Alaska Seafood Marketing Institute

Alaska Seafood Marketing Institute (ASMI)

International Marketing Committee Meeting

Monday Aug. 15, 2022

9:15 am - 3:00 pm PT

In person and Teams Meeting

Draft Minutes

Call to Order

A meeting of the Alaska Seafood Marketing Institute (ASMI) International Marketing Committee (IMC) was called to order in person and virtually (via Teams) by Madame Chair Julie Yeasting at 8:30 am PT on August 15, 2022.

Roll Call

Committee Members Present

Julie Yeasting, Chair
Frank O'Hara III, Vice Chair
Shigeki Okano
Michael McGinley
Phil Young (via Teams)
Merle Knapp (via Teams)
Joel Peterson
Rasmus Soerensen
Bob Barnett
Bob Janzing
Jeffrey Stephan (via Teams)
George Li
Tomi Marsh, Board Member (via Teams)
Richard Riggs, Board Member (via Teams)

Committee Members Not Present

Duncan Fields, Board Member

ASMI Staff and Others Present

Hannah Lindoff, Senior Director of Global Marketing & Strategy
Nicole Alba, International Marketing & Grants Coordinator

Susana Osorio Cardona, International Marketing Coordinator – Europe
David McClellan, Southern Europe Marketing Representative
Jeremy Woodrow, Executive Director (via Teams)
Anastasia Talalay, Southern Europe Marketing Representative (via Teams)
Tim Welsh, Southeast Asia Marketing Representative (via Teams)
Carolina Nascimento, Brazil and Latin America Marketing Representative (via Teams)
Jens Hombeck, Central and Western Europe Marketing Representative (via Teams)
Alexa Tonkovich, Northern Europe Marketing Representative (via Teams)
Ksenia Gorovaya, Eastern Europe Marketing Representative (via Teams)
Ron Risher, OBI Seafoods, Whitefish Committee Chair and Salmon Committee Vice Chair
Jeff Otness, OBI Seafoods, Shellfish Committee
Michael De Caro, Peter Pan Seafood, Domestic Marketing Committee
Joe Logan, Trident Seafoods, Technical Committee
Mark Palmer, OBI Seafoods, ASMI Board

Irina Zilanova, OBI Seafoods
Steven Nast, OBI Seafoods
Andy Wink, BBRSDA

Approval of Previous Minutes and Agenda
Knapp moved to approve draft minutes from previous IMC meeting on Feb 28, 2022, Barnett Seconded. All agreed. Motion passed.

Guest Introductions
All non-IMC members introduced themselves, and were welcomed to the meeting by Chair Yeasting.

Public Comment
Wink asked about discussing the Bristol Bay sockeye situation. Chair Yeasting invited Wink to join the salmon species update in the agenda.

Chair's Report and Comments
Chair Yeasting expressed her happiness at being able to meet in person again and at the possibilities offered by current technologies. She thanked ASMI and OBI for hosting the meeting, and expressed her gratitude for being present. She thanked Vice Chair O'Hara for having recently hosted the industry and ASMI's Transgourmet Inbound Mission group at his company's dockside facilities. She also expressed her gratitude for the group of people that are part of the IMC. She highlighted that there is a lot of work to be done during the new fiscal year, especially in connection with the good salmon season. She also reminded all present about the importance of calling out Alaska. Finally, she invited all present to take off their 'company hats' and to don their 'ASMI hats.'

Vice Chair's Report and Comments

Vice Chair O'Hara started by thanking ASMI, and noting that he would not be talking about Covid-19 this time, but would start with a macroeconomic overview. He reported a positive outlook for the finished product market, good demand and high market prices overall: consumers are paying 16% more for seafood. However, he also expressed his concern for the high labor costs, logistics issues and raw material shortage. He declared that rising inflation is weakening the economy, and that in order to justify the high prices of seafood to consumers the industry must continue to show the value of seafood. He closed his remarks by leaving open the question of how to keep pushing consumers to continue purchasing even at high prices.

Program Director's Report and Comments

Lindoff started by thanking OBI for hosting the meeting. She reported that the meeting's agenda had been set up to be discussion driven, and that, unconventionally, it would start with species updates. She also underlined the importance of the meeting being about committee members and guests' participation. Lindoff then enumerated the desired meeting outcomes:

- Discussing Seafood Expo Global trade show with Southern Europe Marketing Representative, David McClellan, and analyzing the need to raise exhibiting space prices or to cut on other expenses.
- Discussing and voting on outbound trade mission proposals for fiscal year 2022-2023 in order to start planning them.

