

TO: ASMI Board of Directors

FROM: Alexa Tonkovich, International Marketing Program Director

RE: International Program Report

This report covers activities occurring in the third quarter of FY 15 and provides a general update of International Program progress.

ASMI International has received its U.S. Department of Agriculture (USDA) Market Access Program (MAP) allocation of \$4.16 million. ASMI International is participating in several USDA Global Based Initiatives (GBIs) with other cooperator groups, notably a collaborative U.S. seafood initiative in China and a GBI focused on sustainability outreach in the EU. ASMI International has applied for additional federal funds through the USDA Emerging Markets Program (EMP). Funds would allow industry to explore emerging markets in Southeast Asia (Thailand, Vietnam, Indonesia, Malaysia and the Philippines).

ASMI International is continually monitoring the political and economic situation in Russia and the Ukraine. Given limited promotional opportunities in this market, ASMI's Eastern European representative has conducted market exploration and trade servicing activities in other Eastern European markets, as identified by ASMI's International Marketing Committee (IMC).

TRADE SHOWS

ASMI attended the Seafood Exposition Global (SEG) trade show in Brussels, Belgium April 21-23, 2015. The ASMI pavilion hosted 20 co-exhibitors, ten exhibiting in booths and ten with tables. On site sales were reported to be over \$44 million. Additionally, seafood producers project sales over the next 12 months to be over \$650 million as a result of attendance at the show, a substantial increase over last year.

The APAS trade show took place in Sao Paulo May 4-7, 2015. The show targets supermarkets and other trade members. ASMI collected 40 qualified trade leads.



ASMI China hosted a display at HOFEX in Hong Kong May 6-9, 2015. ASMI collected a total of 65 trade leads, among which 22 trade leads have direct sales requests from Alaska seafood importers. In conjunction with the show, ASMI advertised in *Asian Hotel & Catering Times*, the official media partner for HOFEX, and presented an opportunity to reach the decision makers in the industry through the publication, total readership of over 150,000 was achieved. ASMI International will have participants at the Culinary Retreat, Tutka Bay Lodge, Alaska, July 14-17, 2015.

ASMI Brazil will exhibit at the Japan Food Show, August 3-5 in Sao Paulo.

ASMI will host a German Trade Mission August 9-14 in Ketchikan, Juneau and Kodiak.

ASMI collaborated with Alaska Tourism to host a group of Japanese chefs and an NHK crew in Seward, Homer, and Seattle.

ASMI International is collaborating with ASMI Communications to host the 2nd annual Domestic-International Culinary Retreat. International will bring chefs and media from Spain, Brazil, and the U.K.

China

Market Update: The United States, China's second largest seafood import partner, exported 370.9 thousand MT to China in the first nine months of 2014, with a total value of \$864 million. Increases of 14% in volume and 15% in value were made over the corresponding period in 2013. ASMI China has been in a close business relationship with the online and offline retailers to stimulate frozen seafood consumption by running several Alaska Seafood festivals, all of which received promising feedback and results in terms of sales.

Summary of Activities/Results:

Consumer PR/Advertising: ASMI China's press coverage campaigns have served as an effective and economical method for telling the Alaska seafood story to ASMI China's target audience. This includes television, radio, newspaper/magazine and billboards.

- *Results: 70 press mentions have been generated in the first round with an estimated value of USD\$56,000.*
- *Four advertisements were placed in lifestyle and food & beverage magazines to date. A total readership of over 3 million has been achieved.*

Retail Merchandising: Two retail merchandising promotions were held this quarter which resulted in nine new retail partners, 938 promotional days and 30 retail partners carrying Alaska Seafood on a consistent, long-term basis.

- *ASMI China collaborated with Friendship Store (3 outlets) & Dongshan Mall (2 outlets) to promote Alaska seafood. The entire promotional period ran from Feb. 1 - 28, 2015; the Chinese New Year occurred during the in-store promotion which boosted sales. Alaska black cod, Pacific cod, and pollock were featured during the promotion. Promoters were also arranged for tastings.*
- *From Feb. 1 - 28, 2015, an Alaska seafood in-store promotion was carried out at 5 Carrefour outlets in Shenzhen, and products like Alaska Pacific cod and pollock were featured during the promotion. Product tasting and other POS materials were also available to better promote Alaska seafood during the promotional period.*



Trade Shows/Trade Public Relations: ASMI China participates in select trade shows across China each year and leads US trade missions abroad. ASMI China participated in trade shows and public relations events including:

- *The annual **China Fisheries & Seafood Expo**, the largest professional seafood show in Asia, on November 5th - 7th, 2014. ASMI China ordered four booths with many varieties of Alaska seafood from high-end to price-point products were displayed, including salmon, three varieties of crab, halibut, black cod, Pacific cod, sole, sea cucumber, as well as salmon and pollock roe. More than a dozen Alaska seafood suppliers participated in the show and over 90 trade leads were collected as a result of the show, among them 22 had actual sales requests.*
- *ASMI China produced their third installation of a **quarterly newsletter**. 1,000 copies were distributed and 10 trade leads are expected to be collected.*



China Fisheries & Seafood Expo 1



China Fisheries & Seafood Expo 2

Website and Social Media:

- *ASMI China joined the American Food Festival online promotion from Jan. 21 -26, 2015 in collaboration with JD.com. Alaska seafood ads ran successfully on the shopping channel of WeChat, the most popular social media platform in China. By far, JD is the largest online direct sales company in China in terms of transaction volume with a market share of 54.3%. During the promotional period, different varieties of Alaska seafood including keta salmon, pollock, black cod, yellowfin sole, king crab, sea cucumber, and prawns were featured with special sales. Over 28MTs of Alaska seafood were sold as a result of this promotion.*
- *2,506 views of the ASMI website were attained in the 3rd quarter. ASMI promotional information, product information, and recipe information are what is most sought out.*

Foodservice Promotions: Four promotions were held in Mainland China. 181,670 kgs of Alaska seafood were sold. ASMI established thirteen new partners from foodservice promotions.

