



Alaska Seafood Marketing Institute

**International Marketing Committee Meeting**

Wednesday, Nov. 11, 2020

4:00 p.m. - 6:00 p.m. AK Time

AND

Thursday, Nov. 12, 2020

8:00 a.m. – 10:00 a.m. AK Time

Zoom Meeting

**DRAFT MINUTES**

**Wednesday, November 11, 2020**

**Introduction**

**Call to Order**

A regular meeting of the Alaska Seafood Marketing Institute (ASMI) International Marketing Committee (IMC) was called to order virtually (via zoom) at 4:00PM on November 11, 2020.

**Roll Call**

*Committee members present*

Julie Yeasting, Chair  
Frank O'Hara, Vice Chair  
Shigeki Okano  
Phil Young  
Rasmus Soerensen  
Bob Janzing  
Michael McGinley  
Jeffrey Stephan  
Lance Magnuson  
Merle Knapp  
Bob Barnett  
Joel Peterson  
Tomi Marsh

*Committee members not present*

Norman Aoyagi

## Staff Present:

Hannah Lindoff, Sr. Director of Global Marketing & Strategy  
Nanette Solanoy, Assistant International Program Coordinator  
Nicole Stangeland, International Grants and Marketing Coordinator  
Alice Ottoson-McKeen, International Marketing Coordinator  
Monica George, International Marketing Coordinator  
Jeremy Woodrow, Executive Director  
Megan Rider, Domestic Marketing Director  
Susan Marks, Sustainability/Certification Advisor  
Bruce Schactler, USDA Food Aid Program Director  
John Burrows, Seafood Technical Program Coordinator  
Michelle Kaelke, Accountant  
Tanna Peters, Digital Marketing Manager  
Sara Truitt, Executive Assistant/Board Liaison

Aya Fukamachi, ASMI Japan  
Akiko Yakata, ASMI Japan  
Keiko Sasaki, ASMI Japan  
Roger Zhang, ASMI China  
Robin Wang, ASMI China  
Terence Chang, ASMI China  
Jane Yao, ASMI China  
Tim Welsh, ASMI SE Asia  
Surisa Taechawiratchon (Muay), ASMI SE Asia  
Pornnicha Sathujarun (Porn), ASMI SE Asia  
Hataithip Veeraprechanon (Daeng), ASMI SE Asia  
Dee Richmond, ASMI SE Asia  
Joel Woodward, ASMI SE Asia

### **Approval of Previous Minutes**

Knapp moved to approve the minutes from the IMC meeting that took place on September 1, 2020; Stephan seconded. The motion passed unanimously.

### **Approval of Agenda**

Stephan moved to approve the agenda; the motion passed unanimously.

### **Public Comment**

No public comment.

### **Chair Comments**

Yeasting welcomed all IMC members, and made a special welcome to new committee member Joel Peterson representing Clipper Seafoods. Yeasting thanked the IMC members, ASMI staff, and the OMRs for all the hard work that made the All Hands virtual event possible. She expressed her feelings of sadness for not being able to gather in person this year, but shared that she was thankful that the group was still able to connect. Yeasting stated that no matter how difficult the situation was, the industry continued to work hard and engaged with compassion, commitment, and fortitude. She ended her

comments on a positive note, and hoped that the industry could come together in person again in the near future.

### **Vice Chair Comments**

O'Hara thanked everyone for their time and help in marketing Alaska seafood, and also thanked everyone involved for putting together the All Hands on Deck virtual meeting. He shared that harvesters have had a difficult year with the added challenge of COVID-19 and keeping fisheries virus-free, and on the market side, while some products have benefitted from aspects of the pandemic such as increased retail demand and cooking at home, others have struggled with the loss of foodservice. He finished his comments positively by saying that despite the challenges this past year, he was looking forward to continuing to work with the ASMI team on new opportunities for buying and cooking seafood.

### **Program Director's Comments**

Lindoff highlighted that there was an extra \$100,000 of unallocated Market Access Program (MAP) funds (the unspent MAP funds from last year due to COVID-19 that were rolled over to this year) and that ATP funding was going to be kept for three additional years – she expressed that the program should utilize the time with this increased budget since it was unclear what the funding would look like after ATP. With that in mind, she asked the committee to think of broad recommendations on where the extra \$100,000 could be spent, and where they would like to see an emphasis, as they watched the OMR presentations and attended the other All Hands meetings.

Lindoff commended the SE Asia team and the Japan team, who, despite not getting a full year of normal market conditions, had done amazing things in their programs. She also commended the China team for being very responsive to urgent requests, and said that the courtesy and dedication of all the OMRs was the reason for their many accomplishments. She complimented the ASMI international staff for the work done behind putting the virtual event together, and said she was looking forward to hearing from the OMRs and the committee.

### **China Report**

Chang gave an update on the coronavirus in mainland China and Hong Kong. He stated that China had a quick and aggressive response in preventing the spread of COVID-19. Much of the population was still wearing masks to help create a safe and positive environment, but China was keeping its borders closed and remained ready to impose lockdowns if necessary. China's figures for the coronavirus showed a total of about 86,000 cases, 4,600 deaths, and 80,000 recoveries – there were no major spikes in cases to affect the current recovery progress, and but people felt safe, but China continued to keep a close eye on cases.

On economic health, Chang shared that there were positive trends in GDP health, disposable income, retail spending (driven by online sales), the service sector, and the tertiary sector. Large events were being held, and the HRI industry improved with \$70 billion spent on local tourism during China's National Day holiday in early October. The improvements in the HRI industry were mainly due to domestic travel, but Chang said that they saw more opportunities for growth when China opened internationally again. Chang stated that the mainland China market recovered quite strongly, while Hong Kong recovered more slowly, but overall, ASMI China was encouraged by the positive figures.

Zhang reported that restaurant consumption improved since the beginning of the year, so ASMI China took the opportunity to promote Alaska seafood in Chinese chain restaurants. They promoted species such as pollock, cod, and yellowfin sole, and local consumers had positive feedback. ASMI China attended the Guangzhou Fisheries Show, SIAL 2020, and Restaurant Bar Gourmet Asia in Hong Kong. Zhang noted that the attendance of participants at the tradeshow was higher than expected, and they were able to collect trade leads.