She also reporter that Abi Spofford, former International Marketing Coordinator for Asia, had left ASMI, and that, in general, the International program, along with other ASMI programs, is being impacted by nation-wide labor shortages. On another note, she noted that the program has a strong group of overseas marketing representatives (OMRs) that continue to do outstanding work in their regions. She reported that former ASMI Executive Director, Alexa Tonkovich, had returned to work for ASMI as the head of the food and beverage division for our Northern Europe marketing representative agency, LOTUS.

Lindoff informed the committee about the different inbound missions that took place in Alaska and Seattle over the summer, and thanked Nicole Alba, Susana Osorio, and Abi Spofford for their hard work in organizing and hosting the missions. She explained that inbound mission are one of the hardest tasks performed by the International team, due to long hours and intense work.

Species updates

Lindoff explained that this section of the agenda was moved to the beginning of the meeting for Europe and Asia based OMRs to be able to take part in it.

<u>Alaska pollock, Rasmus Soerensen:</u>

Soerensen reported an unusual situation for Alaska pollock with strong demand for all products, from frozen surimi and fillet blocks, to rendered products, such as fishmeal and fish oil. He explained the situation of the AK pollock industry as "order takers" in the current market. In terms of inflation, he noted that pollock is at the lower end of the price spectrum and thus remains at a good value and somewhat inflation-proof. Their raw materials end up in retail bound products, which have done well during pandemic, but pollock is flexible. Seventy-five per cent ends up in retail and twenty-five percent goes to foodservice. Retail is king so they have done well.

Soerensen also noted that, while the price is high, costs have never been higher; labor is a continuous problem for our industry, it is hard to attract people to AK, to get them on the vessels. It is hard work and continues to be a challenge to attract talent to our industry. Fuel, freight, packaging, and ingredients all have risen in costs; price inflation for seafood is passing along high manufacturing costs. Surimi is 50% of overall output. Japan is the biggest market but their currency is weaker. That challenge is leading to higher price increases in Japanese market measured in local currency. The industry has not grown very much in Japan, so 30-45 percent increases in local currency in Japan have been tough. However, everything else is also 45 percent more expensive, not just seafood. Our industry is competing with other types of protein that are going through the same situation.

He explained that the demand side would remain strong, because pollock is at the value end of seafood, therefore recession proof. People tend to downgrade when the price gets high. Pollock is well priced for this scenario, both surimi and filets. Blocks struggle to produce enough to satisfy demand in the market. Labor related challenges led to the production of surimi. It takes four people to run a surimi line instead of 12 for a filet line. Production is steering back to filet block because they are getting better at getting people on board. He reported that the QSR segment in deep skin filet block has done really well through pandemic in South America. Demand has stayed high, and a new group of customers was created during the pandemic that will stay on board after it is over.

In relation to the China situation, Soerensen commented that it is hard for the filet block market to get raw material into and out of China once processed. It seems to be improving, but there is a hole in the supply chain resulting in an abundance of delays.

In terms of the invasion of Ukraine, he reported that it has affected product flow on a global basis due to sanctions put on Russian product by world leaders, and that it would continue in the foreseeable future. For example, there is a 35 percent tariff on imports into the UK and the situation will continue to create unpredictability.

He also commented that Covid is still with us, not behind us yet. But added that our industry has navigated it well due to their familiarity with fast change. It has been a very costly process, but we have made it work.

On the topic of fish meals and oils, Soerensen noted that the strong demand in aquafeed in Asia continues to be very strong and has led to higher prices, and that the premium pet food marked fared very well during the pandemic. His suggestion was that ASMI and industry members increase their engagement with these industries because they want to tell the Alaska story, inform their consumers about the species, call Alaska on their packaging, and ultimately find good suppliers. Get involved!

Peterson asked about the 35 percent import tariff into the UK. Soerensen replied that it does not apply to Russian products that were processed outside of Russia. Only direct shipments are affected. He does not think that the EU will follow suit. as they don't want to make food products part of a trade war. This is also Japan's take on it. He explained that the tariffs affect the flow of products, and that 50 percent of wild caught supply to the region comes from Russia leaving customers without viable alternatives.

