

**To: ASMI Board of Directors**

**FROM: Alexa Tonkovich, International Marketing Program Director**

**RE: International Program report**

This report covers activities occurring in the fourth quarter of FY 14 (March through June 2014) and the first quarter of FY 15 (July through September 2014) and provides a general update of International Program progress.

ASMI International has received its MAP allocation of \$4.15 million for FY15. ASMI is participating in several of the USDA's Global Based Initiatives (GBI) with other cooperator groups, notably an Africa based GBI and a GBI focused on sustainability outreach in the EU.

ASMI International is continually monitoring the situation in Russia and the Ukraine through our Eastern Europe overseas marketing representative.

#### TRADE SHOWS

ASMI, along with an industry representative, recently traveled to the Philippines to attend Food and Drinks Asia in Manila. ASMI had productive meetings with the U.S. Embassy, 8+ viable local importers and distributors, and hosted a reception for more than 50 local trade, media, and Embassy personnel.

CONXEMAR will take place October 7-9, 2014. Four co-exhibitors will take part in the ASMI pavilion.

ASMI will attend the China Fisheries show November 5-7 in Qingdao.

## **China**

### ***Market Update:***

The recent food scandal involving the McDonald's meat supplier, where expired meat was found mixed with fresh meat then repackaged for mass consumption, has caused shortages in the meat supply for the fast food sector. While supply has resumed, consumer confidence surrounding McDonald's meat products is shaky at best. This has presented an opportunity for the Filet-O-Fish, which uses Alaska pollock and is one of the few non-meat items on the menu, to gain popularity for consumers who still choose to dine at McDonald's.

### ***Summary of Activities/Results:***

***Consumer PR/Advertising:*** ASMI China's main focus is using consumer pr/advertising to educate consumers by communicating the healthy and nutritional

benefits of Alaska seafood. This includes, television, radio, newspaper/magazine and billboards.

- *ASMI China placed two advertisements in a selection of leading lifestyle and gourmet magazines and newspapers, such as Jessica and Asian Hotel and Catering Times. These publications have a combined readership of over two million and a circulation of 6 million. The audience reach covers Shanghai, Beijing, Guangzhou, and Hong Kong.*
- *70 pieces of coverage were generated in the second round of consumer PR in 2014, with an estimated value of USD \$120,000*

**Retail Merchandising:** ASMI China worked with major retailers across Mainland China and Hong Kong.

- *ASMI China partnered with Sam's Club to hold an in-store promotion in 11 outlets in the cities of Shenzhen, Shanghai, Beijing, Guangzhou, Suzhou, Hangzhou, Fuzhou, Dalian, and Zuhuai. During the promotion, Pacific cod, yellowfin sole, and black cod were featured and promoters were hired to provide product samples.*



**Trade Shows/Mission:** ASMI China participates in select trade shows across China each year and leads US trade missions abroad. ASMI China participated in several trade shows and events including:

- *The annual China International Fishery Expo, which rotates between Fujian and Xiamen, debuted in 2006. This year marked the 9<sup>th</sup> annual show. ASMI participated for the second time and was offered a complimentary space. The ASMI booth was decorated with POS materials to raise consumer awareness and product brochures were distributed for consumer education.*
- *ASMI will attend the China Fisheries show November 5-7 in Qingdao*

### **Website and Social Media:**

- *ASMI China's Weibo account is relatively new, but it has attracted more than 10,000 followers in only a few years. Weibo has proven to be popular amongst younger consumers, showing positive signs of the ability this social media tool has in promoting the products and targeting potential customers.*
- *1,733 hits were recorded on the ASMI website during the fourth quarter of FY 14.*
- *12 new trade leads are expected to be gathered each quarter.*

**Foodservice Promotions:** With more than 10,000 star-rated hotels in China and a rapidly expanding foodservice sector, ASMI conducts promotions with key chains.