- *12 outlets of 37°2 Café in the cities of Guangzhou were selected to participate in the “Taste of Alaska” from Dec. 30 – Jan. 30, 2015. Products like yellowfin sole, Pacific cod, pollock, and snow crab were featured during the menu promotion. Overall, the event went very well with promising customer feedback.*
- *The “Alaska Gourmet Festival” took place in 130 outlets of Beijing Big Pizza from Dec. 30 – Mar. 30, 2015. This was a joint event held with the California Milk & Dairy Board, Sunkist Growers, and the California Prune Board. During the promotion, all participating outlets served yellowfin sole and pollock roe as part of their daily menu. Special POS materials such as posters, table mats, bunting, and flyers were designed and produced as store decorations. In addition, an advertisement was placed on www.dianping.com for greater consumer exposure.*

- To better capitalize on the Chinese New Year holiday season, ASMI China worked with Beijing InterContinental Hotel and Beijing Holiday Inn to host a menu promotion from Jan. 30 - Feb.28, 2015. Products like Alaska black cod, Pacific cod and yellowfin sole were highlighted during the promotional period. Special POS materials like flyers and large posters were produced. Also, a media tasting event was arranged and over 20 journalists were invited to taste and learn about premium Alaska seafood. Free coverage was generated as a result.
- Guangzhou Vertical City Hotel held an “Alaska Seafood Festival” from Mar. 1 – Mar. 30, 2015. The hotel was originally founded in 2012, and is now one of the biggest and best options for tourists in the Guangzhou region. Delicious Alaska seafood product like yellowfin sole, Pacific cod, and pollock were featured and received great feedback from customers.

Japan

Promotion, PR and Advertising: ASMI targets consumers through magazines and other traditional media as well as online, press releases, and press visits to Alaska. ASMI also conducts Alaska Seafood Fairs and produces point of sale materials. Whenever possible ASMI’s materials also include a call to action such as details on where to buy to how to prepare Alaska seafood.

- ASMI Japan coordinated a media tie-up with *Bi Premium (Beauty Premium)*, a women’s magazine targeted towards women in their 30’s and 40’s who follow current trends. The tie-up pages will include general information on Alaska seafood and also Alaska seafood recipes from selected restaurants. Additionally, these recipes are going to be presented to the restaurants’ guests for a time period selected by each restaurant, between March and May, 2015. The restaurants with the most potential for this promotion may be Union Square Tokyo (Roppongi), Patina Stella (Shibuya), and Nobu Tokyo (Toranomon).



Consumer Advertising: ASMI Japan conducted outreach activities directly to consumers outside of retail or HRI outlets. These activities included Alaska seafood cooking classes, chef demonstrations, taste-testing, events, and large scale consumer shows.

- On October 9, 2014, **Komazawa Women's University, Tokyo** hosted an educational seminar on Alaska seafood and on how to cook sockeye salmon. The seminar was conducted by cooking specialist Mr. Ryuta Kijia, who often appears on television, Mr. Tomohiro Asakawa from the US Embassy in Japan, and Keiko Sasaki of ASMI Japan. The University also hosted a recipe contest where several awards were distributed to participants.
- The winning recipe was named “Shining Aurora Alaska Salmon Gratin”, and was made with bread, cheese, Alaska sockeye salmon, broccoli, carrot and aurora sauce. It was sold at cafe Le Repas in Inagi, near Komazawa Women's University, from January 15th to February 28th, 2015, for JPY200 (US\$1.66). The winning recipe was introduced in local Tokyo newspapers Tokyo Shimbun and Chugai Nippo on the day that it went on sale and as a result, approximately 1000 units were sold. According to the representative of Le Repas, it was one of the highest-selling bread products so far this year.



Retail Merchandising: ASMI will continue to support the supply chain for Alaska seafood in Japan by encouraging origin identification. The ultimate goal is for vendors to label their Alaska sourced products as from Alaska, with Alaska imagery, the ASMI logo and Japanese taglines. ASMI provides a full array of point of sale materials for various species and messaging in the form of posters, shelf talkers, stickers and more, and sometimes accompanies materials with Alaska seafood samplings and cooking demonstrations.

- **Year-end herring roe promotion at Ito-Yokado:** Seven & I Holdings Co. is the second largest retailer in Japan and one of the ten largest retailers in the world, with 35,000 stores in approximately 100 countries.
- ASMI Japan collaborated with Ito Yokado to promote Alaska-origin herring roe

during the year-end sales period. ASMI Japan sent demonstration staff to 40 of Ito-Yokado's larger stores. ASMI provided all Ito Yokado seafood department stores with POS materials with the Alaska Seafood logo and Alaska messaging.

- **Year-end Alaska Crab Promotion at AEON:** One of the AEON group companies, AEON Top Value, conducted a special promotion for Alaska-origin red king crab on December 29th, 30th and 31st, at Aeon hypermarkets by sending demonstrators to promote Alaska red king crab products. AEON Top Value planned to sell 69,800 packages of red king crab (44mt raw material volume weight), not including snow crab.
- ASMI Japan sent demonstration staff to 30 of AEON's larger stores, and AEON Top Value provided all stores with POS materials with Alaska Seafood logo, messaging, and product samples.
- **Year-end Alaska crab promotion at Costco:** Costco Wholesale Japan Ltd. runs 20 warehouse stores all over Japan. To support year-end sales of Alaska red king crab products, ASMI Japan prepared the following support materials to encourage the seafood sales managers of each warehouse store to sell more Alaska-origin crab products: (1) Leaflets for store managers detailing Alaska crab's appealing sales points to educate on Alaska crab product. (2) Alaska Seafood logo "happi" jacket to encourage the staff to focus on selling Alaska origin crab products in store. An article about Alaska crab was placed free of charge in the Costco mail magazine

Trade Shows: Trade shows offer an opportunity to improve and build new relationships with the Japanese seafood trade and educate about Alaska seafood products and attributes. To increase Alaska seafood exposure to retail and the HRI trade, ASMI will participate in the Supermarket Trade Show and/or Foodex with the ATO Japan, and target seafood trade through the Seafood Shows in Tokyo, Osaka, and regional wholesale shows nationwide:

- **Osaka Seafood Show 2015** ASMI Japan participated in the Seafood & Technology Expo OSAKA 2015 (Osaka Seafood Show) on February 19th and 20th, 2015, at the Asia and Pacific Trade Center Hall in Osaka. 14,956 people attended.
- **Supermarket Trade Show 2015** ASMI Japan participated in the Supermarket Trade Show 2015, which ran February 10th to 12th at the Tokyo Big Sight exhibition venue. In 2015, ASMI Japan secured four booth spaces within the America Pavilion, organized by the U.S. ATO. ASMI Japan provided direct messaging to visitors, which included retailers, wholesalers and seafood industry partners. 84,000 people attended the event.
- **Collaboration with USA Rice Council at Foodex ATO booth:** The American Agriculture Trade Office (ATO) of the U.S. Embassy participated in Foodex 2015, one of Japan's largest food showcase events held in Tokyo March 3rd to March 6th, 2015. ASMI Japan gave Alaska seafood presentations and sampling demonstrations on March 4th (the second day of Foodex). Some 350 samples were distributed to attendees.