Yeasting commented on the importance of following products to the source, on the opportunities related to identifying the geographical origin of raw materials, not only finished goods. Soerensen agreed this could be an opportunity to get customers to commit to a relationship with the Alaska

seafood industry. Given the fact that they want reliably, ASMI's staff should also be involved in the efforts to increase calling out Alaska origin on packaging.
Janzing noted that the exchange rate between the yen and the dollar, and the euro and the dollar is almost on par, where there used to be a 20 percent difference.
Decaro asked what percentage of imports into the UK were from Russian origin. Soerensen replied that it depends on species. Cod and haddock are a big issue causing restaurants to close. Raw materials have gone up, not only seafood, but also potatoes and sunflower oil. Our industry will be affected by the cost of those items as well. He continued to comment that the Alaska seafood industry should increase its traceability for products that go to China for reprocessing, following the EU's example. This could be a differentiating factor for AK seafood.
New committee member George Li from Whittier Seafood arrived at the meeting and introduced himself.

<u>Alaska salmon, various:</u>
Wink noted that the harvest in Bristol Bay was 50 percent larger than last year, with a never-before-seen surplus of 50 million fish which has started to impact value and prices. Bristol Bay has produced 50 to 60 percent of Alaska salmon ex vessel value in the past. The salmon surplus represents a 100-million-pound increase from last year. Russian sockeye salmon catch is higher too. In 2014, sockeye salmon was not selling well and the market fell apart going into 2015, hopefully this won't repeat itself. Wink expressed his interest in hearing about Japan and EU markets and added that action would be better now than later.
Young stated labor costs, access to labor, and overall costs are universal problems. For salmon, there's more sockeye available leading to great uncertainty. He noted there had not been huge impacts on filet sales yet because most stay in the US, with no currency impacts on the domestic market. He noted that the industry had to put much of the fish into product forms that are less labor intensive, that is, canning and H&G. Filets will not see their output go up. He explained that purchases of H&G and canned are very slow and that consumers are buying hand-to-mouth, and that the industry has not taken any steps yet, they want to see how things go.
For pink salmon, Young reported that customers bought enough to get them by for a year and a half almost two which might not be the best for the seafood industry. He added that we don't know the effects inflation will have, especially because salmon is at the higher end of the price chain, as opposed to pollock. He concluded by saying that it is still early to predict how the situation will develop, and commented that British Columbia is about to start fishing sockeye salmon this week and could experience a big run as well. Customers are waiting to see what will happen.
McGinley noted that, on the positive side, a lot of fish is better than no fish. He reported that on the low end of the price scale, pink and chum salmon are moving well, but sockeye remains in question as consumers shift to lower value species. He also commented that the fish farming industry is always upping their production, which should be considered along with the big runs recorded for wild salmon. We have new markets, people have fallen in love with sockeye, the consumer likes it and knows it, but does not love the price. Our industry is at stage where the right promotions and the hard questions matter. In his opinion, we need OMRs to promote sockeye salmon in the EU even if there is resistance

versus farmed salmon because that market will burn through farmed inventory and customers will eventually buy wild salmon at a later date.

McClellan commented that there is an established acceptance for wild salmon in general in the European market, but that chum and pink salmon tend to go under the radar. He explained that farmed is less expensive than our wild salmon, but ours is superior quality. Prices in sockeye fillets and H&G are twice as much as farmed salmon price, which has become a limiting factor. He suggested to moderate prices this year to regain market share in Southern EU and to prevent sockeye to go back to its previous state of being too expensive for some restaurants and retailers.

Chair Yeasting asked for suggestions on how to increase sales of salmon. Okano estimated that 1,200 extra containers of sockeye were harvested in AK, a huge amount, and that the Russian salmon catch is around 27,000 tons salmon. There will be a lot of supply. He stated that filets will have less supply because they're harder to produce, leading this product form to tank. It's an industry problem. The market has the right demand, but what is the right price level to get consumption started? At the same time, the amount of pink and chum salmon is not as high and their prices are going up as well. Roe prices are going up again. Japan is paying enough even at the exchange rate. He concluded that it is a confusing market.

Yeasting then asked for recommendations on where to focus our effort. Janzing suggested to push sockeye in Japan, but feared it would lead to push back from the Russian side and could result in a price war. McClellan added that southern EU does not get a lot of Russian supply, leading to opportunity for refreshed and frozen sockeye, but it needs to be channeled through big retailers. He thinks it could be a good opportunity to get back in the market because we've lost customers due to prices increases.

Janzing asked Tonkovich how the UK market is doing and where the opportunity could be. In response, she mentioned partners such as New England Seafoods, Waitrose and Wholefoods, and reported that the UK is facing high inflation like everyone else and price promotions might be the way to go.

Nascimento added that there are niche opportunities such as some sockeye going into Brazil and there being a wider range of players. She also recommended to keep investing in training and promotions with retail, and reported that future opportunities in Peru and Chile are under discussion.