Zhang also shared that ASMI China held several trade seminars and media tastings in Dalian, Shenzhen, Ningbo, Nanjing, and were planning one in Beijing for early 2021. Chinese media were invited to join the events to learn about Alaska seafood, and ASMI China received media exposure to talk more about Alaska seafood on different media platforms.

Zhang said they planned to do more promotional activities, especially online promotions, as the holiday season was coming up and it was a very busy time, and said they also planned to use ATP funds to conduct more trade gatherings and seminars in different cities. Zhang talked about the ASMI China website and said that it would be a good time to update it and make it more attractive and functional to help further educate Chinese buyers.

### *Discussion*

Yeasting asked what species or products were going to be the focus of upcoming promotions, and what ASMI China was doing to promote rockfish. Zhang clarified that pollock, cod, and yellowfin sole were the focus of upcoming promotions. He stated that Pacific Ocean perch was getting popular in China, and that restaurant promotions, online sales, and trade seminars would be good opportunities to introduce all of the mentioned species to local buyers. Chang also mentioned that in one of the recent trade gatherings, rockfish was one of the new products showcased in a chef demonstration.

McGinley asked for more information on the wet markets in China, and if there were any success stories about big volumes of species being moved out of Alaska and sold in China. Chang responded that wet markets were more of a feature in the Tier II and Tier III cities, and that once trade gatherings were launched in those areas, they wanted to follow up by visiting the wet markets and talking with the local seafood traders about working with them to promote more of the newer Alaska seafood species. With regard to McGinley's question on volume, Wang responded that since people were buying more things online, such as Alaska seafood, they would check with their third party ecommerce providers for figures.

Soerensen asked Chang if China was experiencing a protein shortage due to African swine fever, and how that affected the seafood market. He also asked how the flow of imports into China was affected by the COVID-19 inspections. Chang stated that China had seen short term price increases for pork that suggested there was a shortage. In response to that, China tried to ramp up pork production, but it was difficult to get the production back to previous levels; during that time, seafood imports grew, which confirmed that China was looking for additional protein sources. In addressing the protein shortage in a short term sense, Chang said they would continue to push the idea of seafood being a ready, sustainable, and healthy resource.

Chang stated that there was an increase in overall inspection rates and procedures for COVID-19 for all imports into China and that a longer customs period could be expected. China's general approach was to count on traceability – details such as addresses, next destinations, checking the DNA of the food itself and on packaging – and if there was a case of COVID-19, they would be able to trace it back immediately.

O'Hara read a question that came in on the Zoom chat: How are Chinese consumers feeling about frozen seafood containing the coronavirus? Is it short-term, or is it something that is more long-term?

Chang responded that it would be a short-term occurrence, as sales were generally consistent and Chinese consumers continued to feel strongly about the quality of Alaska seafood products. Wang added that COVID-19 was not from the seafood itself, but from the packing houses, transportation, and re-processing, and that was made clear to the Chinese consumers.

Soerensen asked Zhang if they were going to redo their WeChat in addition to the website. Zhang said they had recently created a new WeChat mini app for consumers and that they were going to focus on making the website more for industry professionals since they tended to use it more.

Peterson asked if there was advice for harvesters and processors on getting products moved as fluidly as possible. Chang said that the quality control that they had been doing matched what customs had asked for, so they are doing well in regards to products moving fluidly.

Lindoff read a question from the chat from Bruce Schactler: What were the OMRs doing to promote wild Alaska herring roe and fillets?

Zhang said that herring roe was a new item for ASMI China. Although they tried to promote it previously, the market reaction was lower than expected. ASMI China said they would still try to use different marketing opportunities and platforms to introduce herring roe to consumers, but they would need more time in order to do so. Zhang suggested doing consumer research and using the feedback to come up with the right marketing strategy to promote herring roe in China.

## **SE Asia Report**

Welsh reported on the COVID-19 impacts in SE Asia: There had been notable community spread in the Philippines and Indonesia, but generally, the pandemic was under control. The medical and physical impact of the coronavirus was relatively contained, however, the economic impact was severe. Vietnam and Indonesia did not struggle economically as much as Malaysia, Philippines, Singapore, and Thailand.

### *Thailand*

Discussing the impact on trade and seafood trade, Welsh stated that Thailand processor operations were operating normally. Demand from the U.S., South Korea, and Taiwan was strong, while Japan sales and exports were down. The tourism industry in Thailand made up 17-18% of GDP, and with the slow economy and drop in tourism, domestic demand was reduced, and many hotels and restaurants were also suffering. Welsh stated that HRI sales decreased 50%, but some chain restaurants had done better in recent months. Retail sales were stable, and online sales were strong but highly competitive. Consumers were getting used to the idea of buying online, but there were some issues with how to

handle online frozen seafood sales such as the logistics and transport costs. Expensive products were not doing well, but medium-priced products, specifically sockeye salmon, were doing well compared to lower priced items. This showed that consumers were more conscious of health, buying online, cooking at home, and were still able to afford seafood.

### *Vietnam*

Welsh reported that Vietnam processors stated that seafood sales to Europe decreased 25%, overall sales decreased 25-30% compared to 2019, and suppliers had difficulties getting products supplied on time.

For online promotions, Welsh reported that Facebook pages for Indonesia and Malaysia were put up as well as an Instagram page, and this helped with social media growth. ASMI SE Asia worked with cooperative social media programs with importer and distributor partners in the region, such as The Alaska Guys, which was very beneficial in promoting Alaska seafood in the Singapore market and boosted the overall presence in the region.

Gourmet Foodie Fest took place in Bangkok at the end of October, and cooking demonstrations were done and samples were given to consumers. Welsh said ASMI SE Asia worked with four restaurants who had booths at the festival, and the restaurants were going to do follow-up menu promotions that would feature salmon, black cod, yellowfin sole, Pacific Ocean perch, pollock, and pollock based surimi. This event brought in good sales and was well covered by local newspapers and social media.

Welsh said that they planned to do online and in-store promotions for the first time with Rimping Supermarket, one of the largest high-end supermarket chains in northern Thailand, where salmon, pollock, black cod, yellowfin sole, crab, and roe products would be featured. This promotion was going to take place from November 1 – January 31. A promotion with Tops Supermarket, Thailand's largest supermarket chain, was also planned to take place towards the end of November and into early December. This promotion was going to feature salmon, pollock, black cod, sole, and crab, and ASMI would have its own kiosk for sampling, product and video displays, as well as recipe handouts and giveaway items. Both promotions were going to have three local importer-distributors to help with supplying products.