Foodservice Promotions: ASMI Japan regularly conducts Alaska Seafood Fairs at HRI establishments (from high-end to fast food), encouraging placement of Alaska origin identification on menus and in-store POS. ASMI works with chefs and chef associations to educate them about cooking with Alaska seafood. ASMI developed new activities for underutilized species (such as flatfish and new preparations of herring roe) and relatively new-to-market products to be introduced and experimented with by HRI users.

- **MLB Cafe's Alaska Seafood Fair** was conducted throughout November, 2014 at both the Ebisu and Shinjuku branches. Seven recipes in total, using pollock roe, Pacific cod, sockeye salmon, salmon roe and king crab were developed. MLB Café's regular menu is dominated by a variety of meats, so the Alaska Seafood menu was original and a fresh change for customers. As a result of ASMI Japan's efforts, MLB Café included Alaska seafood in the menu of its new café which opened near Korakuen Stadium, Tokyo, on March 19th, 2015. They also included the Alaska Seafood logo on the menu.



- **Collaboration with Hyatt Regency Kyoto:** ASMI Japan conducted a special event in collaboration with Hyatt Regency Kyoto on February 3rd, 2015. Approximately 60 people including journalists and hotel/restaurant industry-related people attended the event and tasted Alaska seafood. Fusing Alaska seafood with Kyoto ingredients and Japanese music was an interesting new promotion angle.
- **ASMI Japan's support for NOBU Tokyo's Cooking Lesson:** In response to increased demand from customers, NOBU Tokyo has been conducting cooking lessons once a month since September, 2013. ASMI Japan supported cooking classes February 23rd in order to introduce Alaska seafood into student lessons. NOBU Tokyo's Executive Chef Mr. Yokoyama led the cooking lessons and students enjoyed preparing and eating Alaska seafood. Special recipes taught at the class included rockfish, Pacific ocean perch and king crab.



Western EU (France and Belgium)

Market Update: In light of a continued difficult economic situation; multinational companies and pension funds that have invested in food companies are making decisions which will have a major impact on the landscape of foodservice

distribution in France. These decisions will also affect the major buyers of frozen seafood from the Northeast:

- Nestle intends to sell **Davigel** to **Brake**. The press release states that there will be a duplication of positions and it is unclear what will happen to the three processing plants owned by Davigel. Davigel buys 25,000 tons of fish every year.
- **Pomona Passion Froid** is buying eight regional members of the network Relais d'Or Miko (Unilever). This appears fortuitous because 75% of those who purchase supplies from Pomona are institutional restaurants and company restaurants, while 85% of the clients of Relais d'Or Miko are commercial restaurants.
- **Nomad foods** purchased **Iglo**, which includes the brands **Birds Eye, Findus Italy and Iglo**.
- **Findus France** and Findus Spain are owned by a different investor. Findus Southern Europe's CEO resigned and people are wondering if Findus and Iglo will merge.
- **Picard Surgeles**, the favorite retail store of French consumers, a freezer center chain with 920 outlets, is now owned by the **Swiss group Aryzta**, which specializes in bakery and frozen foods.

The weak Euro and a strong dollar added to the increased price of raw materials makes importers nervous. In 2014 sales of frozen seafood, fish and ready meals were down. These factors have made it difficult to convince trade members to promote sockeye salmon, frozen or canned. However, for the first time retailers will have refreshed salmon at the chilled seafood counter. Delpierre's products have been sold at Carrefour and Casino's seafood counter since January.

The French eco-label "Pêche durable" foreshadows an eco-label at the European Union level by 2016.

Consumer PR/Advertising: ASMI has worked effectively with radio in the region, in addition to print magazines and websites that reach ASMI's consumer target audience. ASMI's slogan "Alaska poissonémont" is a clever word play that has worked well for radio, and Alaska imagery is essential to effective print and online campaigns.

- *One insertion was placed in six magazines with large circulations: Feminine press, Maxi, News Magazine, Paris Match, TV Magazine: Tele Cable and Télé 7 Jours. One insertion ran in Version Femina, a supplement of the national newspaper*
- *Le Journal du Dimanche, as well as 34 regional newspapers with a circulation of 3,329,193 and a readership of 9,236,000. The magazines reached a circulation of 6,825,161 and a readership: 25,398,004.*

Trade Advertising/Public Relations: ASMI now conducts different types of activities:

- Trade PR through newsletters to keep in touch with existing contacts year-round
- Insertions placed in trade (seafood and retail) publications
- Trade missions and visits which lend credibility to the program and help explain the FAO-Based Responsibly Managed Fisheries certification
- *Two insertions were placed in two trade publications. The insertions put the emphasis on the sustainability of wild Alaska seafood and Pacific cod. Lineaires had an article about salmon species. Circulation: 21,200, readership: 76,500. The insertions generated phone calls from trade members and regional wholesalers.*

Trade Shows: The Seafood Exposition Global, SEG, is a worldwide seafood market place where suppliers and buyers meet once a year. Importers and distributors of Alaska seafood also exhibit at the show. Each country or region has its own booth and ASMI has its own umbrella booth to accommodate Alaska companies that want to display their products and meet with their clients. The demand for space is such that ASMI also sells table booths.

ASMI staff and overseas marketing representatives take advantage of the show to meet with buyers to talk about the program, possible activities and to connect buyers with Alaska suppliers. ASMI also distributed POS material and brochures to companies marketing Alaska seafood at the show.

This year the ASMI pavilion hosted 20 co-exhibitors- ten exhibiting in booths and ten with tables. On site sales were reported to be over \$44 million. Additionally, seafood producers project sales over the next 12 months to be over \$650 million as a result of attendance at the show, a substantial increase over last year.

Trade Advertising/Retail Merchandising: Two newsletters for the trade are produced each year, one to announce the harvest and program allocation, the second announces SEG (Brussels) information. Trade ads are also placed promoting all species in key publications and distributor diaries. In addition, ASMI conducts retail merchandising activities to increase brand awareness and inspire sales.