Welsh stated that sockeye salmon is number one for local importer and distributors in South East Asia, particularly in Indonesia, Thailand, and Singapore, and is becoming more popular in Vietnam. He also welcomed the possibility of a greater supply for the region because it was dwindling at the end of last season, and stated that his team would continue to push sockeye salmon in SE Asia.

Lindoff inquired about the possibilities around sockeye ikura and sujiko since there will be more roe available. Okano replied that sockeye roe is lower than pink salmon roe in the price scale, but that there's less supply of pink roe which might be good for our industry. He also said that the focus is on ikura production. He thinks that there will be more sockeye ikura production because of the price gap with pink salmon roe and we as an industry must create new marketing strategies to add value. He commented that sockeye roe has a beautiful color even though its size is smaller, and that it could fill the gap left by the decline of Hokkaido chum salmon and by a lower availability of pink salmon roe. He also explained that sockeye roe has a rich taste, different from pink, doesn't pop when chewed due to its softer shell. He reported that currently it all goes to Japan for processing, but that new methods need to be developed by the Alaska industry due to the tightness of the skein and its need for hand instead of

mechanical rubbing which is much more labor intensive and yields much less than other types of salmon roe.
Lindoff commented that perhaps ASMI and BBRSDA could combine forces to work on sockeye ikura.
McClellan inquired about an ingredient added to sujiko that is not approved by the European Union.
Okano replied that sujiko might not be the easiest product to market in EU due to its characteristics and that a new type of product could be better. Janzing added that the sodium nitrate added to sujiko was most likely banned the banned ingredient alluded to by McClellan, and clarified that it is not added to ikura.
Ksenia Gorovaya, OMR for Eastern Europe joined the meeting virtually. Lindoff invited her to comment on the salmon ikura and sujiko discussion. Gorovaya declined for the moment until her internet connection improved. Wink commented that roe does not represent a high percentage of the value for sockeye salmon in comparison to it representing five percent of the value of pink salmon and 35 percent for chum salmon. He added that smoking could be a better option for the high numbers of sockeye salmon. He also reported that there is an abundance of H&G and less fillets, which would work well for refreshed, twice frozen, and smoked salmon promotions. He also commented that it would be good to see sockeye roe adding value to the species but that the Russian industry would also have a lot to offer and would likely flood the Japanese market before Alaska products. He reported that BBRSDA is interested in promoting the product internationally, but doesn't have the possibilities yet. In his opinion, the market is currently uncertain and promotions will be necessary to try to stabilize, although it could also remain so if sales didn’t move resulting in the same market situation seen 2014-2016.
Okano added that Russia does not export sockeye roe, but does export H&G.
McClellan asked about the size of salmon this season. Okano replied that it is getting bigger. Janzing added that the sizing was mostly 2 to 4 and McClellan noted that smokers need larger sizes. Mcginley reported there is an ample supply of sizes 4 to 6 for smoking.
Gorovaya reported that sockeye roe would face difficulties due to the critical situation in Ukraine. Galios saw their sales drop by 30 percent and she has not seen any sockeye roe available in their market. Pink roe is also facing challenges in Ukraine because of the impoverishment of the population. There is no access to most ports and warehouses have been lost to bombing in the Kyev region. In summary, there is a lot of uncertainty. She reported interest for H&G sockeye in Lithuania for smoking and reselling in EU, resulting in opportunity but also in concerns about parasites in wild fish. Whatever is processed in that region won't be for consumption in the Baltic states. Jens Hombeck, OMR for Central and Western Europe offered help to Gorovaya.

Pacific cod, Joel Peterson:

Peterson reported that the present is the best time to be selling Pacific cod, particularly long line FAS products. Supply had been allocated for a while, so consumers are eager to take whatever becomes available. Prices good, there was a 20 percent increase in quota although the industry is still 36 percent below what they had in 2016. They are hoping for an increase. He reported an abundance of smaller sizes, with some availability of bigger sizes, but under 3 being considered grown. He stated that the catch rate is good, 18 percent higher. He also reported a growing but still moderate interest for the species Japan, China and the EU. He commented that patience was needed with the Chinese market and

