

**PROPOSED BUDGET FOR ASMI ALASKA GLOBAL FOOD AID PROGRAM  
FY 2015**

**TO:** ASMI Board of Directors  
**FROM:** Bruce Schactler ASMI Global Food Aid Program  
**SUBJECT:** Proposed FY15 Alaska Global Food Aid Program Budget  
**DATE:** April 11, 2014

**Comparison of FY 14 and FY 15 ASMI Alaska Global Food Aid Program Budget**

FY14 Budget (July 1, 2013-June 30, 2014)				FY15 Budget (July 1, 2014-June 30, 2015)		
Program Operations	FY14 Budget	Expended	% Budget	Program Operations	FY15 Budget	% Budget
Personnel	\$118,000	\$118,000	21.89%	Personnel	\$118,000	22.18%
Travel	\$25,000		4.64%	Travel	\$25,000	4.70%
<b>Subtotal</b>	<b>\$143,000</b>	<b>\$143,000</b>	26.53%	<b>Subtotal</b>	<b>\$143,000</b>	26.88%
<b>Marketing Operations/ Pilot Projects</b>				<b>Marketing Operations/ Pilot Projects</b>		
Herring & Protein Powder Projects	\$200,000	\$90,000	37.11%	Herring & Protein Powder Projects(Capital)	\$210,000	39.47%
Pink Salmon Marketing Project	\$57,000	\$25,000	10.58%	Pink Salmon Marketing Project	\$32,000	6.02%
				Pink Salmon Donation Philippines – Monitor & Evaluate (remaining funds from Donation budget of \$265K)	\$13,000	2.44%
Retainer for GF&N	\$78,000	\$78,000	14.47%	Retainer for GF&N	\$78,000	14.66%
<b>Promotions, Trade Shows, Conferences, Presentations &amp; Educational Events</b>				<b>Promotions, Trade Shows, Conferences, Presentations &amp; Educational Events</b>		
“Taste of Food Aid” DC	\$5,000	\$5,000	0.93%	“Taste of Food Aid” DC	\$5,000	0.94%
All Hands Meeting	\$3,000	\$3,000	0.56%	All Hands Meeting	\$3,000	0.56%
USAEDC Meeting	\$3,000	\$3,000	0.56%	ASMI/Legislature Presentation	\$3,000	0.56%
USDA/USAID International Food Aid Convention (Kansas City)	\$18,000	Cancelled in FY14 due to Government Sequestration and lack of Farm Bill authorization	3.34%	USDA/USAID International Food Aid Convention (Kansas City)	\$18,000	3.38%

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USDA GBI/Africa	\$15,000	Did not take part	2.78%	NEW: School Nutrition Conference (School Lunch)	\$10,000	1.88%
Global Child Nutrition Forum (Russia)	\$17,000	Cancelled in FY14 due to Russian situation	3.15%	Global Child Nutrition Forum (TBA/Africa)	\$17,000	3.20%
<b>FY14 TOTAL</b>	<b>\$539,000</b>		<b>100.00%</b>	<b>FY15 TOTAL</b>	<b>\$532,000</b>	<b>100.00%</b>
<b>FY14 EXPENDED</b>		<b>\$347,000</b>	<b>64%</b>			

**MARKETING ACTIVITIES FOR ASMI GLOBAL FOOD AID PROGRAM  
FY 2015**

The ASMI Alaska Global Food Aid Program (AGFAP) has gone from 10,000 cases of canned Pink Salmon sold in 2004, to grant requests of over two million cases and actual sales of \$20+ million in 2013 in Government purchasing of shelf stable fish products for international and domestic food and nutrition programs. In response to increasing demand and a shortage of shelf stable protein products, AGFAP has been working with industry on new alternatives with commercial potential that would meet a large consumer demand for cost-efficient, highly nutritious marine products. These products include canned Herring, which is commonly on the shelves all over the world, and a seafood protein powder. At the request of USDA and other institutional partners, we have been testing prototypes of these new products over the last several years with consistently high consumer ratings and broad appeal in countries as diverse as Guatemala, Congo, Ghana, Liberia, Mozambique, Nigeria, South Africa, Uganda, and the United States.

AGFAP is positioned to create jobs and new economic opportunities in Alaska, developing underutilized biomass (Canned herring, Seafood protein Powder and other Alaska marine resources), reactivating canneries and developing new facilities. We are continuing our successful approach of identifying promising new products, laying the groundwork with agencies and potential markets, finding partners to work with and opportunities for research and development (R&D) that promote Alaskan resources.

**MARKETING PROGRAM:**

The AGFAP is concluding a very successful program year for FY2014. Our FY2015 program continues our proven marketing, promotion and education strategy with international and domestic food-aid, nutrition stakeholders and decision-makers. The Alaska Congressional Delegation is very supportive of ASMI AGFAP and these events and activities, which will pave the way for the introduction of these and other new Alaska seafood products in food-aid and commercial markets. Our signature Wild taste of Food Aid events support our regular and continuous interactions with key food and nutrition staff at USDA, NIH, USAID and other agencies

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by making use of our Consultant's research and academic network at Tufts University and expanded field work to strengthen the evidence base for Canned Wild Alaska Herring and Wild Alaska Salmon Protein Powder. The following describes specific activities in more detail.

