



# ASMI ALL HANDS 2018 BRAZIL PROGRAM

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# Market Overview

- Economy recovery since 2017
  - Expected GDP growth 1.4% in 2018 and 2.5% in 2019
- Jair Bolsonaro, new elected President
  - Positive reaction of the market
  - Pro-business, expected market oriented administration
  - Open foreign policy
  - Tax reform
  - Privatizations, smaller government



# Seafood Market Overview

- Keta salmon, APO, cod, sockeye salmon
- About 50% (est.) of the seafood market composed of imported products



	Seafood Imports into Brazil			
	World		Alaska	
	Value USD	Volume MT	Value USD	Volume MT
2017	1.3 billion	383,000	5.1 million	1,559
2018 YTD	912 million	246,000	3.5 million	1,000

- Easier online registration process with **automatic approvals** (H&G and fillets) – **we can do it for you**
- Parasites: NOAA officials visited Brazil and met MAPA/DIPOA. Issue under control for raw material.



# Seafood Market Trends

- Innovation
- Health and Natural, good for your health
- Private Label
- Retailers looking for sustainable seafood
- Growing seafood consumption -> from 5kg/capita/year in 2005 to 10.5kg/capita/year in 2017



# Program Highlights

## In-store Promotions

### Main campaign: Easter 2018

- Alaska Cod, Alaska Pollock, Alaska Keta Salmon, Alaska Sockeye Salmon
- 3x more sales than Easter 2017
- 77.2 MT sold @ \$992k
- 212 stores in 7 Brazilian states
- 1,481 in-store days



General Sales  
Growth since last  
All Hands  
Meeting (Dec '17  
– Sep '18)



+ 122 (value)  
+135% (volume)



+ 231% (value)  
+256% (volume)

*Easter 2018  
Sales compared  
to Easter 2017*



# Program Highlights



## Retail activities

- 2017 Trade Gathering
  - 10 retailers awarded
- Trainings with Carrefour, Grupo de Açúcar and Walmart



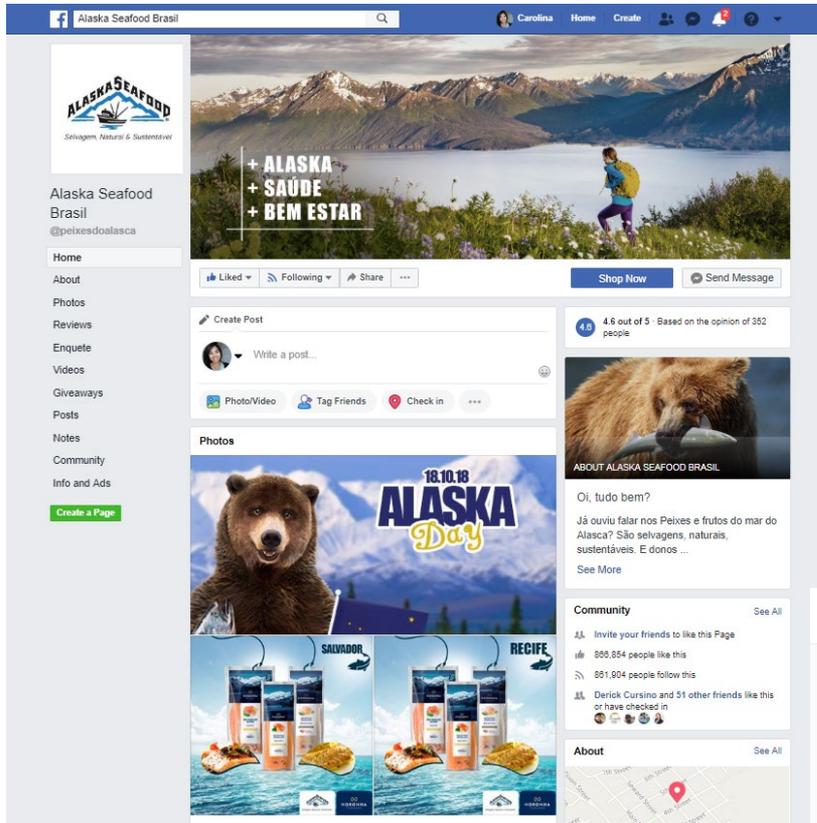
# Program Highlights

## APAS 2018

- Over 140 qualified leads generated
- Three distributors
- Trade reception in partnership with the USDA/FAS
- Estimated sales to retail of over \$ 2 million in the next 8 months