- *Dong Fang Hotel has hosted several highly successful promotions and, once again, ASMI collaborated with this hotel to conduct an Alaska seafood menu promotion featuring Alaska yellowfin sole, cod, and POP. The Alaska seafood festival was carried out at the hotel's buffet restaurant for two months. 6.2 metric tons of Alaska seafood was consumed during the promotion.*
- *The ATO Shanghai organized a "Great American Barbecue and Blues," menu promotion series in Eastern China. ASMI China was actively involved in the promotion with yellowfin sole and black cod being the featured products.*
- *Alaska yellowfin sole and black cod were featured during the events, including the media event in Suzhou, and menu promotion at Crown Plaza Hotel in Suzhou and House of Blues and Jazzin Shanghai. The series of events were posted on the U.S. Consulate and ATO's Weibo page as well as the media's own Weibo and WeChat pages.*
- *Hao Wei Jia is a chain restaurant with 13 outlets located mostly in Jiangsu province, Chongqing, Guilin and Guagnxi province. Alaska black cod and Pacific cod were featured in an Alaska seafood promotion, integrating Chinese cuisine with Western cuisine.*
- *21.3 metric tons of Alaska seafood was consumed at Hao Wei Jia during the promotion*

**Chef Seminars/Training School Program:** ASMI works to educate chefs across China in how to prepare frozen Alaska seafood.

- *ASMI China and the Shanghai Institute of Tourism, the only state institute in China which offers both culinary and management skills, organized a training program targeting over 300 of the institute's students from the following*

*specialties: Cooking Skills and Nutrition, Western Cuisine Technology, and Catering Management.*

- *During the training program, nutritional facts and the special merits of Alaska seafood were introduced to the students. During the one-week program, trainees were taught the handling and cooking techniques for Alaska seafood, such as yellowfin sole, keta salmon and Pacific cod, under the guidance from trained instructors. At the end of the week, a competition was held among the trainees to conclude the program.*
- *Over 300 students attended the training program. Awareness of the usage and quality of Alaska seafood were enhanced.*
- *ASIM organized a chef seminar in Beijing. Over fifty chefs and purchasing staff members from high end hotels and restaurants attended the seminar, hosted at the Go Inn Hotel. Representatives from ASMI gave presentations on Alaska seafood.*
- *Following the presentation, a guest chef was invited to demonstrate a seven course menu featuring sockeye salmon, black cod, Pacific cod, yellowfin sole, snow crab, pollock roe, and sea cucumber. Following the demonstration, the dishes were served to the guests for a tasting.*

## **Japan**

### **Market Update:**

- The government's economic assessment for May remains unchanged from the previous month, stating that the Japanese economy is on a "moderate" recovery trend, while some weak movements have been seen lately from the last-minute rise in demand before the consumption tax increased in April. Although a senior Cabinet Office official noted that spending on vehicles and home appliances has yet to show any sign of improvement, he said that the weak movements "have been within expectations and are expected to be only temporary." Another positive sign for the Japanese economy is that the government upgraded its assessment of business investment for the first time in four months, making it the most positive view of the sector since August 2007.
- Japan's customs-cleared trade balance remained in the red for a record 22 months in a row as of April, but the size of the deficit shrank for the first time in 20 months on a year-on-year basis. According to Finance Ministry data, exports rose 5.1% from a year before to ¥6.06 trillion (US\$59.6 billion). Automobile exports increased 5.1% mainly on the back of demand from Britain. Shipments of optical equipment, including liquid crystal display-related machines, grew 14.9%, led by strength in China-bound exports.

**Summary of Activity/Results:**

**Consumer Promotion, PR and Advertising:** ASMI Japan ensures the maximum possible ROI for Alaska seafood by obtaining as much free coverage as possible on a PR basis, including interviews with ASMI headquarters and ASMI Japan staff, targeting consumers through magazines and other traditional media as well as online.

- On May 15, 2014, ASMI Japan conducted a consumer seminar featuring a Japanese-style Alaska Seafood luncheon at Hotel Chinzanso, Tokyo. Over 300 readers of *Enfant*, which is an informative magazine for mothers of young children, applied and approximately 90 participants were selected.
- The chef at Chinzanso developed a special menu for this luncheon using black cod, king crab, and pollock roe. The food education seminar was conducted by Ms. Keiko Katsura, who is the food co-ordinator who developed “COOK IT FROZEN!” recipes. This was followed by a talk on Alaska travel by Tomoko Koyama and an Alaska Seafood information session by Keiko Sasaki.
- ASMI conducted a series of three monthly two-page advertorials about Alaska Seafood with *Hoteres Magazine*.



**Retail Merchandising:** ASMI will continue to support major Alaska seafood importers for all species into Japan while jointly promoting Alaska salmon and roe products by providing ASMI’s origin identifiers at the retail level. If necessary, ASMI will also support trade partners with pre-printed ASMI logo stickers or with design issues to incorporate logo on retail product packages to ensure the authenticity of product origin.

