



MEMORANDUM

DATE: September 2020
TO: ASMI Domestic Marketing Committee
FROM: Megan Rider, Domestic Marketing Director
SUBJECT: Domestic Budget

Please find herein the revised proposed Domestic marketing budget for fiscal year 2021, which highlights the reallocation of the tradeshow/conference and travel lines, as well as recommendations for the carryover funds from fiscal year 2020 that were not spent due to the global pandemic.

Foodservice:

The ASMI Foodservice program covers both the commercial (restaurant operators) and noncommercial (College & University, Healthcare, Broadline and Specialty Distributors) sectors in the U.S. market, as well as Canada.

In light of the global pandemic, the foodservice sector collapsed in the United States with many fine-dining and casual dining restaurants struggling and some shuttering indefinitely. Many restaurants were quick to pivot to delivery and take-out, as guests were not able to dine in due to strict safety measures.

One silver lining was that many of the operators ASMI currently partners with are in the fast casual and fast food segment which is already accustomed to these mechanisms to reach their customers. Fortunately, the majority of planned promotions were executed as planned as the lions share were in the quick service segment. Nonetheless, the larger landscape is bleaker as many products that traditionally go to foodservice have been diverted to retail posing market challenges for the near future.

ASMI domestic was quick to pivot in a myriad of ways to be responsive to the rapidly changing and evolving marketplace. For starters, we worked with a variety of chefs to create recipes highlighting trends that arose during Covid but that would be lasting and relevant such as immunity boosting, vibrant, innovative and healthful ways to prepare Alaska seafood.

Next, we partnered with acclaimed chef, seafood champion, and cookbook author Barton Seaver to create a series of videos in conjunction with the platform Rouxbe through the Seafood Literacy program highlighting take out menu recipes and tips. Also, with Chef Barton we created videos educating trade on full utilization in a commercial kitchen.

As we move into the next fiscal year, we do not plan on abandoning foodservice as we feel this is a good opportunity for brand building, trade and consumer awareness, and keeping Alaska seafood top of mind with the existing budget framework. We want to continue to cultivate relationships with our existing, established partners.

Key FY21 Proposed Domestic Budget Changes - Foodservice

- Save 100% of funds in a rainy day account. In light of the fact that the U.S. foodservice market is still relatively unstable, we think it is prudent to put these funds in our reserve. We still wish to maintain a strong presence in this sector, continue to build brand awareness and be top of mind for consumers. We can accomplish this with the reallocation of funds in our current budget plan. Since many traditional promotions are not currently being executed we will focus on trade servicing and education, considering many operators and distributors are not running LTOs, spiffs, sales contests, etc. That said, if there are opportunities in the national account sector we will

act aggressively and pursue these as consumers are experiencing protein fatigue and want healthier, lighter, proteins such as Alaska seafood.

FY20 Foodservice Budget Carryforward:	\$271,615
Total Available Funds in Reserve:	\$271,615

**Subject to change – we wish to reevaluate in January if need be.*

Retail:

The ASMI retail program covers the U.S. domestic market, as well as Canada. In light of the global pandemic, we have witnessed an unprecedented boom in this sector as more consumers are cooking at home and avoiding public spaces to seek out meals such as foodservice establishments as a precautionary safety measure. Both brick and mortar and ecommerce have thrived during Covid as consumers are now stocking their fridges and pantries at home with frozen and shelf stable canned items, instead of dining out (especially impacting certain dayparts such as breakfast and lunch).

The ASMI team pivoted during the beginning of the pandemic in a myriad of ways to accommodate the quickly evolving retail landscape.

Firstly, we partnered with Chef Barton Seaver to create canned salmon webinars on the platform Rouxbe educating both trade and consumers on the benefits of cooking with this product.

Also, we are working with a variety of retailer such as PCC and Publix for virtual cooking classes featuring prominent Alaska seafood chef ambassadors marrying foodservice with retail.

Next, we revamped our Cook It Frozen campaign with a refreshed logo and four new recipes and tutorial videos featuring sockeye salmon being prepared with different techniques (pan roasted, grilled, instant pot, and baked). We pushed these videos out with accompanying banners on the Serious Eats platform along with shoppable recipes. We also created an eblast to share with our trade partners. We are extending this campaign to include halibut, pollock, and cod.

