved to adjourn. Yeasting seconded. Meeting adjourned at 3:55.