1. **PROGRAM OPERATIONS & MARKETING ACTIVITIES:** Continued marketing activities with PVOs, USDA - domestic and international, nutrition and other stakeholders in DC and US.
  - a. **INCREASING USE OF ALASKA SEAFOOD PRODUCTS IN FOOD AID PROGRAMS:** We continue to identify opportunities and work with the PVOs and USDA in both domestic and export food aid and nutrition programs to include Canned Salmon and other products the Alaska Seafood Industry makes available.
  - b. **FOLLOWING USDA AND USAID DEVELOPMENTS AND NEW INITIATIVES:** The ASMI AGFAP follows the developments and new initiatives in USAID and USDA Food and Nutrition Programs, and provides input on behalf of the Alaska Seafood Industry.
  - c. **EDUCATIONAL OPPORTUNITIES AND INPUT ON BEHALF OF THE ALASKA SEAFOOD INDUSTRY:** We will continue to seek out opportunities to provide significant input on nutrition and food aid as relevant to the Alaska Seafood industry and to provide testimony and comments at listening sessions and other venues whether in Washington DC or elsewhere. The following are some areas we will continue to follow:
    - The WIC and Child Nutrition programs- we will continue to push for the inclusion of marine sources in nutritious food-aid products and for the inclusion of Canned Salmon and other seafood products in all WIC baskets and in all food and nutrition programs and guidelines, wherever possible
    - Development of the 2015 Dietary Guidelines
    - U.S. Government changes in international food assistance and global food security initiatives, such as the Global Health and Feed the Future initiatives
    - USDA procurement of U.S. sourced and processed seafood for food and nutrition programs
    - New product and quality enhancement initiatives, research and development
  - d. **WORKING WITH THE ALASKA DELEGATION AND MEETING WITH THE LEGISLATURE IN JUNEAU:** As we have each year, we expect to provide an annual presentation to the Alaska Legislature on the Herring and Powder Development projects and cater a lunch featuring our new products. We will continue our close work with the Alaska Delegation in support of expanding the market for Alaska seafood products in US Government domestic and international programs.
2. **PROMOTION, TRADE SHOWS, CONFERENCES AND CONSUMER EDUCATION (INTERNATIONAL AND DOMESTIC):** The ASMI AGFAP will engage in repeated communication and marketing visits to PVOs, WFP, USDA and USAID, and will participate in key food aid meetings in Washington DC, the U.S. and overseas, such as the GCNF School Feeding Forum, USAID and USDA global and regional food aid conferences, the School Lunch and WIC decision makers, and participate in the annual IFADC Trade Show in Kansas City, to

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- raise awareness and increase knowledge of, and exposure to Alaska Seafood products.
- a. ***WILD TASTE OF FOOD AID EVENTS:*** We developed and executed a series of unique Wild Taste of Food Aid events starting in Tanzania, then Washington DC and Alaska House in New York, to introduce the ASMI AGFAP to potential food aid consumers and customers. The AGFAP will be conducting a series of Taste of Food Aid events to reinforce canned Salmon use and introduce new products and preparations as we did during FY 2014 for USAID, USDA, and the Capital Area Food Bank in Washington DC, to sample these products in a variety of recipes created by our Food Aid Consultant and her team.
  - b. ***INTERNATIONAL FOOD AID CONFERENCE AND TRADE SHOW IN KANSAS CITY (TENTATIVELY PLANNED FOR NOVEMBER 2013):*** This is the largest conference and trade show in the international food aid industry bringing together about 900 stakeholders from the field and headquarters. This is the venue where we meet the organizations and promote Alaska products to include in their proposals and with whom we have had success developing demonstration projects. This is where we meet our largest potential customer base and reinforce our relationship with them from year to year.
  - c. ***GLOBAL CHILD NUTRITION FORUM ("FORUM") AND MARKET PLACE (CANCELLED IN FY 2014 DUE TO PROBLEMS IN RUSSIA EXPECTED FOR FALL IN AFRICA):*** AGFAP will participate in the 16th annual Global Child Nutrition Forum ("Forum") and Market Place, in which AGFAP will engage with global partners and learn from other countries' experiences to improve on our current activities, network and create new opportunities to expand the use of Alaskan Seafood in school feeding programs worldwide.
  - d. ***SCHOOL NUTRITION ASSOCIATION ANNUAL CONFERENCE:*** We will begin to participate in this conference in FY15 as should be an effective venue for us to expand our outreach to the stakeholders and decision makers in the school lunch programs.
  - e. ***OTHER PROMOTIONAL OPPORTUNITIES:*** We will seek out cost effective venues and extra opportunities to display, sample and advocate for the expanded use of Alaska Seafood products. In addition, Dr. Schlossman often will extend her trips for the Food Aid Quality Review Project and Nutrition meetings, whenever possible, and to promote AGFAP and its interests when she travels overseas for any reason.
3. **PINK SALMON MARKETING INITIATIVE:**
- a. ***DOMESTIC MARKETS:*** We will continue our work to increase markets for and consumption of Pink Salmon will focus on the US Domestic Food Bank system and the National School Lunch Program. It is my intention to continue in the same vein of success with recent USDA supply purchases and the new federal policy changes for food purchases.