that so far things are going well in one port only. For other markets, he expressed his concern about difficulties associated with product storage for Christmas and Easter.
Yeasting inquired about prices and generalized reluctance about inflation. Peterson responded that increasing inflation rates helps to control prices and it is necessary to help offset increased fuel and freight prices, which in turn will impact their margins. He noted a lack of availability within the supply chain resulting in serious delays (A season catch shipment had just arrived in Seattle).
McGinley inquired about the UK market being left behind. Peterson replied that they subsidize freight in an effort to keep different markets alive.
Yeasting asked about the impact of UK tariffs on Russian caught Pacific cod. Soerensen suggested that ASMI works on enlarging the Alaska Pacific cod market in the UK, especially for fillets. Peterson showed his agreement with the suggestion.
Vice Chair O'Hara asked about demand on the East coast. Peterson explained that there has been a transition over the years, but that tariffs in general are definitely affecting the species. He also reported that there have been no good outcomes on the Alaska origin recognition due to Russian caught products being able to go all around the globe.
Yeasting commented on the need for recruitment and on the fact that larger fish sizes had been common for a long time. She hopes for a 10 to 15 percent increase in quota, and noted that Alaska Pacific cod represents 10 to 15 percent of the global supply and that identifying AK origine should be a top priority.

Flatfish, Frank O'Hara:
O'Hara reported challenges above and beyond. Despite inflation's impact on yellowfin sole, it has remained a versatile low-cost option for many markets. He agreed with Soerensen's comments on Alaska pollock, and commented that 25 percent tariff exemption for filets coming from China into the US expires on December 23, 2022. He noted that it is currently extremely risky to ship fish to China and that they are red-listing boats and not only containers. He reported that rising expenses are a challenge to flatfish. He also highlighted the importance of diversification outside of the Chinese market, although there is a huge demand in China for flatfish as raw material. He reported that the increases in filet prices in the US have not lasted, making it a better suited product for export to markets such as EU and Japan.
O'Hara also reported that Glacier Fish, American Seafoods and O'Hara Corporation have jointly created Wild Alaska Sole Association (WASA), a new organization for the promotion of flatfish, to do work equivalent to that performed by GAPP for Alaska pollock. Pat Shanahan will work with ASMI for this new organization. The organization's primary goal is to stabilize the price of flatfish and the sales of finished products, and to do so they will invest in traceability.
Soerensen commented that now is a good time for the marketability of this type of fish due to the possibility of origin tracing and of importing it into the EU through Rotterdam. He asked the committee for suggestions about what would be best given the current state of the world: emphasizing on USA origin or on Alaska origin. O'Hara leaned towards emphasizing on AK origin and Lindoff towards USA origin for Eastern Europe and AK origin for the rest of Europe and the world. She said such choices were informed by FAS/USDA research.
O'Hara explained that WASA will focus on achieving freedom to market flatfish and on data gathering during their first year, starting by gathering information on the UK, France and USA markets.

Atka mackerel and POP, Frank O’Hara:

O’Hara noted Transgourmet Inbound Mission participants’ (Germany and Austria) interest in POP filets, and that the products price point was workable and needed to be increased. He explained that POP sells well in Japan, especially now that factories and schools have reopened, and that bento boxes have been successful at reatail. He said that although the sales are made to Japan in USD, consumer are having to pay more and more in the local currency due to widespread deflation, resulting in an impossibility to raise prices.

For atka mackerel, O’Hara reported that in Japan, Norwegian saba sales are around one million tons and the species is commonly used for lunch dishes and as a more high-end product for dinner time options. The filet market has replaced the whole fish market for atka mackerel and it is being used for lunch menus rather than for dinner menus, and izakaya are no longer the sole point of sale. However, the populations are not truly eating out in restaurants and Tokyo is still deep into Covid protocols, unlike other regions of the country. He also reported seeing the ASMI logo on atka mackerel products available at retail stores in Japan.

McClellan asked whether the species is being sold whole round directly to Japan or being reprocessed in China before reaching the Japanese market. O'Hara explained that 70 percent is going directly to small to medium Japanese factories that do simple reprocessing.

Soerensen wanted to know more about the reprocessing industry Japan. O’Hara reported that it is good and it’s starting to come back.

McClellan commented that there has been a rebirth of local reprocessing in Europe and that it is necessary to contribute to its development in Portugal and Spain. Soerensen expressed his agreement and added that the same work would be necessary for Poland and the Baltic states. McClellan adde that Spain fishes a lot of rockfish.

Yeasting inquired about flatfish consumption in the EU. O’Hara explained that it is served in white tablecloth restaurants and that it offers great potential for Alaska sole, particularly yellowfin sole. Mcginley commented that it is necessary for ASMI to target reprocessors in that region for H&H and whole round fish, because filet production is already going well. He emphasized on the need for smaller reprocessors, and suggested that OMRs focus on finding such opportunities, for instance, in Eastern Europe and Poland.