Finally, we are in the process of creating QR codes for on pack to create a positive, contactless shopping experience for the consumer with the goal of educating these shoppers on the benefits of eating Alaska seafood, telling the Alaska seafood story and creating simple and delicious recipes for the at home cook.

Key FY21 Proposed Domestic Budget Changes - Retail

- Allocate 70% of funds in FY21 for a total of \$208,649 and the remaining 30% in FY22 for a total of \$89,420. We plan on being on the offense in this sector. We will focus on frozen and canned product with the objective of keeping new customers in these categories that have historically not purchased Alaska seafood and creating loyalty and repeat purchases for years to come. Our strategy is to focus on not only B to B marketing but also B to C, as many shoppers are frequently brick and mortar less frequently.

FY20 Retail Budget Carryforward:	\$298,071
FY20 Proposed allocation of 70%	\$208,649
FY21 Reserved funds	\$89,420
Total Available Funds:	\$298,071

**Subject to change, we wish to reevaluate in January if need be.*

Proposed Activity Additions:

1.) Hello Fresh	\$20,000
2.) Publix and Albertsons	\$100,000
3.) Wild Alaskan Company	\$20,000
4.) Fulton Fish Market	\$20,000
1.) SideChef	\$30,000
2.) Chef Barton Seaver	\$18,000
<i>Total Proposed Carryforward to FY21</i>	<i>\$208,071</i>

Hello Fresh:

· Hello Fresh is the largest meal-kit provider in the United States. We are hoping to get a variety of Alaska seafood menued in the box offerings for consumers as more are cooking at home than ever.

Publix and Albertsons:

· Specific detail cannot be disclosed due to confidentiality; however, we are working to secure two dynamic and robust marketing promotions with these established partners.

Wild Alaskan Company:

· Wild Alaskan Company is an immensely popular, rapidly growing monthly seafood membership that delivers sustainably sourced seafood to consumers' doorsteps. We are working on a partnership to expand the portfolio of this company to include different Alaska seafood species and product forms.

Fulton Fish Market:

· Fulton Fish Market is one of the most prestigious and beautiful fish markets in the entire country offering the largest assortment of online seafood anywhere. Our partnership opportunities could include the following: webinars, virtual cooking classes, box inserts, organic and paid digital media, marketing emails, category placement on website and landing pages, recipes, sampling, chef marketing, giveaways, and more! We are hoping to get a wide variety of Alaska seafood in their online catalogue, seafood bundles, and boxes.

SideChef:

· SideChef assists home cooks in an end-to-end cooking inspiration with shoppable recipes using integrated grocery shopping apps (such as AmazonFresh and Walmart). They utilize step-by-step videos and photos helping consumers become well-acquainted and comfortable using items such as seafood. Finally, many top tier chefs are featured in this platform adding prestige and cache to the Alaska seafood offerings.

Chef Barton Seaver:

· Barton Seaver is a highly acclaimed cookbook author, chef, and U.S. seafood champion. Chef Barton has agreed to partner with ASMI in a more robust capacity over the next year to tell the Alaska seafood story in his authentic and genuine manner that resonates with both chefs and consumers alike. We will work with Chef Barton on content such as webinars, cooking demos, recipe development, possible collaboration with Morrison Healthcare and Sodexo, virtual cooking classes, social media takeovers, and much more!

Appendix: FY21 Approved Budgets

Domestic Program – Foodservice	FY21 Approved	FY21 Proposed Changes
Program Operations	\$277,000	\$259,000
Marketing Operations	\$215,000	\$192,500
Operator Promotions	\$275,000	\$275,000
Distributor Promotions	\$250,000	\$250,000
Tradeshows and Conferences	\$200,000	\$30,000
Trade Support	\$384,500	\$595,000
Trade Advertising	\$145,000	\$145,000
TOTALS	\$1,746,500	\$1,746,500
Domestic Program – Retail	FY21 Approved	FY21 Proposed Changes
Program Operations	\$277,000	\$259,000
Marketing Operations	\$221,000	\$211,000
Special Projects and Co-op Promotions	\$269,000	\$395,000
Trade Promotions	\$375,000	\$375,000
Tradeshows and Conferences	\$146,000	\$30,000
Trade Support	\$298,500	\$316,500
Trade Advertising	\$160,000	\$160,000
TOTALS	\$1,746,500	\$1,746,500