- **Casino cod promotions:** *ASMI had two promotions of wet cod and salted cod with Delpierre in Casino hypermarkets and supermarkets. Argel, a home delivery company promoted Alaska troll-caught coho and featured the product in its catalogue of January and March. Products promoted: wet cod loins, wet salted cod and troll-caught coho salmon. 264.4 tons sold, value: \$7,324,990.*

Foodservice Promotion/trade shows: ASMI WEU has identified two target markets for the foodservice sector: white tablecloth restaurants for high-end species and foodservice operations and industrial restaurants for higher volume species.

- *Origin-identified Alaska salt cod by Delpierre was featured in the Metro catalogue in January 2015. Davigel featured cornflake breaded pollock with the ASMI logo in 25,000 catalogues for commercial restaurants and 60,000 institutional restaurants during the month of March and April 2015. Volume: 70 tons Value: \$670,715*
- *ASMI participated in the Sirha trade show in Lyon, January 24th – 28th through two processors promoting products made from single frozen pollock. Halieutis, who is promoting “from the fork to the plate” invited 300 key buyers to their booth. Vendors had iPads and customers were able to learn about the fishing zone, the name of the boat and the crew (footage provided by ASMI). ASMI brochures were available at the Halieutis booth. There was also a drawing to win a trip to visit a fishing boat in Seattle and visit Alaska. Pickenpack created a video with ASMI slides and footage to promote single frozen at their booth. ASMI reached 300 buyers and employees of key distributors and retailers.*

Central EU (Germany, Austria, Switzerland, Czech Republic and Poland)

Market Update: Seafood consumption: 1.1 million tons

Salmon consumption keeps growing and trout is now in the top five favorite species for German consumers:

Alaska pollock 22.3%, salmon 17.1%, herring 13.2%, tuna 13%, trout 5.1%.

German buyers are concerned by the exchange rate which will affect prices when retailers are not ready to accept an increase. According to processors, retailers are creating new products but not allowing adequate time to establish these products in the market. Retailers are looking for promotions rather than innovations. Normal coated fillets will always be the benchmark product in this market.

German processors acknowledge that they are talking sustainability when at the end of the day, it is price that really matters. Retailers agree that price competition plays a massive role and is always a focus of German retailers. The German industry is struggling with Alaska pollock prices and the situation is getting worse with the weakening of the euro against the dollar; the retailers have to raise prices by roughly 20% to cover the currency fluctuation. Frosta is urging suppliers in the US to cut prices.

Consumer Program: ASMI places ads in media (print and online) based on collaboration with the industry to maximize our advertising dollars, as ad space in German publications is notoriously expensive. ASMI seeks large circulation magazines that address its target group (educated women 30 to 55 years). ASMI also has been able to build up a database of journalists met through press events, press trips and trade shows like Internoga. ASMI assists journalists and TV crews who want to go to Alaska.

- *ASMI placed one advertorial in Meine Familie & Ich and one advertorial in Place of Spirit, an upscale magazine for foodies. Two advertorials, circulation 570,935, readership 1,380,000.*
- *ASMI participated in several activities with FAS:*
- *The FAS cooperators' calendar with one page dedicated to Alaska salmon. FAS's goal is to update the importers list. ASMI provided a list of seafood buyers for Germany and Austria.*
- *October 29th: Sustainability FAS GBI at the US Embassy in Berlin. Journalists attended and there were many discussions about NGOs. The president of the trawlers association pointed out the pressure retailers put on the fisheries to get the MSC certification.*
- *ASMI also participated in an "Alaskan Revival," a reunion of the German trade members who came to Alaska in the summer. The group met November 11th – 12th in Bremerhaven in Transgourmet with eight participants of the June trip to Alaska to review the different activities conducted after the trip. Among other activities, the group visited a smoker and a processor who cuts and vacuum packs fillets of sockeye, black cod and halibut.*

Retail Merchandising/Trade Advertising: In addition to retail promotions, ASMI produces two newsletters to reach the German trade and also advertises in several key trade publications. ASMI has been contributing to smoked salmon and salmon roe promotions with the major manufacturers in this region: Friedrichs, Stührk and Youkon, a company based in Austria.

- *ASMI placed five advertorials in two trade publications Fish Magazin and TK Report Minus 18 Circulation 48,000 – readership: 75,000*

Website:

- *9,985 pages read; 5,847 visitors. More than 20% of the visitors went to the pages dedicated to the species and the fishing methods.*

Northern EU (UK, Ireland, The Netherlands, Finland, Denmark, Sweden)

Market Update: In the UK, aided by a mild winter, total foodservice spending grew by 2.2% in December 2014 standing at £50.8bn, driven by a healthy mix of both increases in traffic and total average spending. Worryingly, total seafood in foodservice continues its steady decline (-1.4%). However, seafood servings grew strongly in the travel and leisure channels (+22.8%) and workplace channels (+2.8%). Seafood in FSR is being blunted by poor shellfish performance led by price increases, and generally seafood deal rates remain below the protein average across most channels.

Frozen fish has a poor image; 38% believe only cheap fish and seafood goes into frozen products and 49% believe freezing destroys nutrient and health benefits. Shoppers perceive chilled and frozen fish differently. Total seafood sales were £3,143M (-0.4%), with a volume of 336,000 tons (-4.5). The average price of total seafood increased by 4.3%.

The average price of chilled seafood increased by 5% YoY. Chilled seafood is still determined by price driven growth, as fewer shoppers buy less quantity and buy less often. Only chilled sushi and chilled sauce segments are exhibiting strong growth.

Frozen seafood continues to decline, despite inflation, as fewer shoppers buy less frozen seafood. Significantly though, pollock and frozen sauces are in growth. Ambient seafood continues its decline.

Consumer PR/Advertising: ASMI uses a variety of public relations activities, including social media, event sponsorships, press releases and consumer events in order to generate publicity about the high quality Alaska Seafood available in the UK market.

- *ASMI UK arranges for product samples to be sent to media on an ongoing basis in order to encourage placement of Alaska seafood product within the editorial pages of newspapers, magazines, websites and blogs.*
- *The products are due to be featured in a number of different publications including Natural Health, Delicious and UK Mums TV.*
- *Mini-Kin is a website which provides advice and support to parents of children aged 0-7+ years old in all stages of their development. The site is promoted via The Guardian, TV advertising, and the web site www.mini-kin.com. The agreement includes a full page 1,000 word editorial article, interview with Jon Harman for publication in the supplement, the ASMI logo to appear on 155 TV adverts to be aired across the Channel 4 Network directing people to the Mini Kin website, recipes and articles on the Mini Kin website, and four competitions on the website for which ASMI will receive data capture.*



- *Delicious Magazine – Fishtales: Fishtales is a new brand which launched 18*

new products in 800 Albert Heijn's, the largest supermarket chain of The Netherlands. The owner of Fishtales, Bart van Olphen, is a well-known entrepreneur and celebrity in the fish and cooking business. Fishtales included a line of five different Alaska Seafood products that are now being sold in Albert Heijn supermarkets.

