



Wild, Natural & Sustainable

Salmon Committee

Tuesday, November 28, 2017

Beginning 1:30pm

Adventure Room, Hotel Captain Cook in Anchorage, AK

Draft minutes

The meeting was called to order at 1:35 by Chair Julianne Curry.

Roll Call:

Members present: Julianne Curry, Tom Sunderland, John Daly, Melanie Brown, Kevin Larsen, Thea Thomas, Ron Jolin, Nelly Hand, Sandy Souter, Jennifer Castle (telephonic)

Others present: Alice Ottoson-McKeen, Matthew Arnoldt, Sam Cotten, Matt Allward, Bruce Schactler, Nina Schlossman, Mark Jones, Norman Aoyagi, Shigeki Okano, Christine Fanning, Andy Wink, Bruno Correard, Keiko Sasaki, David Brindle, Susan Marks, Jeff Stephan, Aaron Jolin, Abe Williams, Hannah Lindoff, Michael McGinley, Fritz Johnson and other members of the industry, public, and press.

Approval of the Agenda:

A motion was made by Jolin to approve the agenda, it was seconded by Thomas; the motion passed unanimously.

Approval of the Minutes:

A motion was made by Sunderland to approve the minutes from the April 19th meeting, it was seconded by Larsen; the motion passed unanimously.

Chair's Remarks:

Curry thanked everyone for attending the meeting and reminded the group that they were there to forward ASMI's mission to increase the value of Alaska's seafood resource.

Public Comment:

No public comment. The chair took the time to have the members of the committee and audience introduce themselves.

Salmon Market Update:

Andy Wink provided an update on the salmon markets for the past year and projections for the upcoming year.

There was a discussion about why the sales numbers for frozen pinks were much higher than for canned pinks. It was determined that the difference was mainly because frozen pinks were sold more quickly after harvest while cans could be held for up to two years.

Brown asked if negative percentages for salmon exports were attributed to lower volume or a slowing of the market. Wink responded it was some of both. Sunderland added that for sockeye, the domestic market continues to grow and is eating up much of the demand.

Thomas asked what product forms needed the most help. Daly stated that canned salmon sales need to be protected and Sunderland added that a particular area of weakness for canned salmon has been export markets. Souter noted that the general trend is less canning, so the canned market may stabilize itself.

Jennifer Castle joined the meeting telephonically.

Schactler noted an increase in the demand for traditional canned products in Europe and asked if the industry had seen an increase in value for canned products due to this trend. Sunderland stated that it was too soon to know and noted that the salmon industry is coming off a big year into an uncertain year. Daly added that large numbers for canned salmon served to replace what was lacking from low numbers in 2015.

Jolin asked what was happening with Russian pink salmon. Wink responded that their harvests were up, but noted that less of the harvest was going to China, either because there was greater domestic demand or more was being held in inventory.

Thomas questioned why the production from 2012 to 2017 did not vary a huge amount yet the price shifts were dramatic. Wink attributed part of the shift to the value of the dollar, which changed dramatically during that time.

Curry asked Wink to expand on current and future roe markets. Wink stated that this season experienced high roe prices, largely due to poor chum harvests in Japan. Additionally, Wink speculated that higher roe consumption in Russia could have contributed to higher prices because it would mean less competition from Russian roe supply.

Curry asked if the committee felt optimistic about the roe market. Larsen responded that despite the Russian embargo, things had turned out well.

Jolin asked about the quality of the roe produced this year. Sunderland explained that the labor shortage in some plants meant more green roe was produced.

Industry Updates:

Brown recognized the industry for continued efforts to raise the bar in terms of seafood quality.

Thomas inquired about the progress on quality handling guidelines from the Technical Program and requested that these be a top priority.

Brown noted that North Line Seafoods was freezing fish in the round and suggested the Technical Program look into how that tactic effects quality.

Hand asked what the distribution plan would be for quality handling guidelines to ensure they reached the fleet.