Welsh shared that they planned to do a retail promotion with An Nam Gourmet, a higher-end gourmet market, in December. Welsh said they planned to work with FAS Ho Chi Minh City to do a reception and short seminar for Vietnam trade in December as well. Chef master trainings, chef seminars and recipe development, and cooking competitions were set to take place starting in December and going into early 2021. As for trade shows, the ThaiFex ANUGA show in Bangkok was rescheduled for May 2021, and Food and Hotel Asia and the Seafood Expo Asia in Singapore were both postponed to late 2021.

### *Discussion*

Yeasting expressed that she was glad to see that different species were being promoted at the different events. Welsh added that for the promotion of herring roe in the SE Asia market, they needed to put more focus on the Japanese restaurants which were not open yet. He stated that he did not feel that it

was the right time to promote herring roe yet, and ASMI SE Asia would focus more on other products for the time being.

Peterson asked if new processors had opened or moved to the SE Asia region. Welsh answered that they had seen some processors shift from China to SE Asia, and most of them went toward Vietnam, possibly for cost reasons. Welsh said that they saw a few local processors focused on importing, processing, and re-exporting in the domestic market, and their domestic sales have done very well.

Okano asked how consumers in Thailand felt about wild salmon and farmed salmon. Welsh responded that farmed salmon was the standard in Thailand, and that they were always working to help educate consumers on the difference between wild and farmed salmon, and why wild-caught was better. He reassured that the message of wild, sustainable, and healthy products was slowly coming through to people.

O'Hara read a question from Steven Nast on the Zoom chat: Was the SE Asia program actively looking for markets for lower-end products, such as arrowtooth flounder? Welsh answered that he knew of one processor, a small specialized company, that was working with arrowtooth flounder products and saw potential with the fish. Welsh said they would like to get better educated about how it could be used and how they could promote it.

McGinley commented that it was great to see that salmon was being presented as wild at trade shows, and since SE Asia was a new market, that differentiation between wild and farmed salmon was needed.

Yeasting reiterated the point that as there is a lot of market attention on herring roe, but herring fillets were a traditional and familiar product and needed to be promoted as well.

### **Japan Report**

Yakata gave an update on COVID-19 in Japan - people were able to dine out, shop, and even travel domestically, but as the number of infections increased, people took more precautions. As the winter holiday season was coming, people were trying to think of ways to spend the holidays without travel.

The retail market, especially supermarket sales, was stable. Yakata stated that household expenditures on seafood increased. Consumers were intentionally seeking food that was healthy, tasty, would bring comfort, but also something unique – Yakata said this was a good opportunity to show why consumers should choose Alaska seafood through various channels such as influencers, nutritional experts, and retail promotions. However, the seafood supply to the Japanese markets was unstable – seafood imports decreased in September, and major Japanese fisheries historically had low catches, such as chum salmon and Pacific saury. Yakata said that to face the sourcing crisis, retail merchandisers looked for sustainable seafood items.

Foodservice sales were about 80% year on year, which was not as bad as other regions, but not fully recovered. The fast food category was stable, but the izakaya/pub category was in trouble. A Japanese government initiative called the “Go to Eat” campaign started in October and encouraged consumers to dine out by offering discounts and savings. This seemed to get consumers back to casual dining, but it was unclear what the situation was going to look like in the coming months, and Yakata said that the

foodservice sector didn't seem like a good area to spend their resources yet. Yakata also shared that they started work on a U.S. craft beer promotion to promote Atka mackerel and Pacific cod.

Sasaki presented that ASMI Japan was doing a multi-layered collaboration with 7&I group companies that had both physical and virtual components. Ito Yokado and Sogo Seibu Department stores created landing pages on their websites for this campaign that included educational materials for consumers. Sasaki also shared that they did a promotion for mentaiko to drive online purchases and promote mentaiko sourced from Alaska. An Alaska origin mentaiko promotional page was launched on Otoriyose Net, a "gourmet food for yourself" site that is very popular. The site featured the four participating mentaiko companies with links to their websites on where consumers can purchase Alaska sourced mentaiko. The mentaiko companies were recruited through ads in trade newsletters.

Fukamachi presented on consumer facing marketing activities. She shared that ASMI Japan participated in the Japan Dietitian Association annual meeting where they targeted dietitians who developed recipes for schools, hospitals, nursing homes, and other related institutions. The goal was to educate dietitians and influencers in their workplaces as the demand for safer and healthier food increased during the pandemic. The annual meeting took place online in August, and ASMI Japan provided a lecture on sustainable Alaska seafood. A questionnaire was given to viewers, and Fukamachi presented the results of that questionnaire: 70% of the viewers were "very satisfied" or "satisfied" with the lecture, 79% said they "did not know about Alaska seafood," and 73% wanted to "know more about Alaska seafood" – ASMI Japan successfully reached out to these people and gave them more information about Alaska seafood.

Fukamachi also shared some examples of social media campaigns. ASMI Japan conducted two types of campaigns, one for salmon to educate consumers on wild versus farmed salmon with an educational quiz. The other campaign was for kanikama (pollock surimi), and consumers were asked to post their own recipes online. ASMI Japan also provided influencers with recipes to use as examples to help promote the kanikama campaign. These campaigns generated positive results, and Fukamachi said she would like to continue doing these types of campaigns in the future.

Yakata shared some of the online promotions that happened, one being a YouTube video cooking video. The video was with Japanese celebrity chef Koh Kentetsu, who had over 500k YouTube subscribers and showed him working with Pacific cod.

### *Discussion*

Knapp commented that he was very impressed with the promotion activities for Alaska pollock roe. Yeasting said that she appreciated the focus on health and sustainability since there are many Alaska seafood products that fit in that spectrum.

Okano asked Fukamachi in her presentation to clarify that 79% of the viewers did not know about Alaska seafood, and she responded that it was 79% of the dietitians who watched the presentation at the Japan Dietitians Association did now know about Alaska seafood. Yakata mentioned that they do try to cover all the Alaska seafood species and items in their presentations, but it is difficult to do all at once.

In regards to herring roe, she said that unfortunately the herring roe day holiday in May was canceled this year, but they were producing a brochure to use for retail promotions.

