

DRAFT (10.1.15)



Joint Foodservice-Retail Marketing Committee Meeting April 28, 2015

A joint meeting of ASMI's foodservice and retail marketing committees was held on April 28, 2015 at Trident Seafoods in Seattle, WA.

Present were: Jennifer Castle, Foodservice Chair
Tom Sunderland, Retail Chair (Ocean Beauty Seafoods)
Bob Barnett
Julianne Curry (UFA)
Mike Cusack (Icicle Seafoods)
Rasmus Soerensen (American Seafoods)
Matt Christenson (Trident Seafoods)
John Cannon (Orca Bay Seafoods)
Thea Thomas
Yvonne Shay (Peter Pan Seafoods)
Ron Jolin
Peggy Parker (HANA)
Arni Thomson (Alaska Salmon Alliance)

ASMI Staff & Guests: Michael Cerne, ASMI Executive Director
Larry Andrews, ASMI Retail Director
Claudia Hogue, ASMI Foodservice Director
Linda Driscoll, ASMI Assistant Retail Director
Heather (Carey) Sobol, ASMI Marketing Specialist
Karl Johan Uri, ASMI Foodservice Marketing Specialist
Jann Dickerson, ASMI Foodservice
Mark Jones, ASMI Retail
Tyson Fick, ASMI Communications Director
Tomi Marsh, ASMI Board of Directors
Tricia Sanguinetti, ASMI Foodservice
Susan Marks, ASMI Responsible Fisheries Management
Katherine Hue, Revelry Agency
Patrick McGuire, Edelman
Liz Powell, Edelman
Katie Goldberg, Edelman
Carol Merry, Carol Merry Marketing Services

Absent: Jerry Eagle (Peter Pan Seafoods)
Jamie Marshall (Trident Seafoods)
Lavi Ruderman (Westward Seafoods)
Mark Gleason (Alaska Bering Sea Crabbers)
Scott Blake (Copper River Seafoods)

I. CALL TO ORDER:

The meeting was called to order by Chairs Tom Sunderland and Jennifer Castle at 9:05am.

II. ROLL CALL/MINUTES:

The roll was called by Heather (Carey) Sobol and it was determined that a quorum was present. Sunderland invited the group to review the previous meeting's minutes, Julianne Curry moved to approve the minutes with one name correction, the motion was seconded by Ron Jolin and passed.

Sunderland reminded the committee that this is a public meeting, it is being recorded and individual company's issues, regarding pricing, volume, etc. cannot be discussed and that we maintain that distinction.

III. OLD BUSINESS AND GOOD OF THE ORDER:

Sunderland spoke to possibly asking groups to compress their presentations to be able to discuss important issues that have come up since the agenda was distributed, including marketing frozen sockeye salmon.

IV. CONSUMER PR:

Sunderland invited Edelman to present to the committee. Liz Powell spoke to the presentation timeframe of mid-January to present (about 3 months' worth of work) and that Katie Goldberg would walk the committee through the ASMI/Edelman Consumer PR presentation. Powell spoke to being proud of the work that has already been done and that we have a great product and are seeing it come through.

Target: Millennials, XERS (18-36) and Baby Boomers (50+)

- Culinary media targeted initially, move to consumers and nutrition

Results to Date (February – April):

- Secured an estimated 776 million impressions through media relations placements
- 7.1 million impressions through recipe-centric blogger program resulting in 40 posts and 40 Alaska seafood recipes
- Booked more than 30 editors to attend upcoming ASMI tasting event in NYC from top tier national outlets
- For Summer FAM visits, secured seven editors and four top chefs

Curry asked Edelman to clarify what "impressions" means. Goldberg stated that impressions is a calculation of how many people are going to the site each month, viewership members for those running coverage, plus what is distributed, through media relations. Sunderland asked to "dumb it down" for the committee. Goldberg stated impressions is the opportunity or ability for consumers to actually see or read about Alaska Seafood, that they are calculated by unique monthly visitors and circulation.

Powell then went over the objectives for the FY16 consumer PR program and Goldberg walked the committee through the presentation.