Sablefish, Joel Peterson:

Peterson reported there being an abundance of fish. He also noted that the industry is still dependent on Japan and there is interest in expanding it to Europe. Fish sizes of 5-7-10 are currently an important factor.

Soerensen asked why the EU hasn’t yet become a bigger market for sablefish, and Peterson explained that it could be due to fish sizes being too small and to the seasonal availability of the species. He commented that bigger sizes are caugh on the East coast. De Caro reported his company has been successful at transforming it into filets instead of H&G for the European market. Janzing added that Japan used to take all available supply but is not doing so anymore, and have shifted to preferring

smaller sizes only pushing bigger sizes out of the market. He noted the need to push for 4-5 to be accepted since it is almost equivalent to sizes 3-4.
McClellan suggested that single frozen filets could be a way to build the market in the HRI sector of Souther Europe, but Janzing countered that recovery was too low.

<u>Pollock roe, Merle Knapp:</u>
Knapp reported a positive situation for pollock roe, with current market dynamics not permeating and affecting this market. He noted that 99 percent of supply is sold at auction.
Yeasting asked about different markets and opportunities for mentaiko outside of Japan, and Knapp responded that GAPP is currently working on creating them and that they have a new committee structure.
Gorovaya commented on opportunities due to pollock roe processing being highly demanded, and added that she would focus on promoting the product in Eastern Europe.
Knapp commented on the need for support from OMRs in promoting pollock roe in individual markets.

Suppliers Directory Overview
Tanna Peters, Digital Marketing Manager, gave an overview of the Marketplace available on ASMI's website which replaces the previous Suppliers Directory.

Seafood Expo Global (SEG) Trade show discussion

- Review of booth structure

McClellan showed the two-story booth currently available. He reported that in 2023 the Alaska Seafood Pavilion would be located in the same place and space as in 2022 and woud have a similar structure. He noted that the objective is to communicate ASMI's message and the high quality of seafood at the show.

- Pavilion improvements overview

McClellan reported that back wall images within booth would be raised as well as company logos on the walls, that the gap in between walls would be closed, and that the upstairs meeting area would be adapted to provide spaces with more privacy.
Soerensen asked about the possibility of creating more available square footage in the second level by covering atrium open space with a solid ceiling. McClellan replied that it would create a cramped feeling and limit air circulation. It was also suggested that the space is general could be made less sterile and cozier.
De Caro opined that the upstairs meeting area should be better managed, for instance, through a reservation system.
Yeasting suggested to convert the big meeting table space into a meeting room along with another one of the meeting spaces. The two other areas could be kept as open meeting spaces.
Yeasting suggested voting on the propositions. All committee members voted in agreement with converting the large meeting space into a private meeting room, and with providing a sign-up sheet for all four upstairs meeting spaces instead of only having it for the large meeting table. It was also convened that ASMI staff should make sure that only Alaska companies with reservations were using the space.

- Good aspects of SEG 2022

Soerensen highlighted the great table service provided, the food and drinks, and the professionalism of staff. All committee members acknowledged that booth layout and space had been appropriate and functional, and that high signage had been very helpful and convenient.

- Restaurant week

All committee members agreed that it was necessary that staff at participating restaurants were more aware of the wild Alaska seafood being served and of the event taking place. It was also suggested that the restaurants stay open during all days of the show and on shoulder days.

- Expenses and space costs

Lindoff explained the possibility of raising prices for co-exhibitors due to a generalized increase in costs associated with the trade show and with its new location (Barcelona instead of Brussels). She asked what committee members thought would be a reasonable increase. She also reported that the last increase had taken place in 2015 and proposed a 10 to 20 percent raise in booth and table prices, which currently are $5,000 and $1,200, respectively.
Yeasting asked how the Committee should respond. Mcginley, O'Hara and Soerensen suggested postponing the price increase discussion for 12 months due to the fact that the Alaska seafood industry has had to face an overall increase in prices in past years (shipping, fuel, manufacture, etc.). Yeasting concluded by suggesting to discuss the topic at the IMC budget meeting scheduled for February 2023. All agreed.
On a related note, Lindoff reported that the industry had expressed a lot of interest in the upcoming shows in SE Asia to take place in next September in Singapore: FHA and Seafood Expo Asia. She noted that the same model could be adopted for shows in China, in case they become an option again in the future, that is, to have an ASMI booth at the show and to make it available to all industry members who wish to attend and conduct their meetings at the booth.

Lunch break was taken from 12:10pm until 1:00pm.

Call to order by Chair Yeasting after lunch break at 1:00pm.