- **Jamie Oliver Magazine:** *ASMI placed full page advertorial in the Italian Issue of Jamie Oliver Magazine to promote wild Alaska sockeye salmon. Jamie Magazine has a circulation of 50,093. The Italian issue is the most popular issue of the year. In 2014, it sold 21% more copies than other issues of this already popular publication. The advert will also be available with clickable links in the iPad version of the magazine. The advertorial will be designed by Jamie to fit into the editorial style of the magazine but will include ASMI supplied assets.*
- **Libelle & Margriet:** *This is a B2C cross-media campaign focused on a home cooking audience to increase awareness and direct usage by including Alaska products in recipe of the day menus in Libelle and Margriet Magazine. Libelle & Margriet is the most well-known woman's magazine in the Netherlands with the largest combined reach by far. As part of this campaign ASMI will have two 1/6 page ads in "week menu" on both magazines. The ads will also be published in the app.*
- **Runner's World:** *To tie in with the canned red salmon campaign, ASMI proposed activity in the on-sale April issue of Runner's World Magazine (circulation: 81,000) to promote the sale of canned red salmon during the month of April. Runner's World is the leading magazine for runners in the UK market and aims to educate and motivate runners of all ages on running, nutrition, running trends, and general health.*
- **Radio campaign:** *ASMI arranged a dedicated radio campaign for the promotion of canned red salmon. The agency confirmed CJ Jackson as spokesperson for the campaign. Jackson writes for BBC publications and works at Billingsgate, so is a highly credible source of knowledge. The campaign started with some dedicated research centering on family healthy eating habits for use as a hook for radio buy-ins. Results were then worked into a cue sheet and pitched to radio channels. ASMI UK briefed Mrs. Jackson thoroughly on the focus and key messages for the campaign and radio interviews took place on Wednesday, April 8, 2015. From the broadcast radio interviews we expect a minimum of 46 items of coverage with an estimated reach of 4,000,000.*

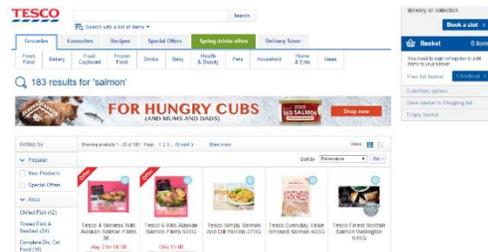
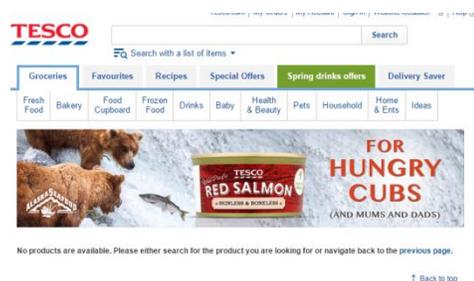
Retail Merchandising: ASMI will work with each of the retailers in partnership with key brands to promote Alaska seafood.

- **Waitrose Weekend advertorial in collaboration with Youngs:** *ASMI is planning a dual trade partnership between Youngs Seafood and New England Seafood in collaboration with retailer Waitrose. Trade partners will collaborate on different marketing promotions for a mix of Alaska products. The "Salmon Festival" is planned to take place June, 2015.*
- **John West Fix a Form:** *We have identified John West as a key partner for ASMI as they are one of the main suppliers into the marketplace for canned salmon,*

and are actively promoting Alaska seafood as well as developing new recipes and formats to boost sales. As part of the campaign, John West has produced a fix-a-form leaflet in an accordion shape which has been attached to the top of every pink salmon can. John West reported sales of 92,000 cases of three packs, which means a total of 1.11m units sold through Asda, Tesco, Morrison's, Waitrose, Ocado, Booths and Co-ops. On pack redemptions are currently 1169.



- **John West Film:** As part of the ongoing campaign with John West, we have supported a trip for them to film in Alaska. The objective of the footage is to highlight the natural characteristics of Alaska canned salmon and to show that Alaska canned salmon has no additives and is a healthy and natural food to consume. The video will be hosted on the John West site and will be promoted heavily through their social media channels as well as via partner channels having a reach of 1.5 million.
- **Wine Tasting in collaboration with Frank's Smokehouse:** California Wine Tasting organizes wine tastings in several European cities throughout the year and ASMI participated in these events in 2013 in partnership with Frank's Smokehouse. On March 12, 2015 the bi annual event California Wine Tasting took place in the Crowne Plaza Promenade Hotel in The Hague and over 150 wineries presented their wines. ASMI had a table where Frank's Smokehouse presented and served Alaska Seafood canapés for guests. Fish served during the event included smoked wild Alaska salmon, smoked Alaska halibut and Alaska king crab.
- **New England Seafood Waitrose Promotion:** Waitrose is outperforming multiple UK retailers in terms of fresh food growth and share of trade on fish. Waitrose produces a weekly food publication called Waitrose Weekend. The publication has a weekly circulation of 250,000. The feature will promote sockeye salmon.
- **Tesco Canned Red Promotion:** A half page ad in Tesco magazine which has a circulation of 1.9 million and readership of over 5.4 million plus a banner on the Tesco.com website. The website has two million visits a week, receives 500,000 orders, and commands 42% of the online grocery market. The magazine ad will be supported by a three week online campaign. During the campaign period in 2014, LDH sold 13,000 cans of 170g red salmon per week. The half page came out in the March issue of the magazine which has a circulation of 1,948,250. The banners are now live on the tesco.com website and we will update the remaining results in Q4.



