



Seafood Experience Australia Ltd

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Dear Seafood Industry Participant

Australian seafood is in the doldrums. We're seen and treated as a group of commodities and overall producers are fighting to maintain market share of a fixed market. At the same time other food producers and suppliers are promoting their products and holding and growing their sales.

As an industry Australian seafood producers and suppliers are doing little to increase demand. However, within the industry there is fierce competition and product differentiation.

We can't afford more of the same. We can't go on fighting to maintain our respective slice of a fish cake that isn't getting any bigger.

But there are many producers and suppliers out there who recognise the situation and are working to promote their products.

Enter Seafood Experience Australia Limited (SEA). At the initiative of National Aquaculture Council, Seafood Enterprise Alliance and Australian Seafood Industry Council, and with the support of FRDC and the federal Ministers Macdonald and McGuaran, a comprehensive marketing model development was undertaken which had as its centrepiece the establishment of an Australian seafood promotion corporation. In handing over the marketing program Minister Macdonald gave us the challenge, as industry, to get on and use the marketing program, develop it to meet the needs, strengths and aspirations of the seafood industry, work together to increase the fish cake and use our collective experience to achieve meaningful and sustainable gains.

The challenge has been accepted. But that acceptance is meaningless unless there's a critical mass of Australian seafood producers and suppliers who are participating.

The marketing model given us is well researched, comprehensive and provides clear direction; it also comes with a price tag of \$1.3m for the domestic launch alone. In accepting the challenge no one is saying that we should just take up that plan without prioritising and strategising so as to achieve the biggest bangs for the bucks, nor is it being advocated that the marketing plans for the USA and Japan should be put aside entirely for the moment, or that the USA and Japan should be the only export markets to be pursued. In accepting the challenge industry representatives have said that we have to be doing something better than what we're doing now and we can use what's been provided as a starting point.

But to start SEA needs your support and that means dollars. It also means commitment to promoting Australian seafood and the maintenance of reliable and quality supply.

What will SEA be doing with the contributions of its members? The Board of SEA has been appointed and it is struggling to match the seemingly infinite opportunities to promote Australian seafood in the domestic and export markets with very finite resources - on one hand SEA needs quick results so as to enthruse membership, but it also needs to be focussed on opportunities that are meaningful and sustainable. The Board needs to lay the cornerstones of a company that will itself be sustainable and grow through being able to react to the needs and views of its members. The Board sees itself as an interim Board and at the first AGM of SEA it is being proposed that all

director positions will be vacated and opportunity given for the membership to appoint the Board to take SEA forward.

Between now and that first AGM SEA is looking to:

- begin the establishment of an identity of "Australian Premium Seafood"
- build on the knowledge and successes of those industry participants who are exporting product, who are creating demand for their product and who are able to differentiate their product
- prioritise the strategies and actions given us in the marketing model – a strategic pathway – in anything as ambitious as SEA is taking on it's essential that individual projects and activities are focused on the big picture and are resourced appropriate to the outcomes they are directed at, do not get in each others way and achieve the biggest bank for the buck. SEA is setting out to use a riffle rather than shotgun approach
- build the membership base so that SEA is truly representative of the Australian seafood industry, or at least representative of those industry players concerned to ensure a commercially sound future and willing to subscribe to quality and supply standards necessary to sustain and grow industry performance
- embark on a limited number of promotional activities. Some of these activities are seen as part of SEA's "core business" in promoting the name of Australian Premium Seafood and the industry from which it comes while other activities are seen as "project activity" which is focussed on specific market and/or product opportunities and which may involve/benefit less than the full membership base

As this last point confirms, while the Board's initial focus must be on building the strategies and framework to make a success of SEA into the future it does not believe that's all it should be doing and we are working to get in place:

- the domestic marketing strategy – resources and time mean that we can't just pick up the marketing plan given us, it needs to be reviewed, prioritised and very clearly targeted; but that doesn't mean that it shouldn't be started either
- supermarket liaison – given the increasing role played by supermarkets in the sale of seafoods there's an urgent need to be working with supermarkets to negotiate promotion of SEA, including addressing matters of standards and branding
- participation at the European Seafood Exposition – this is the start of getting Australian Premium Seafood recognised in the EU and is recognised as a seed sowing exercise working with other Australian seafood organisations and companies
- Japanese market opportunities review – by working with and using the experiences of existing Japanese exporters SEA is developing the how to of exporting to Japan and will then bring in those producers and farmers interested in participating to actually do so
- seafood emergency response preparedness – while tempting to focus on breaking new ground SEA recognises that consumers can easily lose confidence and SEA needs to play its part in responding to emerging issues of concern and working with other industry groups to ensure a consistency and enforcement of response

None of these tasks can happen nor can SEA arrive at its first AGM with some runs on the board and a meaningful model for the future without industry participation. Between now and the first AGM if SEA hasn't secured the membership of at least 600 industry players it will have failed. 1,000 members is the target. If that is achieved the incoming Board of SEA will have the resources to make a meaningful difference.

It's important to note that SEA has not been established as some form of co-op; if anything the reverse applies with those who contribute more having the bigger say and with there being opportunity for multiple memberships (ie an organisation may be involved via an industry association(s) as well as being a member in their own name and, further, by making additional contribution for specific projects). SEA is not concerned about egalitarianism; our job is about making a difference and achieving an outcome that sees Australian seafood growing its market share, producers getting better returns due to greater demand and the industry being more viable and sustainable.

\$3,000 (plus GST) is the cost of joining in the first year and that is for a founders subscription. The recurrent commitment is \$1,000 a year. However, members are free to contribute more, both now and into the future, where the supplementary contribution is "tagged" and you can direct on which project that money should be spent. Put another way, the \$3,000 one off and \$1,000 pa covers the "core business" of SEA and supplementary contributions are directed to "project activity" where the direction on the exact activity comes from the contributor.

Attached is a membership application to join SEA. It's not a matter of whether you can afford to pay \$3,000 (plus GST) to join but rather the question should be whether you and the seafood industry can afford not to participate.

If there's any query on the membership process please contact Bob Cox. Bob is the Secretary of SEA and also our accountant when he's not trying to grow oysters. He can be contacted per the details in the letterhead.

Contact details for the rest of the Board are:

		phone	mobile	email
Ron Edwards (Chair)	Chair, Seafood Enterprise Alliance	08 9447 3880	0408 925 805	redwards@iinet.net.au
Christopher Dockray	Chair, Tasmanian Salmonid Growers Association	03 6334 3866	0418 137 654	cdockray@tassie.net.au
Debra Ferguson	GM, Ferguson Australia	08 8346 8764	0418 819 440	debra@fergusonaustralia.com
Peter Fraser	Executive Director, Marine Produce Australia	08 9431 6355	0411 267 507	pfraser@vianet.net.au
Mark Hancock	CEO, Seafarm	02 9356 5020	0418 596 058	mhancock@seafarm.com.au
Tim Hess	GM, Petuna Group	03 6427 9033	-	tjh@petuna.com
John Jenkin	MD, Antipodean Projects	08 9335 2092	0411 862 085	antiproj@iinet.net.au
Alex Kailis	MD, MG Kailis Group	08 9239 9239	-	alexkailis@kailis.com.au
Tony Murray	MD, MTC	07 3870 4975	-	mtc1@netspace.net.au
Grahame Turk	MD, Sydney Fish Market	02 9004 1100	-	grt@sydneyfishmarket.com.au

Further details of the membership and where to get a copy of the Constitution are provided on the attached application form.

Ron Edwards
Chairman
Seafood Experience Australia Ltd