June 9, 1994

Mr. Art Scheunemann

Executive Director

Alaska Seafood Marketing Institute

1111 West 8th Street, Suite 100

Juneau, Alaska 99801-1895

Dear Art,

As ASMI and specifically, the Salmon Marketing Committee, launches into its efforts toward a long term domestic marketing strategy, I wanted to give you input from an AFDF perspective. I hope you will share this letter with members of your board and committees and use it as a point of discussion while planning.

As Steve Shapiro recently wrote in a Pacific Fishing article, the solution to the problem of oversupply of salmon is "to increase demand by expanding the customer base." The way to do that, says Shapiro, is to ".... increase the value to consumers with better quality and more desirable product forms."

Supporting the industry in their efforts to expand markets by providing salmon in new product forms has been AFDF's focus over the last year in our work with fishermen, processors, and secondary processors. We feel that ASMI also needs to be a partner in this effort by promoting and marketing these new products.

One of ASMI's four legislative mandates is to "investigate market reception to new salmon product forms and future markets for salmon products." While the bulk of ASMI's salmon promotion will remain focussed on fresh/frozen and canned salmon, the industry needs the assistance of ASMI in circulating some of these new product forms to a wider audience.

This support could range from displaying salmon chowder or salmon blocks at all of ASMI's trade shows, compiling a directory for buyers trying to find salmon products, researching and making available nutritional and generic promotional materials that individual companies can use in their own marketing efforts, or providing direct marketing contacts with potential buyers.

ASMI's support of AFDF's Alaska Salmon Nugget school lunch promotion is a good example of how a little can go a long way. With minimal funding, we have fed salmon nuggets to thousands of children in California and Washington. The result so far, is one commercial sale and the beginning of an all out effort to have USDA make a substantial buy of nuggets in the coming school year.

So, I urge you, in your efforts to develop a long term vision for the Alaska salmon industry, to dedicate some of ASMI's resources toward innovation. Not creating or testing new products, a role better played by the industry itself, but providing promotional support and exposure to a wide range of audiences that may result in new consumers of new salmon products.

Best regards,

C.K. Mitchell

Executive Director