Sunderland and Daly gave their view on the past salmon season and agreed that from a processor's standpoint the past season was successful, but that 2018 was an unknown, especially for pinks because of low runs in 2016 and for sockeye prices in Bristol Bay because of uncertainty as to what would happen with the Fraser River run.

Jolin stated that as a harvester he has noticed salmon moving further west and emphasized the need for more science on the impacts of climate change.

Curry agreed with Jolin, and added that with the salmon harvest shifting west, the ability to ship fresh daily from every port in the state was particularly important and reliable transportation was critical for the salmon industry.

Jolin asked if there was a difference in catch in Northern Southeast versus Southern Southeast. Curry responded that Southeast has been hard to predict in recent years, but that the trend had been higher numbers in the north in odd years and more success in the south in even years.

Jolin asked about the Canadian king harvest and Curry responded that they had not experienced the same decline as Southeast, but their catch was not particularly high.

Thomas noted that the king runs in Copper River and Bristol Bay were fine.

Brown reminded the group that the southeast salmon fishery was influenced by the Pacific Salmon Treaty, meaning that the problem was not necessarily that the kings were not there but that they were not allowed to be fished due to trans-boundary issues.

Michael Kohan, ASMI's Technical Director, joined the meeting and gave an update on the progress the Technical Program had made in the last year on creating quality guidelines and

videos for the seafood industry. Kohan asked for the committee's feedback on a website she was creating to house the quality guides.

Thomas suggested making the videos short and easily accessible on a mobile device and stated it was important to also encourage quality handling on the tenders.

Jolin emphasized the value of larger ice machines.

It was decided that the salmon committee would schedule an informal meeting with Kohan to discuss the quality guidelines and strategies for pushing them out to the intended audiences.

ASMI board member Fritz Johnson stated that Bristol Bay RSDA has a big quality push going on and that the organization would be happy to help with ASMI's quality guidelines. Johnson suggested sending invites to Bristol Bay RSDA once the meeting between Kohan and the salmon committee was scheduled.

Curry highlighted committee members for their contributions to the Alaska Seafood industry and telling the Alaska seafood story including Melanie Brown for participating in a documentary on Bristol Bay and the mining issues there, Nelly Hand for publishing a blog on the Martha Stewart Online Magazine, and Thea Thomas for being the face of the Copper River campaign.

Program Director updates:

ASMI program directors all spoke of the ability to tell the "Alaska story" to a domestic and global audience. Committee members made specific recommendations on how to expand that message in the questions for species committees.

Bruce Schactler gave an update on the Global Food Aid Program's new program to purchase wild Alaska salmon fillet portions.

Curry asked how processors could find out about government food aid programs. Schactler encouraged processors who were interested to call him and also to become registered vendors through the Department of Agriculture, which the Global Food Aid Program could help with. Once registered as a vendor, companies are notified of programs and opportunities.

Victoria Parr, ASMI Domestic Director, provided an update on the Domestic Program's efforts to market salmon including partnerships with large retailers, breweries and wineries, online meal kits, golf courses, and major chain restaurants.

Castle asked what criteria was used to vet potential partnerships and tie-ins. Parr responded that for retail the requirements included signage and number of demos and for foodservice

there was usually a spend ratio. Parr stated that the past year the spend ratio was \$1 to \$18 for foodservice operator promotions.

Hannah Lindoff, ASMI's International Program Director, introduced three of the International Program's Overseas Marketing Representatives (OMR) from France, Japan and the United Kingdom. Each OMR provided an update on the salmon markets in their regions and an overview of their efforts to promote salmon.

Curry asked if Parr had worked with Lindoff to supply French recipes to the Canadian market. Parr stated she had not, but it was something the Domestic Program could do.

ASMI Communications Director Jeremy Woodrow gave an overview of the Communications Program's salmon messaging and introduced the Salmon Committee to the upcoming "Worth It" campaign which focuses on the efforts commercial fishermen put into harvesting Alaska seafood.

