



Salmon Committee Meeting

Wednesday November 11, 2020

8am – 10am AKST

ASMI Virtual All Hands

[All Hands Meeting Link](#)

- I. Call to order
 - a. Meeting is called to order at 8:00 am. Ray Riutta, former ASMI Exec Director and Vice Admiral of USCG opens with a recorded video. Mr. Riutta calls out Veterans and the work of ASMI in 2020.
 - b. Roll Call
 - i. Board Members Present: Chair Thea Thomas, Vice Chair Sandy Souter, John Daly, Julianne Curry, Ron Jolin, Nicholas Dowie, Larry Christensen, Melanie Brown, Ron Christianson, Cynthia Wallesz, Emily Matlock, Michael Jackson, Torque Zubeck, Jesse Liu, Ron Risher
 - c. New Board Members
 - i. Thomas welcomed new Board Member Michael 'MJ' Jackson who is a Bristol Bay Gillnetter, and Jesse Liu
 - d. Approval of Agenda
 - i. Curry moved to approve the agenda as presented. Dowie seconded the motion. All in favor. Motion passed unanimously.
 - e. Approval of Minutes from April 30, 2020
 - i. Motion to approve by Ron Christianson, seconded by Sandy and minutes approved.
 - f. Chair remarks
 - i. Chair Thomas reminds everyone to please keep answers to questions for the Executive Director to within the ASMI scope.
 - g. Public Comment
 - i. Julianne says that while it's good to have public comment up front, it may be useful to include it at the end as well under Good of the Order.

- II. New Business:
 - a. Salmon Production & Markets – Dan Lesh, McDowell
 - i. Dan states that this is the 8th lowest volume since 1976, with some regional discrepancy.
 - ii. The Chignik and AYK runs were failures, and disasters were declared in Cordova, Petersburg, and Ketchikan.
 - iii. Oversupply of farmed salmon, adding to price drops due to the pandemic

and crash of foodservice.

- iv. Tighter supplies globally
- v. Export volumes down 48% in September compared w/ 2019, with prices up 26%
- vi. Farmed salmon prices are dropping, putting pressure on wild prices
- vii. Sockeye
 - Compressed run
 - BB base price down 50%
 - BB drift permit value down ~30k
 - H&G export prices down 6%
 - Estimated 25% decline in global harvest
- viii. Pink
 - 30 cents per lb ex-vessel
 - 98% of forecast realized
 - 21.8 million Kodiak harvest
 - Low Russian harvest
 - H&G export prices up 17% over 2019
 - PWS seine permit value down \$30k in 2020
- ix. Keta
 - 45% of forecast harvest
 - Exceptionally low ex-vessel price
 - H&G export prices flat vs. 2019
 - Mixed messages in Japan but production likely up a bit
- x. Coho & King
 - 55% coho forecast realized
 - 80% of king realized
- xi. Questions:
 - Sandy-asks about the export rise for pinks and whether exchange rates played a role or what else might have impacted this.
 - Dan says that there isn't a great answer
 - There is follow-up regarding where the increased exports are going, and Dan says this will be answered in chat. (After checking chat, this answer is not available).
 - Julianne requests roe market impacts
 - The prices from November (which are most recent) are up 54% in value, volume down 28 % (all types mixed). Price reports from summer had pink roe at \$5.65 per lb, but generally things have been higher than that. Keta was 11.22 per lb for second trimester data, which is also lower. There are mixed messages in terms of pricing.
 - John Daly adds that broadly, there was lower quality pink roe which convoluted the value. There was likely more low quality pink roe produced this year (even though it was a low pink year) than last year.
 - Michael asks if there's any indication of the inventory levels of the various salmon species, and how it compares with other years.
 - Dan says he only know anecdotally that storage is lower due to the lower harvest but others in the room might have more accurate information. The data tracked

doesn't allow great transparency into that information.

- Emily asks about HG keta prices being flat through 2019. Has this changed in 2020 with the reduced volume?
 - Keta prices were up 3% but there's a lot of noise in the data. The bigger story is really that volume drop.
- Michael asks whether any information is available for the Russian grounds prices.
 - Dan says he does not have this information.
- Dan provides more data in the chat:
 - https://www.adfg.alaska.gov/static/fishing/pdfs/commercial/2020_preliminary_salmon_summary_table.pdf
 - <http://tax.alaska.gov/programs/programs/reports/annual/TriannualSalmon.aspx?ReportDate=8/31/2020>