Peterson said he was impressed with the work that ASMI and ASMI Japan had done helping Japan adapt to the small sizes of sablefish, and was curious if ASMI Japan could do something similar with the small sizes of Alaska cod. Yakata said that it was something they could look into.

Janzing asked if the dietitians were consultants to schools and hospitals, and where their influence was given. Fukamachi explained that schools had dietitians to plan school menus, and those dietitians made up 30% of the members in the Japan Dietitian Association. Another 30% were hospital dietitians who developed menus for hospital patients and staff.

O'Hara read a question from the Zoom chat from Steven Nast, who asked for an update on Olympics promotions. Yakata responded that according to consumer research, over half of the Japanese people did not feel comfortable hosting the Olympics in Japan in the near future, as it was risky to do. She also said that Olympic related promotions were not a big priority at the moment, but they were still sending the message of Alaska seafood to athletes, health-conscious people, dieticians, etc.

O'Hara asked Yakata about the work being done in the Korea market. Yakata reported that the ATO Seoul had a booth at the Busan Seafood Show where they displayed ASMI Materials, handed out ASMI brochures, and made QR codes available so booth visitors could have easy access to the Korean website and the English ASMI website.

Yeasting asked McGinley to go over question number one and four of the species committee questions, and requested that the rest of the species committees be discussed on the second day of the IMC meeting (November 12, 2020).

#### *Salmon Committee Update*

McGinley read the responses from the salmon committee questions. He read the answers for question one, and said that the committee commented that wild salmon was coming in very small compared to farmed fish and thought that the marketing around smaller fillets should be addressed. Yeasting asked the China team if they saw wild Alaska salmon in northern China. Zhang said that ASMI China used to promote sockeye salmon in the higher-end of the market (hotels and restaurants), and they were currently promoting chum salmon online in the northern China market. He said that northern China preferred frozen products and barbeque type cuisine, and they could possibly see more opportunity for salmon in northern China and Tier II cities. Zhang added that canned salmon was limited in mainland China, but most of the retail stores in Hong Kong could be available to carry canned salmon from Alaska and that was another opportunity.

Regarding red talls, Yeasting said when there was a strong run on sockeye salmon, it resulted in a lot of talls, and McGinley agreed with her. McGinley said that canned salmon was a good product and he saw marketing opportunities for it. McGinley also mentioned that the tariff on salmon fillets going into Europe increased. Okano commented that the tariff increase was a huge impact on the EU and it was going to be challenging to promote the product in the EU. He also said that he hoped the EU market would expand the refresh program like in the US to help promote smaller fish.

Young commented that more canned product from SE Asia came out of frozen, and the focus was needed on Alaskan product being processed from fresh.

McGinley commented that the technical committee should look at the cooking times on salmon fillet recipes, which should be modified for smaller fillets, as people could possibly overcook their fish. Yeasting said that this was also applicable for OMRs who were doing recipe development. Welsh agreed that it was a good point, and that it was something they would watch out for when developing recipes. Yakata said that they spend a lot of resources on recipe development, and they always pay close attention to the cooking times. She also commented that some younger people or people who did not do a lot of at-home cooking might not be familiar with the different cooking times, which is why they tried to do YouTube cooking videos, and they could possibly do something with online materials as well in the future.

McGinley questioned if the foreign markets felt that head-on fish would take wild salmon up in their markets.

Yeasting commented that the Alaskan processors were successful in avoiding a COVID-19 outbreak and McGinley added that it was brought up in the salmon committee meeting that ASMI or the OMRs should use this to promote the fact that the Alaskan resources and supplies were well protected and safe.

Yeasting called for a break. The meeting was to reconvene at 8:00AM on Thursday, November 12, 2020.

### **Thursday, November 12, 2020**

#### **Call to Order**

Yeasting called the meeting to order at 8:00AM AKST.

#### **Roll Call**

##### *Committee members present*

Julie Yeasting, Chair  
Frank O'Hara, Vice Chair  
Shigeki Okano  
Phil Young  
Rasmus Soerensen  
Bob Janzing  
Michael McGinley  
Jeffrey Stephan  
Lance Magnuson  
Merle Knapp  
Bob Barnett  
Joel Peterson  
Tomi Marsh

*Committee members not present*

Norman Aoyagi

Staff Present

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Susan Marks, ASMI Sustainability/Certification Advisor  
David McClellan, ASMI SEU  
Anastasia Talalay, ASMI SEU  
Ksenia Gorovaya, ASMI EEU  
Carolina Nascimento, ASMI South America  
Jose Madeira, ASMI South America  
Maria Kraus, ASMI CEU/WEU  
Jens Hombeck, ASMI CEU/WEU  
Friederike Forsting, ASMI CEU/WEU  
Sarah Kroh, ASMI CEU/WEU  
Alicia Parker, ASMI NEU  
Sara Johnson, ASMI NEU  
Rebecca Wilson, ASMI NEU

**Announcements**

No announcements.

**RFM & Sustainability Update**

Marks shared the new ASMI sustainability brochure which streamlined both the consumer and industry based brochures. Marks said that the brochure was built so that it was easy to read, was based on the 'Five Pillars' of sustainability, tells the Alaska story, and had the goal to drive people to the ASMI website or specific whitepapers for information on topics that were more complex such as climate change and traceability. Marks said that they were going to work with the ASMI communications team on new sustainability assets as well. Marks also shared that the RFM core marketing pieces had been updated to reflect the new ownership of RFM (transferred from ASMI to the Certified Seafood Collaborative).

*Discussion*

Yeasting commented that she liked the simplification of the new brochure, and it was a nice update overall. McGinley asked if there were any major retail or foodservice companies in Europe signed onto RFM. Marks responded that as far as she knew, there were none, however there was some interest that came from the SEU region. Because of COVID-19, Marks said that their strategy had not worked out the way they wanted, but during the first year, they were focused on the domestic market.

Yeasting took this time to introduce Amber Beseli, ASMI's new Marketing Specialist from FAS. She also said that the collaboration between FAS and ASMI was very much appreciated.

O'Hara read a question from the Zoom chat from Bob Barnett – he asked if Susan suggested that the old brochures that they had on hand should be archived when they received the new brochures to which Marks replied that they should.