V. IN-STATE PR:

Tyson Fick was invited to present to the committee. Castle asked Fick to provide an overview of the program and to speak to in-state efforts and how his team interacts with each program. Fick replied that Alaskans get their news from the national press, that the communications program's budget is used to bolster national press efforts, for example: FAM trip expenses. Fick also explained that he has primary point of governmental relations. Fick then continued to speak to the group about his FY16 Plan and how decisions were made on where to place efforts. Mike Cusack asked about how in-state efforts are being tied together to equal one coordinated message. Fick replied that there are weekly meetings with the team, so all are integrated together. It is a joint, team effort.

The group took a 10 minute break.

VI. CONSUMER ADVERTISING:

Carol Merry was invited to present to the committee and began by expanding on the earlier discussion of impressions and what Edelman had discussed during their presentation. Merry then walked the committee through the FY15 media plan and presented two options for the FY16 media plan: One with \$1 million additional (in addition to the \$915,000 already committed) and the second with \$500,000 additional. Thea Thomas asked about impressions and asked if one type of impression (magazine, radio, on-line, etc) carried more weight than another? Merry explained how she quantifies impressions and that some are worth more than others, such as print, because the reader will spend more time with the advertisement.

VII. ASMI BUDGET DISCUSSION:

Sunderland invited the committee to have an open discussion on the upcoming budget and asked Mike Cerne to speak about the current situation with regard to the budget. Cerne detailed the budget allocation for Alaska's general fund and stated there will be a \$2 million cut. The recommendation from staff is that the spend plan is reduced by \$1 million and taking \$1 million out of reserves.

Curry spoke to the state's \$3.9 billion budget deficit and what the perceptions are about the commercial fishing industry:

1. Perceived as being out-of-state
2. Perceived as stealing fish from Alaskans
3. Perceived that the tourism budget is more important

Curry also spoke to needing to have a discussion and send a serious recommendation to the Board of Directors because there is potential for the budget issues to get worse. Mike Cusack spoke to seeing a lot of duplication and spending a lot of money on single events. He asked if there is duplication and how can we be more efficient? Sunderland asked about the communications program's budget, stating he saw more money allocated for program operations and less allocated for in-state efforts. Fick stated that that is just how it is organized now and that it will change with the new accounting system. Sunderland replied that it looked as if there was more labor and less activity in the budget. A discussion continued on digging deeper into each program's budget, not cutting funding from advertising efforts and not decreasing the domestic program budgets.

Mike Cusack requested that budgetary information and documents be provided to the committee no less than 30 days in advance of a meeting. Claudia Hogue stated that the Board of Directors meetings

would need to occur later, after legislature sessions end, to prepare the documents; that is why the committee is receiving information so late. The committee was reminded that Sunderland would be attending the Board of Directors meeting the following week.

Peggy Parker made a motion stating the joint committee strongly supports no cuts to the current budget on domestic retail, foodservice, and communications programs. We feel the strength of the domestic market warrants budget levels remaining the same so we can continue to develop sales volumes and increased awareness.

The Joint Committee also recognizes that the \$500,000 proposed cut in the budget has been reviewed by the staff, but cannot be responsibly reviewed by the committee given the lack of details and constrained timeframe available.

In addition, our discussions reflect a concern regarding both expenses and revenues for the future. Given the general global situation with oil prices and reduced revenues to the state, we strongly recommend that the board begin considering 1) further efficiencies throughout the entire ASMI organization and 2) alternatives to revenue streams designed to fill the void created by the cutback in state contributions, the motion was seconded by Jolin and was passed unanimously.

VIII. NEW BUSINESS:

Arni Thomson spoke to the committee about the Alaska Salmon Alliance study being nearly complete.

IX. NEXT MEETING:

The next Joint Committee meeting will be held at the All Hands meeting in October in Anchorage, AK.

X. ADJOURN:

Jolin moved to adjourn; the motion was seconded by Jennifer Castle and passed. The meeting adjourned at 12:18pm.

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