- ASMI held an Alaska seafood promotion with *Disix*, an online food supermarket founded in 2000.

- *Oisix will keep selling a minimum of three Alaska Seafood products (items will be changed sometimes) through the store for at least three months from the end of March 2014. Oisix will conduct an 'Alaska Seafood Fair' at its bricks-and-mortar store in Kichijoji (Tokyo), which serves as a showroom for Oisix products.*
- *Oisix will also conduct consumer research with Oisix customers about Alaska Seafood and share the results with ASMI Japan.*
- *ASMI Japan developed recipes to promote salted Pacific cod and rock sole kirimi products, and presented these recipes to consumers and supermarket chains (in the form of small recipe booklets). ASMI Japan distributes them to consumers through food supermarket chains that sell the products.*
- *Aeon Retail Co., Ltd conducted an 'America Fair,' supported by the ATO, at over 504 of their stores across Japan from the end of May to the beginning of June 2014. The Aeon Retail Seafood sales dept. also conducted a special promotion for an Alaska origin chum salmon patty product from the end of May.*



### **Trade PR and Advertisement**

ASMI continues to collaborate with existing Japanese seafood trade groups, trade media companies and industry associations to facilitate informational exchanges within different trade sectors and regions in Japan. ASMI will also work closely with the U.S. Embassy and the Alaska State Office in Japan to host trade-targeted PR events. These PR efforts include regular meetings with trade, receptions, etc., and will improve trade relations and enhance product placement by reminding the trade of the distinct advantages of Alaska seafood products.

- *ASMI Japan identified three media opportunities in Suisan Keizai Shimbun (seafood industry newspaper). The publication is printing special issues dedicated to 1) surimi, 2) salmon and 3) "The recovery efforts after the Great East Japan Earthquake."*

**Seafood Buyers Ed Program:** In order to maintain and develop 'sustainable' trade relationships with existing and younger generations in the Japanese seafood industry, ASMI provides year-round Alaska seafood information services in academic and hands-on forums. A principal focus is on ASMI's sustainability platform. ASMI will arrange for prominent sustainability experts from various sectors, both public and private, from the US and Japan, to speak with and educate industry members. ASMI will also work with US seafood industry organizations to co-sponsor trade seminars and workshops.

**Foodservice Promotions** In addition to the already popular seafood items among chefs, like salmon, crab, sablefish and roe, ASMI develops new venues for underutilized species or relatively new-to-market products to be introduced and experimented with by HRI users. Such venues include restaurant menu contests and a pilot menu promotion at a renowned hotel/restaurant.

- *ASMI Japan conducted a chef seminar collaborating with the magazine Cuisine Kingdom on May 26, 2014, mainly targeting young chefs who would like to learn about the taste and sustainability of Alaska Seafood, as well as a variety of recipes.*
- *ASMI Japan collaborated with the city of Zushi to promote Alaska Seafood during their event, “Zushi Nomi” (an evening festival) on June 12<sup>th</sup> and 13<sup>th</sup>. Approximately 70 restaurants/bars participated in this event and approximately 20 restaurants showed interest in Alaska Seafood.*
- *ASMI Japan supported an Alaska Seafood Fair, conducted by Nagano Trading, at their bar/café Antena America. On June 25, Nagano Trading held a seminar, focusing on “the marriage of Alaska Seafood and premium craft beer.”*

## **Western EU (France and Belgium)**

### ***Market Update***

Competition among retailers to reduce prices is fierce. Processors and distributors said that the annual price negotiations with retail chains were more difficult than ever this year. Retailers ask for more commercial cooperation fees and the government wants to interfere again to “protect the margins of the small businesses.” It is very difficult for smoked salmon and cod processors since it’s hard to predict what the prices of the raw material will be by the end of the year.

**Consumer PR/Advertising:** Continued advertising in magazines for women targeting housewives under 50 with high to average income levels, ads focus on the wide variety of AK seafood available, its attributes, sustainability and responsible fisheries management. ASMI undertakes consumer PR efforts in order to maximize the consumer budget.

- *ASMI provided information about salmon, recipes and information about pollock and surimi in conjunction with the Fleury Michon campaign. Produits de la Mer and Gondola interviewed Alaska industry members during the Brussels Seafood show.*
- *One insertion was placed in the Elle a Table April edition.*

**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 (formerly ESE) 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.