Jolin asked if there were any plans with the Olympics coming up. Alexa Tonkovich, ASMI's Executive Director, responded from the audience that there was some work to modify the procurement policy for the Olympics to include GSSI and that the FAS office in Tokyo was in touch with the Olympic Planning Committee.

Curry inquired if the Communications Program was looking to expand efforts to market Alaska salmon to Alaskans. Woodrow stated that there was no specific campaign to sell salmon in Alaska.

Old Business:

Brown asked about having the technical program look into full utilization, particularly making stock from the frames of salmon. Brown highlighted an example of full utilization from Petersburg Coastal Cold Storage who made smoked king salmon fin tips from belly fins.

New Business:

Questions for the Salmon Committee:

1. What specific concerns or marketing needs do you feel should be brought to the ASMI Operational Committees for them to consider?

Technical:

Salmon Committee requests an informal meeting with Kohan, the Technical Committee or both, to review the quality guides that will be posted on the ASMI website and come up with a plan to push that content out to the intended audiences.

All Committees:

Due to the current fiscal situation, the Salmon Committee recommends that all programs work to get the best bang for their buck and operate efficiently.

Domestic/International:

The salmon committee asks that the domestic and international programs continue to promote salmon. Pollock promos have been extremely beneficial and we want to keep focus there but also ensure that we are responsive to the market challenges that may occur in 2018 for salmon. We need to be poised to act.

Furthermore, the salmon committee requests the domestic and international programs work to stabilize the decline in canned sales and continue canned promotions, especially for sockeye.

Domestic:

The Salmon Committee requests the domestic program work to develop pink promotions on the domestic side, both H&G and fillets.

2. Do you have any overall industry concerns that should be brought to the committee chairs meeting for them to discuss and carry forward to the ASMI Board of Directors?
 - Climate change and how it will impact the salmon industry
 - Funding for seafood marketing is a top priority and the committee is also concerned about the ADF&G budget

3. What major challenges do you see the industry facing in the coming years? (short-term and long-term)
 - Transportation of fresh fish
 - Climate change and how it will impact the salmon industry
 - Budgets for ASMI and ADF&G

4. What trends or opportunities can you identify that ASMI Programs can capitalize on?
 - Where applicable, promote full utilization of salmon (nose to tail)
 - Capitalize on the Alaska Story and the boat to plate approach. Encourage program directors to communicate with and utilize ASMI committee members at trade shows, press tours, etc
 - Help stabilize prices across all species and product forms
 - Use ASMI e-blasts as an opportunity to distribute information, including communicating to smaller processors so that they have access to ASMI materials

Nominations:

Sunderland nominated John Daly to be the chair of the Salmon Committee. Brown seconded. The nomination was confirmed unanimously.

Jolin nominated Kevin Larsen to be the vice chair of the Salmon Committee. Thomas seconded. The nomination was confirmed unanimously.

Final comments

It was announced that Jennifer Castle would be retiring from the salmon committee after this year. Curry thanked Castle for her contributions to the committee.

Jolin thanked ASMI travel coordinator Matthew Arnoldt for his work to arrange everyone's travel for All Hands.

Jolin spoke about the importance of spending time in Juneau talking to Alaska State legislators and of Alaska fishermen running for office.

The committee agreed the next salmon committee meeting would be timed to coincide with the spring domestic committee meeting. The salmon committee also requested additional opportunities to meet in Juneau coinciding with the legislative session.

Curry informed the committee that there was a piece of legislation to make changes to the Saltonstall Kennedy program, which impacts the promotion and development of seafood products in the U.S. Curry encouraged committee members to ask their senators to be a sponsor or co sponsor of the legislation and offered to provide talking points to those interested.

Thomas asked if ASMI could tap the Saltonstall Kennedy money for marketing.

Brown thanked Curry for her service as Chair of the salmon committee.

Sunderland moved to adjourn the meeting. Larsen seconded. The motion passed. The meeting adjourned at 4:00PM.