EMP Research Program

Lindoff introduced Kelly Ewing from Rose Research. Ewing presented about the grant obtained by ASMI to conduct a future market potential research project in the African continent which started in July 2022 and will continue over the next year. To conclude, he asked all present if they would be willing to take part in industry interviews as part of the second phase of the project. All agreed. Ewing noted that he would contact them in the coming month.

Sumer Inbound Trade Mission Recap/Discussion

- Wholefoods Trip to Naknek

Lindoff reported that she had met them during a conference and that on this occasion, their marketing team was invited to visit Alaska. ASMI is also working with them in the domestic market.
About Wholefoods engagement with FRM, Marks commented that they are currently wedded to MSC. However, their Vice-president of Perishables participated on the trip and is aware of the need for innovation. She also reported that their Director of Quality Standards has already been approached by

RFM team, which led to a call with Wholefoods Quality Specialist out of Switzerland. This meeting was an opening with that company and it allowed RFM to communicate to the company what the program needed of them.
Yeasting asked about the current state of the RFM program. Marks reported that progress has been made, that she would soon speak to NFI future leaders along with MSC representative, but on equal terms. She also noted that the program has made good progress for not having the same budget as MSC, and recommended all attendees to stay tuned to something important that would be coming in the next weeks.

- US Trade Ambassador Tai Visit

Lindoff commented that Ambassador Tai thinks the situation with China will not go back to being the same, and that it was monopolistic and not beneficial in the long run. She reported that the visit was a good educational opportunity on Alaska seafood for all present. On another note, she commented that individual importers have to apply for exemption from Chinese tariffs directly.

- Latin American Inbound Mission

Alba reported that it was a hands-on educational opportunity on salmon and whitefish for participants, that meetings with the larger industry were conducted, that the group visited Petersburg, Juneau and Seattle, where plant visits, charter fishing, and Alaska sightseeing activities were conducted.
Yeasting asked Nascimento about the feedback provided by participating buyers. She shared that they expressed interest in salmon, flatfish, rockfish, cod, pollock and higher-end species.
Mcginley highlighted and commended the diversity of companies included in the participants list.

- PT BMI (Indonesia) Inbound Mission

Lindoff reported that ASMI had participated in the Juneau portion of the mission organized by Ron Risher from OBI. The group shared valuable insights about their market and learned in turn about the Institute’s work. Lindoff made a general suggestion to attendees to involve ASMI in their group missions.
Risher reported that PT BMI has been selling and representing AK seafood in Indonesia for five years, that they are one of the largest processors for shrimp and crab meat in the region, and that they are very geared towards Southeast Asian market, with a focus on finfish as well
O’Hara added that he met them on an outbound mission to Indonesia organized by ASMI in 2017.

- Transgourmet (Germany and Austria) Inbound Mission

Osorio reported that the group of buyers was very knowledgeable and interested in AK seafood and benefited greatly from the activities, visits and meetings in Kodiak and Seattle.
Stephan that, when visiting Kodiak, the group should spend one mere day on the island in order to make the most of their visit. He also noted that Rep. Louise Stutes, from Kodiak to the legislature attended one of the events organized in Kodiak to showcase Dungeness crab and had the opportunity to meet with the group and hear more about their trips and plans with Alaska seafood..

Lindoff reported that a group of Georgian buyers would visit Juneau in September 2022 as part of an externally organized Cochran mission to the West coast. She also reported that a German television crew has expressed interest in coming to Alaska in September 2022 to report from a salmon trolling boat.

Mcginley and Soerensen suggested caution with such TV crew visits and talked about the importance of thoroughly vetting the group of visitors given bad past experiences with pollock boats and traceability produced for and aired in Europe.
In connection with the Wholefoods visit, Soerensen also underlined the importance of inviting the marketing representatives and not only the buyers/sellers from the companies that take part in inbound missions, since they are the decision makers that would be able to focus on telling the Alaska story.

Fall Outbound Trade Mission Discussion
Lindoff started by saying that ATP funds would only run through September 2024. Therefore, they must be used before then.