Knapp asked Marks if she could make the link to the website for the Certified Seafood Collaborative (CSC) available. He also asked how he would go about to get more information on them. Marks said that they did not have their own website, but anything that was related to RFM was available on the ASMI website, and she would be able to answer any questions regarding CSC.

### **Species Updates Follow Up**

Yeasting said that the species updates were going to be incorporated in with the OMR updates.

### **Central and Western Europe Report**

#### *Central Europe*

Hombeck gave an update on COVID-19 in Central Europe. Central Europe was full into the second wave of the virus and faced a second lockdown. The HRI sector almost closed down completely, and all major tradeshows were cancelled. Hombeck stated that the governments tried to avoid a complete lockdown, as it would be beneficial for many sectors economically. Retail and seafood sales did well, however they did not make up for what was lost with the HRI sector. Frozen and canned seafood sales grew significantly. Hombeck said that growth in the industry was not expected before 2022, especially for HRI businesses.

Hombeck shared how the pandemic affected consumer behavior, as well as consumer trends. He said that there were opportunities for seafood in quality and high-value convenience, innovative versions of traditional existing products, frozen seafood in general, sustainable and eco-friendly foods, and ready-to-eat meals.

Hombeck showcased two promotional activities. Since all traditional promotions had been wiped out due to the pandemic, they focused on virtual and digital activities, one of which being a collaboration with BRING! – a shopping assistance app with a large number of users. For barbeque season in Germany, they featured salmon as a meat alternative. The promotion was within the app and linked users to the ASMI Germany website. Hombeck also talked about the Digital Fitness Food Campaign, which worked with Polish importer and distributor Abramczyk. The company supported a basketball team in the Polish league, and the captain of the team acted at the face of the campaign, pushing the message of Alaska seafood as healthy, delicious, and a good food item for active people and athletes. Virtual content was produced, and will be used for future campaigns in Poland.

#### *Western Europe*

Hombeck gave a brief update on COVID-19 in Western Europe: France and Belgium were among the markets that had been hit the most by the pandemic, and France went into a complete lockdown. Many retail promotions that were planned for the spring were postponed to fall and winter and then

postponed again until next spring. For seafood sales in Western Europe, Hombeck reported that retail sales went up, but the HRI sector reported big losses. Something that Hombeck did not mention in the CEU update was that in Western Europe, especially in France, support of local businesses improved. Hombeck stated that the French customers had closer relationships with their domestic manufacturers and producers, and there were some calls to action to support local fisherman and seafood producers – Hombeck said this was not huge competition for Alaska Seafood, but it was something to address and make sure consumers also saw Alaska as an equal and quality origin. Hombeck shared that the same trends and opportunities for seafood were seen in Western Europe as Central Europe.

Retail promotions included virtual or printed materials. Hombeck said they worked with a lot of companies that pushed their shops online and did their own distribution channels, and they placed many Alaska Seafood ads on their websites using the Alaska Seafood logo. Home delivery and food order services became very popular, not only for retail but for gastronomies as well. Hombeck said they worked with partners they had worked with previously, such as Maximo (leading home delivery company in France) and restaurant chain Flunch, and promoted Alaska seafood on their online ordering systems. Hombeck said that for these promotions, the Alaska Seafood logo was always present in order to build the bond between the seafood product and the origin.

Hombeck shared that they also planned to do a shopping app campaign (similar to the campaign done in Central Europe) in the French market. The campaign would run for three months – December was going to highlight salmon as a quality meat replacement, January would highlight surimi as a good product for New Year’s resolution diets, and February would highlight Pacific cod as the ideal product for fasting prior to Easter. Hombeck said they expected the promotion to reach close to 1.5 million consumers.

### *Discussion*

Stephan commented that he was very impressed with the shopping app campaign.

Soerensen shared the responses and feedback from the whitefish species committee. One of the points was that for the foreseeable future, retail was very important, and that’s where the focus should be. He said that consumers should be made comfortable to cook seafood – the committee suggested that people should keep meals simple, and should try to mix up a dish that they already know when cooking at home. Another point that Soerensen shared was to keep the Alaska Seafood brand front and center, since consumers want to know more about the story of where their food is from. The final point from the whitefish committee that Soerensen highlighted was that social media and promoting online showed a very big opportunity for Alaska Seafood to reach more consumers and share more content. Specific to the Central and Western Europe regions, Soerensen said they would like to see more focus on flatfish since the import quotas were increased in Europe and there were opportunities to get products into the market and brand them. He also mentioned that rockfish had MSC certification and it should be used to market and promote the products. In regards to the regulatory tariffs, Soerensen said that the committee needs to stay informed on what’s going on and what to expect.

McGinley said that canned salmon was oversold, but it was going to CEU and WEU and they should continue to promote it. He also commented that the CEU and WEU markets heavily supported the salmon industry in the smoking trade, and sockeye and other species were sold to the smokers – he

asked Hombeck and Kraus to comment on what they were doing to differentiate the farmed fish and promote against it, and how they were skewing people away from the farmed fish to the sockeye, which was probably a more expensive product. McGinley also asked about the new supplier's directory website.

Hombeck said that with smoked seafood, price points with competitors, such as Scandinavian salmon, were difficult to compete with. He said that since they could not compete on price, they needed to show consumers why wild caught fish was superior to farmed fish by focusing on the quality and the origin of the fish. Regarding the website, he said that it was almost finished, but there were data protection issues that needed to be dealt with. George added that she had been working with Tanna Peters (ASMI Digital Marketing Manager) to get the website transferred, and they would start reaching out to get people's information populated soon.

In response to Hombeck's comments about price point competition, McGinley said that price wasn't the issue because consumers had bought previously, and that it would be a good time to promote the expensive product that people were willing to buy.

Yeasting read a comment from the Zoom chat from an audience member that asked if Hombeck thought that consumers in the EU cared if the product (Pacific cod) was from Russia. Hombeck responded that the main competition was Atlantic cod, as Norway was marketing their cod very aggressively and the supply shortage also led to Atlantic cod taking more market share. He shared that they did not do consumer surveys regarding Russian cod compared to Alaska cod so they did not have data on that, but it was something they could look into. He also said that Russia generally had a bad reputation compared to Alaska in terms of fish origin and he assumed that consumers would prefer Alaska origin fish rather than from Russia.