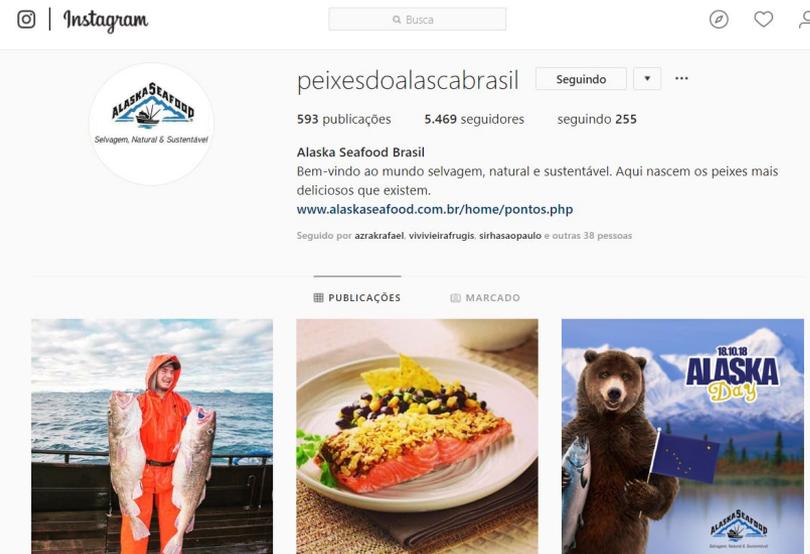


# Program Highlights



## Social Media and PR

- 1.1 million fans on Facebook
- 5k on Instagram
- Health, wellness, nutrition strategy
- Retail Merchandising tool
- \$300k Earned Media 2018 YTD



# Upcoming Activities

- **APO workshop and dinner for retail/trade on December 4th, 2018**
- **Launch of first APO block product (January 2019)**
  - In-store promotions
  - Development of local recipes
  - New POS promotional materials
  - New recipe videos
  - Brazil APO website
  - Social media and PR campaign





Workshop  
**GENUINA  
POLACA  
DO ALASCA**

Neste ano, vamos proporcionar uma experiência nova aos nossos convidados durante a nossa já tradicional confraternização de final de ano:

*Vamos cozinhar juntos o peixe mais selvagem, natural e sustentável do mundo durante aula do Chef João Leme.*

Venha conhecer mais sobre a **Genuína Polaca do Alasca** (sem aditivos químicos, congelada apenas uma vez no Alasca e importada diretamente dos EUA), além de degustar essa e outras delícias do mar do Alasca e interagir com a cadeia do pescado.

**4 de Dezembro de 2018**  
terça-feira às 19h00

Rua Surubim, 159 - Brooklin  
São Paulo/SP

RSVP até dia  
28 de Novembro de 2018,  
quarta-feira

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*Selvagem, Natural & Sustentável*

# APO workshop invitation



# Upcoming Activities

Promotions with Nutricionists - keta, pink, pollock, cod	November 2018
Gastronomy Schools seminars in São Paulo and Rio	November 2018
Refreshing Project with Grupo Pão de Açúcar, providing samples	November 2018
Christmas Promotions in six states	December 2018
#USFoodExperience event with FAS/USDA	February 2019
Holy Week/Easter Promotions in 8 states	March - April 2019
APAS Show	May 6 - 9, 2019
Brazilian Chefs Cochran Program	Summer 2019 - TBD





# ATP Proposal South America 2019 - 2022



# South America Overview

- Proposal included seven countries, but focus will be on **Brazil, Chile, Colombia and Peru**

## Rationality:

- Population: from 208 to 372 million
- GDP: \$ 2 trillion to 3.7 trillion
- Strong economies, + 3 - 4% GDP, pro-business administrations
- **FTAs w/ the U.S.: Chile, Colombia and Peru: Products to enter the markets Duty Free and re-exported to Mercosul members at 0% Import Duty**
- Chile, Peru, Colombia, and Ecuador are Associate Members of MERCOSUR (Brazil, Argentina, Uruguay, Paraguay, Venezuela).