- Southeast Asia

Alba reported that Welsh, the region's OMR and his team have proposed Vietnam as the primary destination for the mission, and have suggested to limit it to a maximum of two countries. They also proposed the Philippines and Indonesia as options.
Soerensen asked about the Vietnamese market. Risher commented that sablefish is present in the market for both the high-end sector and reprocessing, as well as wild salmon. He suggested that the best Thailand rather than Vietnam would be a better destination for wild salmon since the latter focuses on farm raised salmon. He also added that PT BMI has suggested Jakarta and Surabaya as destinations to visit in Indonesia for processing and Bali for restaurant chains and tourism potential for AK seafood.
Barnett asked about the possibilities in the Philippines.
Lindoff explained that, ideally, one or even two missions to this region would take place.
Alba reported that the possible dates for this mission would be the week of Jan 9, the week of Feb 13 or the week of Feb 20.
O'Hara commented that all suggested dates fall at the beginning of the flatfish harvesting season.

- South America

Alba suggested going back to Peru and visiting Colombia. Soerensen asked about the possibilities in Colombia given that ASMI has already organized a mission to Peru. Nascimento commented on local processors and reimporters of already processed products. She also reported that ASMI Latin America had recently exhibited at a trade show in Bogota, Colombia, in which many trade leads were collected. She proposed Cartagena, Cali and Bogota as potential destinations in order to focus the mission on processors to generate long term opportunity in the region.
Alba reported that the possible dates for this mission would be the week of Feb 13, the first week of March or the week of May 8.

For the Southeast Asia mission, O'Hara recommended visiting Vietnam given that he has Japanese clients that are also interested in that country.
Yeasting suggested voting on the different options
Mcginley asked if they should choose between visiting Southeast Asia or South America. Lindoff explained that both would take place, and that ASMI needed input from committee members on the best dates for both.

Yeasting asked each Committee member about their interests and preferred dates:

- Soerensen voted for Indonesia over Vietnam, for the consumer market rather than the processing market, and also suggested Thailand. He voted for visiting Peru again due to their willingness to adapt to reprocessing needs, and suggested to add Colombia.
- Barnett voted for Vietnam due to reprocessing possibilities, and suggested a visit in late February.
- Yeasting voted for Vietnam and Indonesia on the 3rd week of February to visit processors as well as HRI and trade sectors, and due to the possibility of marketing higher priced items. She suggested visiting South America around APAS trade show or after.
- Li voted to visit Vietnam and reported no interest in visiting South America.
- Okano voted to visit Vietnam due to possibilities for marketing and selling products within Asia, for finding green roe buyers interested in making ikura and exportin to Asia and Japan. He reported no interest in visiting South America for the time being because more infrastructure in needed in the region and it would be a long-term region to establish.
- Mcginley voted to visit Vietnam for reprocessing possibilities and took Risher's suggestion of visiting the region in early January of late February. He voted to move the visit to South America closer to APAS, and emphasized the importance of having viable participants for the mission and establishing a registration deadline.
- Janzing voted to visit Indonesia due to its population numbers and wealth. He voted to visit Colombia and Peru around APAS (after SEG).
- O'Hara commented on his experience of visiting three countries in a week with ASMI, in 2016, and recommended focusing on only one. He voted to visit Peru due to their processing facilities and Colombia to learn more about new markets.
- Peterson voted to visit Vietnam first, but not in January. He had no preference for South America because he's not familiar with the opportunities in the region, but suggested doing it in May.
- Young voted for visiting Vietnam first, around February. He suggested not to plan missions around major trade shows such as SEG. He also expressed his interest in South America in general.
- De Caro, as guest, voted to visit Vietnam, given that its domestic market is growing and could offer opportunities. He also noted that freight could be a challenge in that region, but added that companies are getting stablished. He suggested visiting at least four weeks after the lunar new year. He also voted to visit Peru later in the year.

Yeasting asked about a stopover in Singapore while visiting two countries. Lindoff suggested to visit Vietnam first and Indonesia next time.
O'Hara asked that Welsh, Southeast Asia OMR and his team put together separate itineraries for Vietnam and Thailand and then to evaluate which would be best.

In conclusion, the Chair Yeasting summarized that the Committee recommended to visit Vietnam at the end of February 2032, and Peru and Colombia in May 2023 around APAS trade show.

Upcoming Tradeshows

Yeasting suggested doing a recap on upcoming trade shows for this fiscal year. Lindoff, Alba and Nascimento informed on that FHA Singapore would take place in September, as well as Seafood Expo Asia, that Seafood Show Latin America in Brazil will also take place in September, and that Conxemar in Spain would take place in October.

Good of the order

Yeasting asked all present about the good of the order.

Mcginley asked if the next Committee meeting would take place at All Hands on Deck in November. Lindoff and Alba confirmed and noted that the terms of IMC Chair and Vice Chair would end this year.

No additional comments were made.

Adjournment

Janzing moved to adjourn, Barnett seconded. None opposed. Motion passed at 2:47pm.