Peterson added that when he was on a trade mission in Poland, he visited a processor that bought Russian product and processed it in Poland, and then it became a product of Poland – so the traceability factor in terms of if the product came from Russia might not be showing in some of the markets.

Okano asked Hombeck about the price difference in retail smoked salmon between wild and farmed. Hombeck said that the wild salmon was usually in smaller packaging and one euro more expensive for smaller packaging. They were put in smaller packaging to keep the price difference manageable since products were all next to each other.

### **Eastern Europe Report**

Gorovaya gave an update on COVID-19 in Eastern Europe and said that the situation was bad. Specifically, in Ukraine and Romania, incomes decreased – analytics showed that 38% of Ukrainians lost income. The exchange rate had not been favorable to the regional currencies – the Ukrainian hryvnia went down 16% from March – November 2020. However, fish sales increased. Gorovaya said the trend of cooking at home was reinforced during the pandemic. In Ukraine, food was a very big part of the culture, and about 42% of consumer incomes were spent on food even though incomes decreased during the pandemic.

Another trend that Gorovaya shared was that because of the unclear anti-COVID-19 medical protocols, consumers started to look for wholesome ingredients, and advertisers took on this trend and highlighted the wholesome ingredients in their products. ASMI Eastern Europe picked up on the trend and launched the Stay at Home campaign in Ukraine and Romania, which worked with influencers and highlighted Alaska seafood as the most wholesome and affordable fish on the market. Alaska pollock and pink salmon were promoted. Gorovaya said that consumers were addressed via social media posts and online articles.

Gorovaya said that convenience was another growing trend.

Gorovaya presented the EasyFish platform, an online platform that planned to target trade and consumer audiences. The landing page was going to feature a YouTube channel and Instagram account, and focus on video content with five main categories: supporting the sales of importers by showing consumers where and how to buy product, fish basics (storing, thawing, cutting, filleting, etc.), fish cooking basics, themes (family menus, foodies, fitness menu), and seasonal themed videos (e.g. seasonal salmon roe and different ways to use it). Faces of the platform were going to be influencers who would make content to put on their accounts as well as the platform account. Each influencer had different profiles and audiences, and Gorovaya said that they hoped this would help them reach a variety of people. The list of influencers would change depending on how well they fit with the brand. The EasyFish platform was supported by the leading fish importers and retailers of Ukraine, and the platform videos were going to be shot with the different partners.

The goals for the EasyFish platform were to become the leading source of information of the fish category in Ukraine, increase the Alaska fish consumption and availability in Ukraine, make Alaska fish more accessible for consumers, and adapt Alaska Seafood materials to be more modern.

Gorovaya shared that the content plan and communications plan were finalized. They had a lineup of influencers, and they had talked to the representatives of import companies. She mentioned that the focus of the whole project was going to be on pollock, pink salmon, and roe, since those were the main products imported by the market. She said that they planned to promote the platform by SEO, merchandising in retail, collaborations with importers, trade PR, and advertising, and the site was planned to launch in December 2020.

Yeasting commented that the EasyFish platform was an excellent example of the pivot and shift of what was planned in the beginning of the year, and then making changes with the current situation.

Soerensen was very impressed with the presentation and said that the feedback for Central Europe and Western Europe from the Whitefish committee also applied to Eastern Europe.

## **Northern Europe Report**

Johnson gave an update on COVID-19 in Northern Europe and echoed Hombeck that most of Europe was in a second wave of the virus. The current statuses of the markets varied – Scandinavia was relatively open, while the UK, Ireland, and Netherlands were in different stages of lockdown.

Nonessential retail, gyms, cinemas, pubs, and restaurants were all closed. The GDP of most countries decreased, with Sweden being the only country that showed some growth.

Johnson reported that similar to CEU and WEU, hospitality and eating out decreased, but food delivery increased 245%. Eating at home went up to 33%, and people bought what they could through online retail. Convenience stores also did very well and gained 16% market share. She also reported that in the UK, seafood was the 6th largest category worth £3.5B. Specifically, frozen and canned seafood showed a lot of growth, and while chilled seafood had some growth, people still worried about the price.

Johnson said that they had updated their online content with new recipes and increased their digital and social outreach to adapt to fewer customers dining out. In response to less opportunity for in-store retail promotions, they switched to online and print retail promotions. In the uncertain market, Johnson said they also commissioned research to support trade strategies to drive growth.

Johnson shared some examples of online promotions and recipe creations, including an influencer program to promote wild Alaskan pollock that tried to focus on simple recipes that people could make at home as well as recipes that amateur athletes could use while in lockdown. ASMI NEU worked with influencer platforms on a content generation campaign, and were featured in an editorial for *Vogue*. For print and digital retail promotions, they worked with Princes on a promotion that featured canned red salmon, worked with Aldi on a promotion with Alaska pollock, did a promotion with Ocado and New England Seafood that promoted salmon, partnered with Fish Tales and Albert Heijn, and launched a promotion with Formans featuring smoked king salmon products.

Kantar research was commissioned to get more information on consumer attitudes and behaviors towards fish. The research gave insight on what influenced purchase behavior, how consumers felt about different species, origin, and sustainability, and helped identify gaps in the market. Johnson said that the research would help them to work with the trade to fill in the market gaps. She also shared that the research showed 71% of UK fish buyers trusted Alaska as a source for their seafood.

Wilson presented on the challenges that the coming months would bring, as well as the projects they were working on to address the challenges. The challenges presented were ongoing economic uncertainty, Brexit and the EU trade war, negativity around US foods (mainly led by the media), fluctuating supply levels going forward, closed fish counters, and foodservice. Wilson also shared opportunities, including the US trade deal, more people experimenting with different species at home, a switch from red meat, one pot recipe development, more time online, and premiumisation. To address the challenges, Wilson shared that industry confidence should be built by doing trade outreach programs, communicating the findings of the Kantar consumer research, increasing the awareness of the benefits of Alaska seafood, generating understanding through the supply chain of the positive consumer attitudes towards Alaska seafood, initiating conversations around calling out Alaska on pack, generating marketing opportunities, and developing new products.

Foodservice was struggling, but Wilson said that they saw some opportunity in schools as they were the only foodservice sector that seemed to be making a comeback and were going back to the menus that they were serving before the pandemic started. Because of this, Wilson said ASMI NEU would be targeting them by e-blasts that would have different recipes to inspire buyers to incorporate fish into

their menus. Wilson also mentioned that the partnership with LACA would continue, and ASMI NEU was developing the Fish in Schools HERO program which would have Alaska seafood play a part in the curriculum of food technology across the UK.