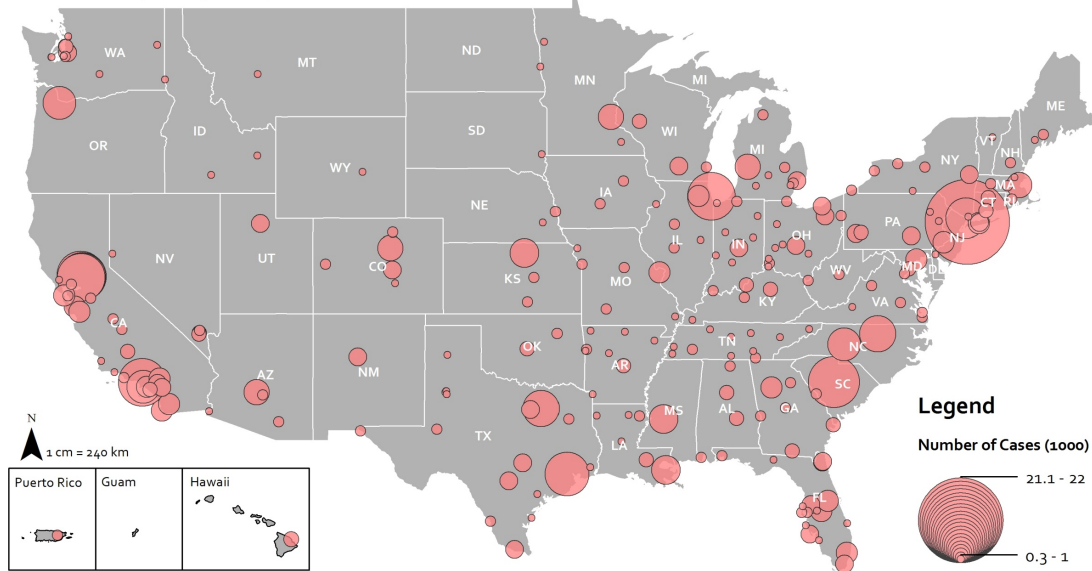
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**USDA Purchase of Canned Pink Salmon, 24/14.75 oz**

Fiscal Year 2014 To Date (October 24, 2013 and February 26, 2014)

Solicitation No. 2000002122 and 2000002388

Number of Cases per Recipient City



Purchase data is from AMS Commodity Purchasing at [www.usda.gov](http://www.usda.gov); state plan is from ArcGIS Online Database. Mapped by Vicky Santoso (Global Food and Nutrition Inc) for Alaskan Seafood Marketing Institute

**Note**

Solicitation 2000002122

Date: October 24, 2013

Total number of cases: 51,200

Solicitation 2000002388

Date: February 26, 2014

Total number of cases: 475,200

- b. **PINK SALMON DONATION TO THE PHILIPPINES:** We are budgeting the remainder of the donation budget for on-site monitoring and evaluation of the State’s donation.

The Alaska Global Food Aid Program has several development projects in play. They are the result of requests from USDA and the worldwide Food Aid Community for new Alaska Seafood products that will fill the nutritional needs of their many Food Aid programs around the world and will also be of benefit to the Seafood Industry that hold significant commercial potential. These projects are funded from several different sources.

**The Legislature included \$300K in the FY2014 Capital Budget directly to ASMI, specifically for 2 or more years of funding the herring and protein powder projects. The funds will be spent specifically on these 2 projects only.**

- 4. **ALASKA HERRING DEVELOPMENT PROJECT:** Funded by the Alaska State Legislature and supported with time, staff, facilities and raw product contributed/donated by:
  - Ocean Beauty
  - Trident Seafoods
  - Icicle Seafoods
  - Copper River Seafoods

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The project is focused on a canned product that is produced with both high and low oil content raw product. With the addition of a fillet machine, the project has also been able to support industry market research into the worldwide fillet market at both the retail and food service levels. Current timing and FY15 is focused on marketing the canned product to USDA Domestic and Export Food Aid.

- 5. ALASKA PROTEIN POWDER PROJECT – PILOT PROJECTS AND R&D:** For the last several years we have presented this product to the Food Aid Community in Africa and Central America through focus groups as the AGFAP and its Food Aid Consultants traveled for various reasons including adding onto herring and salmon projects. We currently have the first demonstration project underway in the Congo using approximately 2,000 pounds of salmon protein powder and feeding several thousand malnourished children and adults. We will be beginning another project very soon in Haiti. The information that we receive from these 2 projects will allow the product to be modified to its best form in this next season of production. The Food Aid Industry is watching this product and our associated projects closely as these projects continue a lead role in the international Nutrition conversation.

Bruce Schactler  
Global Food Aid Program – Director