- **Alaska Sales Mission:** The Alaska tourism program organized a sales mission on February 2-3, 2015 in Birmingham and Manchester. The Birmingham and Manchester events are travel, trade, and training events where travel agents learn more about destinations followed by a buffet in Birmingham and sit-down dinner in Manchester. 160 people attended these events.
- **John West Morrisons ad:** As part of the preferred distribution strategy of John West, we featured a full page advertorial in their magazine. ASMI will run an advertorial promoting salmon burgers made with John West canned red salmon.
- **Ocado Fish4ever Campaign:** This is a promotion with ASMI salmon buyer Fish4Ever who are an independent seller of canned red salmon. During the month of April, the Ocado website will feature a graphic banner at the top of the tuna and tinned tuna searches plus imagery on the homepage (the highest traffic area of the site). The objective of the campaign is to target tuna buyers to cross sell canned salmon. We would expect a 50% increase in sales during the promotion with a 20% uplift for the following month. It has over 450,000 customers with an average purchase value of £112.



- **Horeca & Food Inspiration:** To promote Alaska smoked salmon, ASMI partnered with Jan Willem Kuijt of Roots Fish Smokery to attend the Horeca & Food Inspiration Fair in Venray, Netherlands. Roots Fish Smokery had a 4x3 booth where they cut slices of smoked salmon so visitors could taste the sustainable fish from Alaska. The booth was dedicated to wild Alaska salmon and decorated with posters and banners. Roots Fish Smokery also produced leaflets with general information about wild Alaska salmon and Alaska Seafood recipe books were available as giveaways.



Foodservice Promotion: Activities include store promotions, menu features and special Alaska themed promotions.

- **Smulweb:** *Yonity Media is a full service Content Marketing Office for the popular culinary website www.smulweb.nl. Smulweb.nl is a very well-known recipe website and is the biggest culinary website in the Benelux with more than two million unique visitors and 1.2 million members. Smulweb has 100,000 followers on Facebook and 180,000 newsletter members. Description of activities regarding canned red salmon:*
 1. Create own community for Alaska seafood on Smulweb.nl. This will be an Alaska seafood page on which over 30 ASMI recipes will be published. The page will show the products of Alaska seafood with links to the Facebook and website of ASMI. Followers will receive notifications when new Alaska seafood recipes are published.
 2. Recipe competition i.e. best dish for red canned salmon promoted via the Smulweb Newsletter sent to 180,000 members.
 3. Alaska seafood recipe of the day will be shown online on the homepage and will be put on the Smulweb Facebook.
 4. Alaska seafood will be linked to the item 'Fish': Every user of Smulweb who has interest in Fish will automatically follow the page of Alaska Seafood.
- ***Fish & Chip Awards:*** *ASMI attended the Fish & Chip awards to understand what opportunities there are for Alaska seafood in the sector as well as to increase the consumption of pollock in fish and chip shops in the UK.*
- ***Canned Salmon Cooking Workshop:*** *ASMI organized a canned salmon focused cooking workshop with Premiership rugby players from the Rugby Players Association (RPA). We invited ex-Masterchef winner Dhruv Baker to participate in the workshop. Dhruv developed a passion for Alaska seafood after participation in the ASMI Culinary Retreat.*



Southern EU (Spain, Portugal, Italy)

Market Update:

Cod: Alaska cod exports to SEU markets have been hampered by prices often exceeding Atlantic cod prices. In spite of relatively high prices, exports of H&G Alaska cod to Spain, Portugal and Italy are all trending up in the last four quarters, illustrating solid demand from certain customers in these markets for Alaska cod over Atlantic cod.

Alaska Pollock: Alaska pollock surimi exports to Spain in the 1st quarter of 2015, 468 MT, were down 74% below 1st quarter 2014 exports. Year to date, Alaska pollock surimi exports are 12% below the previous year. The Spanish market for Alaska pollock fillets has been steady for the last three years at around 4,000 MT/year. Once-frozen Alaska pollock fillets have lost market share in the past three years, going from 23% to 12% as Spanish retailers squeeze suppliers for the lowest priced options. Portugal, on the other hand, imported over 1,600 MT of Alaska pollock fillets in the last 12 months, and over 60% came from the US. Portuguese processors buy predominantly once-frozen product directly from the US because they yield better for the production of salted *migas*.

Salmon: Exports of wild Alaska salmon to SEU markets have been weak over the last four quarters, hampered by high prices in origin and a strong US dollar. Sales of Alaska sockeye, coho and king salmon have been growing moderately, mostly to Italian smokers and Spanish HRI distributors. Frozen salmon fillets imports from China and Chile continue to grow in all three SEU markets, with Spain and Italy each importing over 4,000 MT/yr. Importers report that Alaska sockeye salmon fillet sales have been strong in both Spain and Italy, and there is optimism in the market that, with lower prices in origin this summer, sockeye salmon could make good headway in traditional smoker and HRI markets, as well as into retail.

Trade Shows: ASMI participates in the leading seafood show for SEU, CONXEMAR because it enables ASMI to present key Alaska seafood messages directly to seafood trade members, educate the trade, provide them with materials that support Alaska seafood's messaging and display product. The ASMI SEU representative also travels to Brussels for the Seafood Expo Global.

- *ASMI has booked a larger pavilion at CONXEMAR 2015 than in 2014 in anticipation of increased participation at the show.*

Retail Merchandising: ASMI's Southern Europe office will conduct generic in-store promotions of origin-identified Alaska seafood to help introduce and develop demand for Alaska seafood products. These in-store promotions will typically include labeling design assistance, in-store product tastings, generic advertisements in store flyers, and generic POS materials such as in-ice signs, posters, recipe brochures and shelf talkers.

- **Wild Alaska Salmon & Black Cod Promotions in Makro Spain (Feb. 6 – 21, 2015):** Makro Spain introduced refreshed wild Alaska sockeye salmon and black cod in a number of its best cash and carry stores in Spain. To support this new reference, ASMI conducted two days of chef demonstrations and tastings in each of the three leading Makro C&C stores in Madrid.



- **Wild Alaska Salmon & Black Cod Promotions in Makro Portugal (March 13 – 21, 2015):** Makro Portugal introduced refreshed wild Alaska sockeye salmon and black cod in all 10 of its cash and carry stores in Portugal. To support this new reference, ASMI provided product for chef demonstrations and tastings in each of the stores.
- **Alaska Cod Promotions in Italy (March 23 – April 20, 2015):** ASMI SEU and distributor Pambuffetti conducted an in-store promotion of salted “Baccalà d’Alaska” fillets to a small sample of Pambuffetti’s many independent retail customers. The salted fillets were packaged in a reusable polypropylene bag, and pop-up banners were placed in or outside of each point of sale announcing the Alaska cod promotion.

Trade Public Relations: ASMI’s SEU office targets HRI and seafood trade press with two press releases focusing on the natural, healthy, and ecological advantages of Alaska seafood products.