- *ASMI tries to reach consumers through retailers and processors promoting Alaska Seafood in stores. This quarter ASMI contributed to promotions with two partners:*
- *Agriberia who runs Portuguese promotions in the major retail chains and featured salt cod (Auchan, Leclerc , Intermarche , Simply, Casino).*
- *Argel , a home delivery distributor featured troll-caught coho salmon for Easter and in June in its catalogues*
- *Two promotions, products promoted salted cod and troll-caught coho, total volume sold: 254 MT*



**Website:**

- *The website had 4,397 visitors in the fourth quarter of FY14, 10,346 pages were read, the “cook it frozen” page remains a hit this quarter.*

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

- *ASMI worked with foodservice distributors to have them promote single frozen Alaska pollock, processed in France (breaded- ready meals), in addition to what they had already been promoting.*
- *ASMI contributed to five promotions with partners, products featured on 265,000 catalogues and website*
- *Volume sold: 124 tons for a value of \$1,909,625*

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

**Market Update:**

### ***Consumer Program:***

ASMI conducts press trips, sends press kits and press releases, and participates in events, like Gastrovision, to attract media. ASMI maintains a relationship with the German press year-round. Cooperation with the Alaska Tourism Industry and the Embassy in this region has helped ASMI identify PR opportunities. ASMI also works with trade members and chef associations to host press luncheons.

- *ASMI placed three insertions in three consumer magazines: Das Schmeckt and Lisa Kochen und Bunte circulation: 778,843; readership: 4,600,000*
- *Copper River made arrangements for the journalist from Pro Sieben to go out during an opening*
- *June 14 - June 19th: A group of 10 seafood buyers / users met with industry members in Anchorage, toured processing plants in Kodiak and met with Fish and Game.*
- *ASMI participated in the Gottfried Friedrichs press conference on May 8, 2014. H&G salmon was introduced to the press by Hank Baumgarten.*



***Trade Shows:*** February 9-11, ASMI attended Fish International (Bremen) with a corner booth in the Transgourmet pavilion with a display case and a cooking station. Transgourmet introduced white king and sockeye into their line and won 50 new Alaska seafood customers.

***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.

- *Five insertions were placed in two publications: Minus 18° (frozen food), Fish Magazine, Circulation: 96,100 – readership: 323,000*
- *ASMI contributed to the promotion of Suempol's smoked salmon with the Polish retail chain Alma Market (45 stores, 1 million catalogues printed).*
- *ASMI contributed to a salmon promotion with Gottfried Friedrichs who conducted 50 in-store demos in 30 stores, and promoted salmon from Alaska in Perfetto Magazine.*
- *Two promotions conducted with two partners, 68 stores, volume sold: 54,618 kg, value: \$2,164,816*

**Website:**

- *3,497 people visited the ASMI Central Europe website this quarter*
- *Most visited pages: the different species, industry, sustainability*

**Foodservice Promotion:** ASMI assists the German foodservice industry with AK seafood menu development, advertising promotions and by following up on opportunities gained at HRI shows.

- *One Alaska salmon promotion was conducted in six cash & carry stores in Germany and Austria.*
- *Seven Alaska seafood weeks conducted by Transgourmet in 12 restaurants, Products served: breaded pollock, flatfish*
- *ASMI attended Chefsache in Cologne, the sales expected within the 12 next months are: \$100,000 and sales through foodservice distributors: \$50,000.*

## **Northern EU**

### **(UK, Ireland, The Netherlands, Finland, Denmark, Sweden)**

The economic recovery continues, with the UK now outpacing other European economies (PWC). In Denmark, the economy is still sluggish with the annual GDP running at 0.75% and forecast at 1.25% for 2015. The Swedish economy is ahead of the EU average and generally thought to be progressing well. Benelux, continues its economic growth with an increase of 0.3% in the second quarter of 2014. Unemployment remains stagnated at 6.7%, same as the first quarter of 2014.

Consumers continue to seek value and bargains supported by treat shopping. The assault on the big four retailers continues with ASDA the only larger retailer making progress. The rise of the discount multiples continues with some forecasters suggesting they will own one quarter of the market by the year end.