### *Discussion*

Yeasting commended Johnson and Wilson for their good use of research market data and connecting it to their promotion activities, as well as the ongoing focus on health and fitness. She was excited to see Seafood U up and running. She asked if the seafood in a box was going to include flatfish. Wilson said that they were working on developing flatfish, specifically yellowfin sole, and wanted to get more of it into retailers. They were also in discussion with Seafood Connection about promotional activities with Costco.

Soerensen said that the earlier mentioned points from the Whitefish Committee applied to NEU. He highlighted the point about the Alaska brand being front and center, and said that he was very impressed by the statistic of 70% trusting the Alaska brand. He echoed Yeasting's comment about the focus on health and fitness, and added that he thought that there was more opportunity for seafood there. He said he would like to see pollock promoted by Forman.

Yeasting asked if anyone had any comments about salmon, and Young commented that it was important that the organization push the use of salmon, as people have stocked up on it but it was not certain whether they are actually using it.

### **Southern Europe Report**

McClellan gave an overview of the Southern Europe markets – Spain, Italy, Portugal, and Greece were among the EU economies that were hit the hardest by the pandemic. Like all other regions, hospitality and restaurants declined, and retail food sales increased. McClellan reported the two retail trends that were growing were health consciousness and concern about sustainability. In conjunction with what the other OMRs said, McClellan stated that there was a very strong “buy local” message that came from governments and local suppliers, and that needed to be countered with a strong, clear position promoting responsible fisheries management.

McClellan gave a brief overview on the cod, pollock and salmon markets, and showed examples of some of the promotions that were done. Cod imports declined. He stated that one of the challenges in promoting Alaska pollock in Southern Europe was that it was relatively unknown in their large whitefish markets dominated by other species. The other challenge with promoting pollock was that its image was degraded by the prevalence of low quality product from China. McClellan said that ASMI needed to build more awareness of genuine Alaskan pollock as a high-quality, sustainably harvested, wild and healthy whitefish ingredient for seafood processors, restaurants, and institutional kitchens (especially school kitchens). He said they began work on development of a campaign of chef endorsements of genuine Alaska pollock as an undervalued whitefish option using the Ibercook pollock product that was already on the market. Salmon imports to Southern Europe continued to increase – it was a large market and it was growing, but McClellan said the 25% import duty on frozen salmon fillets was a threat in Southern Europe.

In-store promotions for salmon were conducted with Pam Panorama supermarkets and Costco-Spain. McClellan also shared that ASMI SEU got a spot on the *Aquí la Tierra* program on Spanish TV1 to feature Alaska salmon. Trade services that continued were the periodic trade newsletters, social media campaigns on Facebook, Instagram, and Twitter, and the Alaska Seafood website where customers could go to look for local suppliers of seafood. The CONXEMAR trade show was postponed for October 2021, and the Seafood Expo Global trade show was postponed for September 2021.

#### *Discussion*

Soerensen said he was intrigued by the increased sales of lightly salted cod, and would like to see continued work on that market.

#### **South America Report**

Nascimento gave an overview of the South America market – she said that for economic challenges, incentives were still in place. She highlighted the weak currencies: Peru had 9% devaluation, Colombia 14%, and Brazil 27% against the US dollar – so there was market volatility, especially in Peru due to political instability.

There were re-openings across the region, domestic travel occurred, but no large events were held. Foodservice was open at 25% - 40% capacity. Retail was strong and responsible for 88% of the food distribution during the pandemic. Nascimento highlighted the important growth of sales for frozen seafood (since it was associated with convenience and nutrition) against other proteins. She noted farmed seafood species were struggling with increased commodities prices. E-commerce also remained strong.

Nascimento highlighted recent promotional activities. Since in-person events were no longer possible, the program went even more virtual than they already were. ASMI South America participated in virtual trade meetings and provided a virtual symposium at the Ganepao Nutrition Conference, where the nutrients and benefits of consuming Alaska seafood and the importance of omega-3 for child development were discussed with an audience of nutrition professionals.

In January 2020, Nascimento said they implemented a new social media strategy that focused more on the health and wellness associated with Alaska seafood, which was very successful during the pandemic. Their Instagram saw huge growth in followers and engagement. Changes made to communication and visuals on Facebook also helped with engagement growth on the site as well. The Alaska Seafood Brazil YouTube page was utilized to host a series of live webinars that focused on Alaska seafood nutrition. Chef recipes were developed, and kits that focused on nutrition were distributed to various influencers. Nascimento also shared that the Spanish and Portuguese sites were updated.

Nascimento shared that they did a digital retail promotion with Pão de Açúcar, one of the leading retailers in Brazil that carried Alaska cod, pollock, and keta salmon. Nascimento said they were working on negotiations for digital retail promotions with Carrefour in 2021 and BIG (former Walmart in Brazil) in December – March.

Nascimento said they worked a lot to continue to support the Alaska Seafood industry with Brazil DIPOA registrations, import licenses, and labeling. She also shared that the Pilot Project for Market Access to

Peru was approved – this was going to allow all seafood raw materials (including Alaska seafood) to be imported into the country. Over 20 Peruvian plants were registered for the project – this meant that instead of running lab tests, inspections for parasites, etc., on products under this project, they would skip this process and go directly to the processing plants, who would then be responsible developing the product to be consumer-ready. Under “regular conditions,” Nascimento said that they estimated export growth to be 200% by August 2021. Nascimento called for industry action, and asked for products for the project.

For upcoming activities, Nascimento shared the Wild Alaska Seafood Delivery Festival that was launched in São Paulo November 11 – December 12, 2020. Twelve restaurants participated, including a Michelin star restaurant, the restaurants of Cochran Mission participants, and other new and previous partners. The products featured were Alaska cod, pollock, keta and sockeye salmon, and sablefish. A social media teaser, Real Nanook teaser, and a landing page were created for this activity. Nascimento also shared the idea of a Latin America trade webinar, which would be business focused and hoped to have those in the industry talk more about what it was like to work with Alaska seafood in order to inspire trade.