- **Comerjapones.com Website & Facebook & Cooking Classes Sponsorship:** As part of ASMI SEU’s public relations campaign, ASMI continued its sponsorship of the Comerjapones.com website, Facebook and cooking classes, generating regular mentions of Alaska seafood products on the Comerjapones.com website and Facebook posts, and use of wild Alaska salmon in their cooking classes in Madrid, Barcelona and Valencia.

- *Fifty-seven articles mentioning Alaska seafood were generated in SEU in the 3rd quarter of FY2015, with an advertising value of \$2,750.*
- ***SEU Social Media Activities:*** *ASMI's social media campaign communicates to HRI professionals in Spain, Portugal and Italy the advantages of working with wild Alaska seafood and the value of calling out the Alaska origin on their menus. SEU social media sites have a combined 12,707 likes.*

HRI Trade Shows/Foodservice promotions: ASMI participates in HRI trade shows to reach influential HRI professionals that are the decision makers for restaurants and institutions. Our objective is to educate this audience on the benefits of adding Alaska seafood to their menu as well as explaining what the Alaska brand stands for.

- ***Madrid Fusión – February 2 – 4, 2015 in Madrid, Spain:*** *ASMI SEU shared a 24 m2 double booth and conducted product tastings with Koppert Cress at the 2015 edition of the chef congress / HRI trade show Madrid Fusión:*



- ***Alaska Seafood Promotion with Okasan Restaurant (January – December 2015 in Madrid, Spain):*** *During 2015, ASMI SEU is conducting a foodservice promotion in the new Japanese restaurant, Okasan, located in the Gourmet Experience food court of El Corte Inglés – Castellana, the flagship store of Spain's leading department store. The restaurant reports good sales of Alaska sockeye and coho salmon, ikura and black cod.*

Chef/Trade Training Seminar: ASMI organizes training seminars for professional chefs as well as seafood processors, importers, distributors and food journalists.

ASMI SEU contributed Alaska seafood to various chef demo/product tasting activities organized by local distributors during the second quarter of FY 2015:

- ***Chef Iñigo Lavado Presents Alaska Cod Products*** (Friday, March 6, 2015 in Irun, Spain): Salt cod processor SOFRESAL invited local restaurateurs, seafood retailers and secondary processors to an Alaska cod demonstration and tasting. Twenty-five professionals attended the event. Two that showed special interest in Alaska cod were a producer of organic canned foods from San Juan de Luz, France, and a local sausage producer interested in producing an Alaska cod sausage. Chef Lavado also plans to use Alaska cod in his restaurant *Restaurante Iñigo Lavado-Singular Food* in Irun.
- ***Alaska Seafood Chef Demonstrations in GastroArte*** (March 17, 2015 in Malaga, Spain): The 2nd GastroArte congress “Cuisines of the World” was held on March 17, 2015 in the auditorium of the HRI equipment trade show H&T. Directed to professional chefs, restaurant owners, HRI distributors and cooking school students, GastroArte is organized by the Lumen agency which organizes various gastronomic events in Andalucía each year and is run by some of the region’s top gastronomy critics.

Eastern EU (Russia and Ukraine)

Market Update:

Russian Food Ban: Russian President Vladimir Putin on Wednesday (Jun 24) extended a ban against most Western food imports for a year, saying the longer-than-expected measure would ensure the country's security. He unveiled the extension of the ban after EU foreign ministers said this week that sanctions against Moscow over the Ukraine conflict would be prolonged until January 2016.

"The government turned to me with an appeal to extend the measures," Putin told a government meeting. "In accordance with this letter today I signed a decree to extend certain special economic measures with a view to ensuring Russia's security.

"We are extending our retaliatory measures by one year beginning from today," Putin said. "I think it would be good guidance for our domestic agricultural producers."

Import statistics: Based on statistics from the Russian Customs Service during the first quarter of 2015 the volume of seafood imports to Russia decreased by 47.6% in comparison to the same period in 2014. Seafood import value decreased by 58.2%, with a total value of 293.5 million USD. According to the Russian Statistics Agency, during same period, the volume of overall food imports to Russia decreased by 42%.

In June 2015, the Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhoznadzor) ceased imports of processed fish products from Latvia and Estonia, which is in addition to the August 2014 Russian Food Ban.

Kazakhstan: Rosselkhoznadzor intends to prohibit the transit of fish from Baltic countries to Kazakhstan. "There is a strong possibility that we will restrict the transit of fish and fish products from the Baltic countries to Kazakhstan," said Dankvert (the head of Roselkhoznadzor). According to Dankvert, this is due to the fact that some fish, including Norwegian and U.S., are unloaded in Russia.

- ***Alaska Salmon Roe Recipes:*** *ASMI retail and foodservice promotions often concentrate on promoting roe. Russia and the Ukraine have a long history of consumption of the product, however, it is often limited to caviar sandwiches: white bread, butter, and caviar. Aside from Japan, no other region in the ASMI program is as roe focused as EEU, therefore, not many salmon roe recipes were available before this project. In order to give final consumers and the HRI sector ideas on more diverse salmon roe consumption and to support roe promotions in the region, ASMI developed and photographed 12 recipes with salmon roe.*



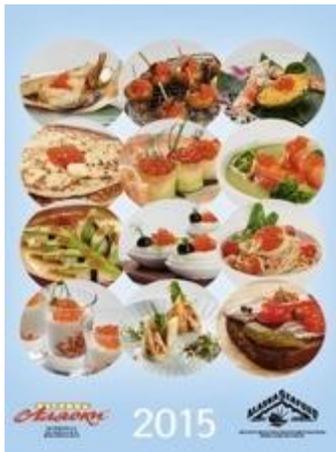
Salad Mimosa with avocado and salmon roe, quinoa, cucumber, crab-meat and eggs. Egg with herb butter and salmon roe in a tablespoon.

- ***Roe Recipe Brochure:*** *As a continuation of the development of roe recipes, ASMI designed Russian and Ukrainian language salmon roe recipe brochures. The brochures will be used during ASMI retail and HRI promotions, during trade shows/representation events, and for advertorials in media.*



Retail Merchandising:

- **Optim Alliance:** Russia's continuing Food Embargo didn't block HS1604 processed caviar from Alaska. The Russian company, Optim Alliance, imported Alaskan roe to compensate for the shortage of green roe in the Russian market. ASMI supported Optim Alliance wholesale sales of Alaska salmon caviar through a wholesale promotion. Caviar buyers received ASMI branded fridge magnets and table calendars with beautiful images of Alaska caviar dishes.
- **The Alaska Group of Companies:** has been importing seafood and salmon roe from Alaska for many years. In order to support sales of Alaskan product to wholesale and retail customers, ASMI produced wall calendars for distribution among Alaska Group clients.