Seafood moved against the general grocery trend with value up by 3.1% (previous 3.8%) driven by price inflation as volume was down by 3.5% (previous 2.6%). Fresh/chilled continues to grow in terms of value, 6.3% and volume 0.4% at the expense of both ambient seafood and frozen seafood. In all sectors price inflation remains a strong feature.

Amazingly, fresh salmon continues to grow in volume (11%) and value (1%) despite inflation of 10%. The double digit volume decline of canned salmon seems to have finally been stemmed, falling by 7.2% in volume. Prices are still rising in the canned salmon segment despite increasing pink activity.

**Consumer PR/Advertising:** ASMI uses a variety of public relations activities, like 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.

- *Alaska Seafood UK Facebook Page: 2,755 fans (increase from 1,974 in January 2014). Content of the Alaska Seafood UK Facebook page centers on fun facts, new recipes, sustainability facts and all information related with Alaska Seafood. We will be running competitions in the forthcoming quarter to increase the number of fans on Facebook.*
- *Alaska Seafood UK Twitter Page: 760 followers (increase from 689 in December 2013) The Alaska Seafood UK Twitter page is used to share all relevant information to promote Alaska Seafood in the UK such as recipes, information about sustainability, seafood, etc. The page is updated three times per week and has had more followers every week.*
- **Pop Up Event in Pimlico Gardens, London-** *The event targeted families and young adults and had a lot of activities during the day and night. The event was a great success with an attendance of around 500 people and media coverage of over \$150,000.*
- **ASMI culinary retreat-** *Ex-Masterchef winner, Dhruv Baker, blogger Kerstin Rodgers, and freelance food and travel writer, Neil Davey attended the trip to Sitka in August 2014.*
- **House and Garden campaign** - *600 recipe books were included in goody bags distributed at the House & Garden summer fair.*
- **Jamie Oliver partnership campaign** - *ASMI is running a campaign with Jamie Oliver, Foodism and Escapism. The campaign includes a media event; 'cook with Alaska seafood, as well as a double page advertorial in Jamie Magazine (circulation 53,175), a competition to win a trip to Alaska, email newsletter, blog posts and banners across all websites. Lotus UK confirmed prize partnership with Holland America Line and facilitated product for the editor of the magazine to prepare recipes with and blog about. Lotus UK also secured a group of 12 media to attend a cookery class at Recipease on June 30, which was led by Jose Souto.*
- *Reach of campaign was almost 16 million, Total Competition Entries: 6,475*
- **BBC Good Food, Delicious and Olive Magazine-** *ASMI was featured with three advertorials in BBC Good Food, Delicious and Olive magazines during the month of June. All these magazines are gastronomy, glossy consumer magazines that feature recipes, food tips, eating out and lifestyle.*
- **Woman and Home Magazine** -*ASMI UK conducted meetings with Woman and*

Home to discuss a supper club event and a wider campaign in the magazine and spin-off publication, *Feel Good Food*.

- **Great British Chefs** - Alaska Seafood is developing a campaign with Great British Chefs, a premium brand that involves food lovers with great recipes, tips and how to videos from the very best chefs in Britain.
- **Icelandair Discover America Workshop**- ASMI supplied salmon for the Icelandair Discover America workshop in Copenhagen in June, in collaboration with the Alaska tourism program.

#### **Retail Merchandising:**

- **Youngs advertorials**- Youngs launched a new product Alaska pollock 'Lightly coated'. This was supported by a £1 million (\$1.66 million) TV advertising campaign. Youngs is working towards getting ASMI CoC certification for Alaska Pollock. **ASMI was featured in a total of 10 advertorials with a combined circulation of 6,237,156.**
- **Own label frozen ASDA salmon fillets** - This is a promotion with Icelandic to promote own label frozen fillets to ASDA customers. The current volume: is 6.6 tonnes per week (plus 1.4 SL/BL). Activity will consist of web activity on ASDA.com and advertorial in the ASDA in house magazine.
- **Sainsburys online promotion for Princes** -The promotion includes online promotion (web banners) in the multishop section, in the linked purchases section and will have links to recipe ideas. Products featured: Canned salmon
- **Tesco online promotion for Princes** - Online promotional activity to increase sales of princes canned salmon in Tesco online.