#### *Discussion*

Soerensen acknowledged that the markets that Nascimento and Madeira represented were new markets, and they worked very hard at developing the market and getting the Alaska Seafood industry to send products to them. He encouraged everyone to support Nascimento and Madeira, as it was a huge market opportunity and the project in Peru was a great achievement.

Yeasting read the input from the shellfish committee to the IMC: due to the huge U.S. domestic demand, there wasn't a need for ASMI to develop new international markets at the time. The committee commented that the live crab market into China was gutted with tariffs and they hoped that would come back in the future.

Yeasting also shared comments from the halibut and sablefish committee, who requested a push for nutritional benefits of sablefish, particularly vitamin D and high omega-3 as consumers were much more concerned with fighting the virus with vitamins and healthy foods.

The answering of questions for the operational committee was moved to a 1:00PM working-group meeting.

#### **Questions for Operational Committee:**

- 1. What are the biggest opportunities for your program in the current pandemic environment?**
  - Obvious shift from food service to retail creates an extra push and opportunity for more Alaska origin products being cooked at home.
  - Significant increases in online shopping and home delivery meal kits make it easy to link products and information back to ASMI info platforms (website, social media)
  - ASMI can seize opportunity by providing recipes at the retail locations and to online platforms with a focus on simple, quick and available ingredients.
  - Expand our reach through social media platforms and search engine optimization (SEO)

- All OMR's reported an increased attention to health and wellness in all markets. Alaska Seafood is an excellent fit in this category.
- Our OMR's are "on it"! with the shifts throughout 2020 which have been professional, current and responsive.
- ATP funding focused on updating digital content and messaging put our OMR agencies in a good position to respond quickly with new content for online outreach during shutdowns as people turned to ordering more food online.

## 2. What are long term challenges/opportunities that your program must continue to monitor?

### Challenges:

- China - ongoing trade war and COVID testing of imported seafood
- EU – new tariffs on Salmon fillets and portions
- EU - H&G flatfish tariffs which continue to limit sales of Alaska sole to processing in EU (Poland and the Netherlands have facilities which supply refreshed products)
- Do not lose sight of food service promotions as current focus shifts to retail during the pandemic.

### Opportunities:

- Build on strong connection to health and wellness in all global regions
- Concern over the environment has increased internationally. Sustainability has become even more important as people have time to research the source of their food products.
- Home delivery services and take-out platforms in food service are increasing.
- Focus on ways to retain new online and retail customer base committed to Alaska seafood

### Opportunities and reports by OMR Region:

- **China**
  - pulling out of the pandemic with the first region to see recovery in food service
  - surimi is growing in popularity
  - recipe development is needed for Alaska Pollock focused on once frozen quality
- **Japan** reported on results of survey of dieticians for schools and hospitals – there is opportunity to educate and inform about Alaska seafood. There is increased attention on Alaska origin for surimi and pollock roe products.
- **SE Asia** has made very good progress with social media platforms after only one year of engagement and in the face of pandemic shutdowns of tourist trade in their region. Opportunities for rockfish in this market and development of non-Chinese processing platforms.
- **CEU & WEU** engaged with online shopping app promotion focused on retail consumers and linked to increases in home cooking. Shared about their fitness food campaign in Poland.
- **EEU** focused on online platform to educate and inspire utilizing influencers directed at targeted consumers (trendy, fitness, popular, etc)
- **NEU** provided results of survey indicating high level of trust in Alaska seafood (71%) vs low level of trust from general US seafood (31%). Alaska has positive brand recognition in the UK. Good use of data and market research to direct promotions of Alaska seafood. Opportunity to team

with UK outside of EU structure. "Seafood U" is up and running with a pilot program for 400 schools with opportunity to expand

- **SEU** maintains trade relationships and is engaged with EU show setup in Barcelona 2021
- **S America** had success overcoming obstacles to accessing Peruvian processors. 20 plants now registered allowing them to bypass strict parasite barriers for reprocessed product. Strengthened and updated media presence with Instagram and YouTube.

**3. Please address the comments from the species committees that were directed toward your program. Do you have any recommendations of the committee in terms of action from the program your committee guides?**

• **Whitefish:**

- Pacific cod producers noted that the marketing of their species suffers from influx of Pacific cod from Russia and Atlantic cod in the EU market. In Japanese market Alaska origin Japan should be called out to differentiate from Russian Pacific cod.
- Promotional opportunities exist in Europe for flatfish: Yellowfin sole, rock sole, Alaska plaice, Arrowtooth flounder
- RFM/MSC certification creates opportunity for Pacific Ocean Perch into Europe and all markets which value sustainability.
- POP and H&G Alaska pollock sold in China needs additional promotion for consumer confidence as their HRI sector improves and wholesale fish markets continue to purchase and distribute within China.

• **Salmon:**

- Opportunity for H&G and Fillets in sales to new markets in Northern China and UK
- Increase attention on identification of wild salmon in the marketplace
- Promote health benefits associated with Vitamin D in salmon (technical committee should provide support on this)
- Don't forget canned salmon as a shelf stable item in recipes and promotions

• **Halibut/Black Cod:**

- Promote health benefits associated with Vitamin D and Omega-3's in sablefish (technical committee should provide support on this)
- Market price is down on black cod, fish size is smaller and demand is limited for small sizes, meanwhile TAC is increasing. More global promotions of black cod into more markets are needed.

• **Shellfish:**

- Lost the live crab market in China due to the trade war tariffs. If these are lifted in the future, there is opportunity to revive this business.
- Due to huge US domestic demand, there isn't a need for ASMI to invest in or develop international markets currently.

**4. Are there any specific questions pertaining to your program you would like the ASMI Board to address or any specific actions you would like the Board to consider? If not, write N/A.**

- Fund study to trace flatfish through from Alaska source to finished product – RFM/MSC only applies to flatfish from Alaska. 350,000 mt of Alaska flatfish is exported to China for further processing going into the US, Europe, Japan and other international markets. Request for focus on tracking Alaska products pulled through China processing centers.
- Invest and collaborate with NFI and other agencies to address the scientific questions raised by China’s messaging regarding transmission of Covid-19 on frozen seafood.

**Good of the Order**

None.

**Next Meeting:**

The allocation of the additional \$100,000 was tabled for the next IMC meeting in February 2021.

**Adjourn**

Stephan moved to adjourn. McGinley seconded. Meeting adjourned 2:05PM.