- **UFC Don Mare "Days of Alaska" retail promotion:** The Ukrainian Fish Company is the leading fish importer in the Ukraine and has had Alaskan seafood in assortment for many seasons. During the New Year holiday season ASMI supported sales of Alaska red caviar (pink and keta), pink salmon, pollock, and flatfish in 18 Don Mare stores across Ukraine. Don Mare stores are specialized fish stores of the Ukrainian Fish Company.

Trade Shows:

- ***ProdExpo, Moscow:*** *On February 11, 2015, ASMI representatives visited ProdExpo in Moscow. Prodexpo is the largest annual food exhibition in Russia and Eastern Europe. In 2015, the show was bigger and more active than World Food Moscow 2014. This fair is more focused on the local producers but foreign companies participate as well. Statistics from the 2015 Prodexpo show include 2,000 exhibitors from 65 countries and 31 national pavilions.*

Foodservice Promotions:

- ***HRI Master Class in LVIV, Ukraine:*** *Chefs from across the Ukraine were invited by the Chefs Association of Western Ukraine (WCG) to take part in a 2-day master class held at the resort Taor Karpaty, close to Lviv, in the center of Western Ukraine. U.S. Meat and Alaska Seafood presented at the master-class and the event was supported and attended by FAS/Kiev.*

Brazil

- The International Monetary Fund projects that Brazil's GDP will shrink 1% in 2015.
- According to IDV (Retail Development Institute), Brazilian retail grew 1.5% in January and forecasts point for growth of 4.8% in February and 5.2% in March 2015.
- From January to March 2015, according to the Brazilian Ministry of Development and Foreign Trade (MDIC), Brazil imported over 114 thousand tons of seafood, totaling over \$451 million. In comparison to 2014 numbers, there was a reduction of 3.1% in value and 9% in volume.
- Even with general seafood imports decreasing in Brazil, the U.S. continues to gain market share. In the first quarter of 2015, U.S. seafood exports to Brazil increased 49.4% in volume, in comparison to the same period in 2014, topping 1 MT. However, the value of exports decreased 12.7% compared to the same period in the previous year, totaling \$2.06 million. Alaska represents a large part of U.S. seafood exports to Brazil.

Retail Merchandising: ASMI Brazil organized retail promotions in 28 outlets of five major retail chains in the cities of São Paulo, Rio and Belo Horizonte. Products promoted included Alaska cod, keta and pink salmon, and pollock. Properly trained professionals wore uniforms, distributed ASMI branded material, recipe books, and consumers had an opportunity to sample products. "Nanook" the bear was used as in prior campaigns.

- *ASMI Brazil organized a month-long retail promotion at Atacadão retail in four outlets in the city of São Paulo, SP to promote Alaska keta and pink salmon. Atacadão is a new retail chain sourcing Alaska products. Two professionals were hired and trained for the campaign.*



- *ASMI Brazil organized a month-long retail promotion at Verdermar in three retail outlets in the city of Belo Horizonte, capital of the southeastern state of Minas Gerais, to promote Alaska cod and keta salmon. Two professionals were hired and trained for the campaign.*
- *ASMI conducted a three week in-store promotion in three retail chains, Zona Sul Supermarkets, Extra Supermarkets and Pão de Açúcar, in 24 outlets in the City of Rio with five properly trained professionals, to promote Alaska keta, pink and sockeye salmon and Alaska cod in partnership with Frescatto.*
- *ASMI conducted a four week in-store promotion in eight Hiper Bompreço outlets in the city of Recife, PE with two properly trained professionals.*
- *Conducted a two week in-store promotion in eight Hiper Bompreço, G. Barbosa and Sam's Club outlets in the city of Salvador, BA with four properly trained professionals.*
- *Sales of 3.9 MT of Alaska products (Alaska keta, pink and sockeye salmon, pollock and cod) were reported during the campaign.*

Trade PR/Website/Social Media:

- *ASMI Brazil placed a full back page ad promoting Alaska Seafood for the Easter season in Seafood Brasil Magazine, edition #8. ASMI also has Alaska seafood banners in the magazine newsletter and website and the ASMI logo on the suppliers catalog. Seafood Brasil Magazine is a quarterly publication, with circulation of 4,000 copies targeted to the seafood trade industry.*
- *ASMI Brazil continued the successful use of "Facebook ads" to promote the two pages (fb.com/peixesdoalasca and fb.com/bacalhaudoalasca) which promote the Alaska Seafood industry, the species and Bacalhau do Alasca. ASMI Brazil created several ads and targeted people based on location, demographics and interests, in order to increase the number of ASMI Brasil pages' fans and interactions.*



- Page views topped 13,822 for Alaska Seafood website
- Page views topped 2,086 for Bacalhau do Alasca website

Trade Shows/Trade Missions:

- The **APAS** trade show took place in Sao Paulo May 4-7, 2015. The show targets supermarkets and other trade members. ASMI collected 40 qualified trade leads.
- **Brazil Buyers mission to Alaska:** One buyer's mission to Alaska and Seattle organized with six importers last July.
- **Japan Food Show 2015:** ASMI has secured a 32 sqm booth at Japan Food Show 2015 that will take place in São Paulo from August 3 to 5, 2015. This is the first edition of the show will Japanese and Asian restaurants and chefs. Suppliers, and foodservice and seafood industry entities will exhibit at the show. Workshops on best practices and seafood industry trends and culinary classes displaying exhibitors' products will also be offered by organizers. ASMI is negotiating participation in all mentioned parallel activities.

Food Service Promotions:

- **Vicolo Nostro:** ASMI organized a chef and media tasting event in Sao Paulo at the Italian restaurant Vicolo Nostro. The event was in partnership with Go Where Gastronomia, a monthly gastronomy publication. Five chefs, opinion makers and restaurant owners attended the event including restaurants La Cucina Piemontese, Aclimação Bar e Gastronomia, Mania de Churrasco and Antonietta Empório e Restaurante. The participants were interviewed and the event was covered on two pages of magazine edition 78 (Easter), plus a full-page ad, published in March 2015. Sockeye salmon and black cod were featured.