- **John West fix a form** -John West is designing a fix-a-form leaflet in accordion shape which will be attached to the top of every pink salmon can. This leaflet contains information about the health benefits of pink salmon, the life cycle of the salmon before being canned along with some recipe ideas.
- **Koffietijd activity**- ASMI was featured in a Dutch TV program called Koffietijd. Products featured: All

- **Herring party** - ASMI sponsored fresh fish trader Jan Van As which provided all the fish for the herring party. Alaska salmon was served at the event as sushi pieces.
- **Frank's Smokehouse** - Three advertisements and a half page in Parool's newspaper magazine (circulation: 77,973)
- **Tesco promotion** - Promotion in Tesco stores in conjunction with LDH, the own label canned salmon supplier to Tesco. LDH featured a price promotion on the salmon. To support this promotion we ran an advertorial in Tesco's magazine during the June issue (circulation: 1,935,680).
- **Jan Van As** - Inclusion of ASMI logo and information in the Jan Van As brochure which is being distributed to partners, trade and consumers.
- **B2C Campaign** - B2C campaign including a print and online content in Libelle & Margriet magazines, as well as newsletter inclusion, online activity featuring Alaska seafood as theme of the week in a home cooking platform and blog content (total circulation of: 6,917,400)

**Foodservice Promotion:** Activities include in-outlets promotions, menu features and special Alaska themed promotions.

- **Young National Chef of the Year**- ASMI is one of the five sponsors of the Young National Chef of the Year competition organised by the Craft Guild of Chefs.
- **Caterer and Hotelkeeper magazine** -ASMI sponsored a breakfast seminar in partnership with Caterer and Hotelkeeper magazine. The concept of the event was a panel debate over breakfast.
- **Universal Infant Free School Meals fact sheets** - ASMI created a factsheet about wild Alaska salmon and pollock to be included in a dedicated area for school caterers on the Craft Guild of Chefs' website.
- **Billingsgate Seafood Training School** - Billingsgate organised a total of 10 outreaches in schools for children to investigate a selection of sustainable fish and shellfish and encourage a wider understanding of fish as food. ASMI provided a canned salmon recipe book and organised for John West to give away 2500 cans of Alaska salmon.

## **Southern EU (Spain, Portugal, Italy)**

**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 held 23 trade meetings at the Seafood Expo Global May 6-8, 2014.
- CONXEMAR will take place Oct. 7-9, 2014 in Vigo, Spain.

**Retail Merchandising:**

- In-store chef demo/product tasting promotions of Alaska keta salmon were conducted in 15 major Eroski supermarkets in northern Spain: April 11 – 15, May 30 – 31 and June 20 – 21. Chef students grilled Alaska keta salmon, which was introduced last year for sale in Eroski supermarkets in fillet portions in modified atmosphere packaging. \$64,000 in sales were generated.



**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.

- Arte in Cucina Chef Recipe Contest: ASMI sponsored a chef recipe contest organized by the Arte in Cucina HRI trade journal and the Italian Professional Chefs Association (APCI).
- Eurotoques Sponsorship: ASMI sponsored the biannual congress of the Spanish Euro-Toques professional chef association in May.
- Alaska Seafood Dinner with US Ambassador Costos: On June 18<sup>th</sup>, ASMI organized an Alaska seafood dinner at the residence of and hosted by US Ambassador to Spain, James Costos. The dinner was directed by Michelin-star chef Ángel León, in collaboration with Ambassador Costos' personal chef.
- Comerjapones.com Website, Facebook, and Cooking Classes Sponsorship: As part of ASMI SEU's public relations campaign, ASMI continued its sponsorship of Comerjapones.com, generating regular mentions of Alaska seafood products on the Comerjapones.com website and use of wild Alaska salmon in their cooking

*classes in Madrid, Barcelona and Valencia.*

<u>SEU Facebook Page Total Likes*</u>	<u>Mar 2013</u>	<u>Jun 2013</u>	<u>Sep 2013</u>	<u>Dec 2013</u>	<u>Mar 2014</u>	<u>Jun 2014</u>
Alaska Seafood España	2,064	2,578	2,629	3,200	3,509	3,531
Alaska Seafood Italia	4,750	7,549	7,505	7,487	7,807	7,794
Alaska Seafood Portugal	439	720	897	906	909	931

**HRI Trade Shows:** 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.

**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 fourth quarter of FY 2014:

- *Chef Demo Presentations Oviedo, Avilés & Gijón , Spain on May 12 – 14, 2014*
- *Demercado Alaska seafood chef demo/tasting on May 14<sup>th</sup> at DeMercado Restaurant in Seville*
- *Sa Tuna chef demonstration in June 2014 in Begur, Spain*
- *MonDore stand in the FirAntoni festival in Barcelona, Spain on June 28th, 2014*