b. Salmon Promotion Overview – Megan Rider

i. Retail

- Domestic revamped the Cook-it-Frozen campaign featuring sockeye (most popular at retail)
 - 8 tutorial vids and 8 shoppable recipes
 - Variety of cooking methods featured
 - Launched on Serious Eats
 - Overall engagement and interactions at an all-time high, and most successful campaign done w/Serious Eats to date
 - E-blast out to retailers
- New Recipes developed
- New partnership w/ Barton Seaver
 - Chosen for reach and simpler prep methods, helped cater to the increased in-home use
- New canned recipes: top 4 tuna recipes on serious eats used to generate new canned salmon recipes
- New Trade Promotions run by Mark Jones
 - Continuing to partner w/ top retailers in US and Canada (upwards of 36k units)
 - Trade advertising targeting decision makers, supermarkets, e-commerce, wholesale
- Virtual Cooking Classes
 - Partnering with variety of retailers such as PCC and Publix
 - Classes feature chefs and sommeliers
 - Grocery lists posted in advance

ii. Foodservice

- New chefs engaged to develop recipes for both chains and independent restaurants
- National Accounts w/ Jann Dickerson continuing
- Another collab w/ Barton Seaver
 - Michael Kohan of technical provided information for best practices for food service that we featured in videos
- While not attending tradeshow, a virtual presence was maintained
- Trade advertising continued
- Sponsored content initiatives with partners like Plate Magazine

focusing on our narratives like frozen-fresh, sustainability, utilization etc.

iii. Questions

- Larry Christensen asks for the word 'gamey' to be removed from the Barton Seaver vid, but Melanie differs saying that it can be a positive in context and he elaborated.
- Dowie agrees that gamey might be overly suggestive
- Julianne asks about domestic opportunities
 - Megan: more and more consumers cooking at home and trying to recreate rest experience. More are using AK salmon. We are creating easy family-friendly recipes for the home, healthy, and lunch-heavy. We are trying to make content that resonates with consumers, and including more guides with professionals like chefs and sommeliers for better experiences at home.
- MJ asks if a focus-group was used in the videos as it might influence the verbiage perception. Megan says that we do use them, but with Barton we actually didn't even pay for the content. We sent him canned salmon and he included it in his webinar. The casual, off-the-cuff content he releases is a plus to his audience and the gamey use was an outlier.
- Cynthia asks about the sustainability story we are hoping to bring forward.
 - Megan states that it focuses on ASMI's tenants, utilization, family fishing. We don't get too in the weeds on data are careful in how it is discussed.

c. Committee Roundtable

i. Species Committee Questions from the Executive Director

- Deliberation ensues regarding the determination of the Executive Director's Questions, resulting in the below list:

Key Questions for Species Committees

1. What opportunities or trends do you see for your species in international markets?

- H&G and value-added fillets have been able to move into new markets.
 - N. China, UK
 - Central and South America-processors are looking into moving away from China for processing, and consumers in South America and Mexico are interested in learning about wild salmon as a substitution for some more typically available local products
- New product forms and markets for small fish
 - Growing awareness of all wild AK salmon species as alternative to farmed Atlantic or Coho
- Beneficial health impacts associated w/Vitamin D should be included in marketing/packaging as part of the health trend
- New styles and cooking trends, re-fresh programs, selling whole fish (and smaller fish) vs. portions
- Increased retail consumption vs. massive reduction in foodservice

- New EU tariffs on fillets
 - Red talls efforts should continue
 - Refocus some attention to canned salmon
2. What opportunities or trends do you see for your species in US domestic markets?
- Sockeye in inventory that could be moved to new domestic markets
 - A lot of H&G frozen fish in freezers that are farmed that is super cheap that we need to support marketing against
 - Consideration for greater percentage smaller fish
 - The upward trend of canned salmon, support needs to be continue against cheaper imported forms
 - Price competition with large volumes of frozen farmed that needs to move
 - 'Adventurous eaters', pushing things like H&G and small whole fish for home buyers.
 - Recipes based on bulk and leftovers
 - Better utilization practices and focus on how to handle some less common product forms like steaks, small whole fish
3. How can ASMI provide technical support to improve health/safety or product types for export to destinations where these issues are a barrier to entry?
- Educational material regarding benign nature of nematodes in salmon and trends of raw consumption, potentially looking to include messaging on freezing as a quality control
 - Chinese accusations of finding viable COVID virus on frozen seafood packaging.
4. What information/issues/opportunities would you like to convey to the communications program in terms of in-state or industry issues?
- Continue efforts of in-state public relations about the value of commercial fishing to the people and the state of Alaska
 - Continuing pushes to 'buy American' and support US fishermen
 - Positive story of COVID control in processing plants
 - Engagement of younger consumers with salmon messaging
5. What challenges/threats – pandemic related or otherwise – do you anticipate for your species in the next year or beyond?
- Smaller fish and continued associated challenges in processing/marketing
 - Lower volume and lower pricing in the future, with possible diminished ROI in marketing efforts
 - Tariffs
 - Processor costs for COVID precautions (50-60 million USD). These costs are likely to continue well into 2021 but may not be compensated as they were previously.
 - Product form choices at processing in consideration of COVID safety in plants due to increased associated costs

III. Adjourn

- Meeting adjourns at 10 am.