# Seafood Market Overview

- Major seafood production, mainly directed to the export market
- Farmed salmon, hake, anchovy, mahi mahi, trout, squid, tuna, mackerel, shark, shrimp
- Whole fish, fish blocks, fillets, fillet blocks, steaks, breaded, either fresh or frozen, bulk or retail packaged or even canned
- Estimated **7 million MT market size** (and growing). Includes fish meal.
- Imports of 670 thousand MT @ \$ 2 billion (+16% in 2017)
- Limited number of local species available at grocery stores, **imported seafood plays an important role**
- Per capita consumption average annual growth of 18%

Country	Seafood Consumption Per Capita (KG)
Brazil	10.5
Chile	13.2
Colombia	8.4
Peru	21.75
Average	<b>13.5</b>



# South America Seafood Overview

	Market Size – MT (000)	Domestic Production MT (000)	Exports MT (000)	Exports Value \$ (million)	Imports MT (000)	Imports Value \$ (million)
Argentina	332	775	455	1,950	12	84
Brazil	829	483	37	233	383	1,317
Chile	329	1,150	833	5,420	12	76
Ecuador	191	649	517	3,298	59	82
Peru	686	845	267	799	108	286
Colombia	220	160	21	104	81	203
Uruguay	18	58	50	97	10	42
<b>TOTAL</b>	<b>2,605</b>	<b>8,523</b>	<b>2,183,017</b>	<b>11,904</b>	<b>666</b>	<b>1,806</b>

Does **NOT** include fish meal



# Chile

- Only developed economy, high per capita income \$15k+
- 70% of local seafood production is exported
- Seafood consumption per capita has doubled in the past decade
- Government initiatives for boosting seafood consumption
- 400+ registered seafood processing/commercial facilities
- Free Trade Zone
- Currently importing over 100 MT of Wild Alaska Sockeye Salmon
- \$2.5 million in imports of Alaska fish oil
- Trends: Health, wellness, sustainability