*Chef Demo Presentations in Oviedo, Avilés & Gijón, Spain on May 12 – 14, 2014*  
*Total attendance: 80 persons representing 60 restaurants in the Asturias region*

## **Eastern EU (Russia and Ukraine)**

### **Market Update:**

**The ASMI EEU program was severely affected by the Decree of the President of the Russian Federation of August 6, 2014 #560 “About the application of certain special economic measures in order to protect the national security of the Russian Federation” which imposes a one year ban on US agricultural exports including “Fish and crustaceous, mollusks and other aquatic invertebrates.”**

Although the market for US products in Russia is affected, the EEU program remains active with promotional opportunities in the Ukraine and explorative trade servicing in alternative former Soviet republics. ASMI received the following update on the situation in Russia:

## **Aquaculture:**

- August 20, 2014. Prime-minister Dmitry Medvedev excluded salmon smolt, lactose-free dairy products, seed potatoes, corn, peas, food supplements and vitamins from the list of banned imported foods.
- Russian aquaculture operations need 7.5mln units of smolt per year, for the moment 6.3 mln units are imported. The same day the amendment was adopted the Norwegians shipped 200 thousand units of smolt to two aquaculture enterprises of Murmansk.

## **Prices/Imports:**

- The fishing industry of the Faroe Islands raised the price of salmon by 60% due to rising demand from Russian importers after the embargo on the supply of fish from Norway. According to an anonymous Russian importer, the price has risen from \$6.25 to \$10 per kilogram.
- Retailers have reported increase in the price of red fish X5. A retail group has notified the government about price increase on red fish by more than 20%.
- The Federal Fisheries Agency claims that they will control prices on the “social species” of fish including cod, herring, pollock, salmon, keta, and Atlantic salmon. According to Shestakov, his office will deal with each case. "We have a lot of mechanisms, control options and opportunities for promoting and discussions with manufacturers, so that they do not allow such increase," - said the official.

## **Aquaculture/Transportation**

- The authorities of the Russian Federation plan to allocate one billion rubles per year in the form of state subsidies for the development of aquaculture, as well as to subsidize the cost of rail transportation for fish from the Far East, according to the head of the Federal Fisheries Agency, Ilya Shestakov. The government also plans to develop the Northern Sea Route.

## **Suppliers in the Market**

- Russian agricultural supervision now allows 12 previously banned Chilean companies to export fish to Russia.

## **The Roe Market**

- Information about roe situation varies. The Federal State Statistics Service reports that salmon roe production increased to 1.412 tons in the 1<sup>st</sup> half of 2014 against 1055.3 tons in the 1<sup>st</sup> half of 2013. In June the production of salmon roe was 454 tons.
- But Ilya Shestakov, the head of Russian Federal Fisheries Agency stated that as of August 5, the catch of Pacific salmon in the Far

Eastern basin was 153 thousand tons, which is less than the catch in the same period of 2012 (year-analog) on 40.5 thousand tons.

- The market is hearing rumors that the price for 1kg of salmon roe will increase from 1500rub (41.5usd) to 2000rub (55.4usd) or even 2400rub (66.5usd).

## **Brazil**

The Brazilian Government has decided to enforce stricter rules for the transport of fish among Brazilian states. The idea is to trace the entire path of the product, identifying where it was caught or produced (in captivity breeding) until it reaches point of sale in retail establishments. The goal is to ensure health and food safety for consumers.

According to CNC (National Confederation of Commerce), it is estimated that the retail industry in Brazil grew an average of 4% during the 2nd quarter of 2014. Brazil is negotiating with NOAA and USDA to change the U.S. health certificate for seafood products shipped to Brazil.

In the 2nd quarter of 2014, according to the Brazilian Ministry of Development and Foreign Trade (MDIC), Brazil imported 966 metric tons of seafood from the U.S., an increase of 15.5% from the same quarter in 2013. The value of these imports reached \$2,453 million, a growth of 144% for the same period. Alaska seafood companies and local importers have reported increasing shipments to Brazil in the quarter.

### ***Retail Merchandising:***

- *ASMI Brazil coordinated a four-week Alaska chum/pink salmon, cod and pollock promotion in São Paulo, Rio de Janeiro, Recife, Salvador and Porto Alegre, at 34 stores of Walmart, Pão de Açúcar, Extra, Zaffari, Bom Preço, G. Barbosa and Zona Sul chains. 4,968 kg of Alaska seafood was sold during the four week promotion, with a special discount given by the supermarket chains in some stores.*
- *During four weeks in May, ASMI conducted retail promotions and product tasting in nineteen GPA and Walmart stores in the greater São Paulo area. 3,104.4 kg of Alaska seafood was sold during the four week promotion in greater São Paulo.*
- *ASMI Brazil conducted POS promotions in 12 Pão de Açúcar and Walmart stores in the Greater São Paulo area. Professionals sampled Alaska keta salmon and Pacific cod and distributed educational specie flyers and recipe books. ASMI also positioned POS signs in all stores. 1,495.4 kg of Alaska seafood was sold during the June campaign in São Paulo.*

### ***Trade PR/Website/Social Media:***

- *ASMI Brazil advertised in **Seafood Brasil Magazine's** 4th edition for 6 months online with a website banner, sponsored their suppliers guide, as well as on the bottom banner of their newsletter.*
- *Facebook (Peixes do Alasca/Fish of Alaska): Number of likes added to the fan page: 58,891. By June 30th, there were 64,830 people talking about Peixes do Alasca on the fan page*
- *Number of likes added to the fan page in FY2014: 102,746 Number of likes total in the fan page: 200,017*
- *Alaska Seafood Brazil created a You Tube Channel ([www.youtube.com/peixesdoalasca](http://www.youtube.com/peixesdoalasca))*
- *ASMI Brazil runs two websites, one for trade and one for consumers: [www.alaskaseafood.com.br](http://www.alaskaseafood.com.br) and [www.bacalhaudoalasca.com.br](http://www.bacalhaudoalasca.com.br)*

#### **Trade Shows/Trade Missions:**

- **APAS Trade Show:** *ASMI Brazil participated for the third time in a row with a booth during the APAS 2014 supermarket business show on May 5-8, 2014 in São Paulo, Brazil. ASMI secured a 52 square meter booth. APAS is one of the largest supermarket and retail trade shows in Latin America.*
- **SIAL 2014 Show:** *During four days ASMI exhibited at SIAL Brazil 2014, with a 36 sqm corner booth in the U.S. pavilion. The booth had a personal chef that prepared recipes with pollock, keta, pink and sockeye salmon, black cod and Pacific cod.*
- **Brazil Buyers mission to Alaska:** *ASMI Brazil held, from July 26 to August 1, 2014, a buyer's mission to Alaska and Seattle with six buyers from Damm, Opergel, Frescatto, Bom Peixe and Kondelli, to learn more about Alaska's wild, natural and sustainable fisheries, meet with suppliers and visit plants.*



#### **HRI Promotions:**

- **Ecully Restaurant Tasting Event:** *ASMI Brazil organized, in partnership with Go Where Gastronomica, a tasting event at Ecully Restaurant with participation of HRI professionals. The event was covered on two pages in the magazine's May 2014 edition, plus a full page advertisement.*

- ***Chef Training Event at Laurent School of Culinary Arts:*** ASMI organized a workshop for a select group of eight professional well known chefs in Brazil.
- ***Cosi Restaurant Tasting Event:*** ASMI Brazil organized, in partnership with Go Where Gastronomia, a tasting event at Cosi Restaurant with participation of HRI professionals. The event was covered on two pages in the magazine's June 2014 edition, plus a full page advertisement.
- ***Cook and Groove Fest:*** The Cook and Groove fest was first created by a group of friends that cooked hamburgers for their friends at local bars. The event became so popular, that a special edition was developed, in order to attract more people. Seven different chefs were invited, and each one of them was responsible for a specific type of cuisine. The Japanese cuisine featured the Sockeye Salmon in partnership with ASMI, and was the most popular and most liked dish of all seven.
- ***Sockeye Salmon Temaki Festival:*** Yoi! is a popular Japanese food restaurant chain with over 40 stores throughout Sao Paulo, with very competitive prices. The festival was held at all 40 stores, and promoted in ads in two major newspapers, O Estado de São Paulo and Folha de São Paulo, and one national weekly magazine, Veja São Paulo.