# Chile

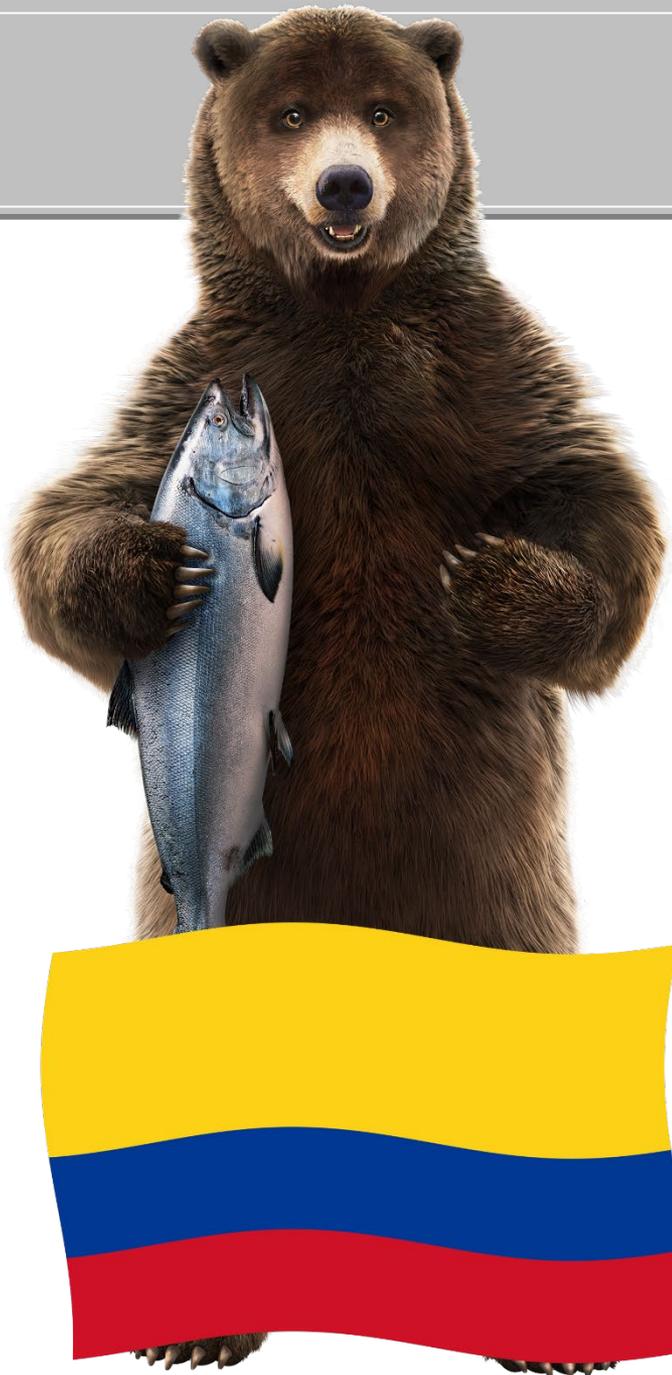


# Peru

- Potential Alaska seafood's re-processing center in South America
  - Large seafood processing industry: about 200 seafood processing plants
  - Lack of raw material /production volume volatility, plants operate sharply below their full capacity
  - Low labor costs
- Opportunities for APO and flatfish (competitive prices)
- Nearly undeveloped salmon market
- Leading Latin America Gastronomy based on seafood



# Colombia



- Largest agriculture trade destination for US agricultural products in SA and seafood is lagging behind
- Growing seafood consumption and imports
- Market saturated with low-quality/high water content/ chemical treated fillets from China and Vietnam
- Growing concern about sustainability
- Opportunities for APO, flatfish and wild Alaska salmon (keta and pink being currently imported)
- About 60 seafood processing plants in the country



# ... Argentina, Ecuador and Uruguay

To be monitored:

- Existing processing industry with over 240 registered processing plants
- Lack of raw material, industry idleness in Argentina
- 1 kg and 500 g fillet bags, breaded products (Argentina)
- Canneries (Ecuador)
- **Regulatory barriers: trade servicing only – work with USDA**



# Goals

- Develop **Peru** as the new **Alaska seafood re-processing center in South America**
- Develop **Chile and Colombia** as **new consumer markets**, explore niche opportunities in the Peruvian domestic Market
- Increase South American **trade awareness** through **trade seminars, trade meetings and trade shows.**



- Increase South American trade willingness to **identify product origin** by demonstrating benefit to sales.
- Increase **market access** to Argentina, Uruguay and Ecuador



# Goals

- Increase Alaska seafood industry awareness of potential in the South American market; generate enthusiasm and dedication to the market through **trade missions and meetings.**
- **Educate and engage Alaska seafood exporters in the market**



# Proposed Activities

## TRADE

- MARKET RESEARCH
- TRADE MISSIONS:
  - Peru in 2019/2020
  - Chile in 2020/2021
- BUYERS MISSIONS:
  - One in 2020/2021
  - One in 2021/2022
- TRADE PUBLIC RELATIONS:
  - Trade seminars
  - Retailer education program
  - Technical Samples Program
  - Trade Shows: Espacio Food & Service show in Santiago, Alimentec in Bogota and Expo Alimentaria in Lima
  - Trade Research



# Proposed Activities

- RETAIL MERCHANDISING
- SPANISH WEBSITE AND SOCIAL MEDIA
- TRADE SERVICING

FOODSERVICE (includes Brazil as well)

- CHEF SEMINARS
- AMBASSADOR CHEFS & TRAINING PROGRAM
- FOODSERVICE PROMOTIONS



# Proposed Activities





QUESTIONS?





THANK YOU

