ALASKA YOUNG FISHERMEN'S SUMMIT

DELIVERING RESPONSIBLE PROCUREMENT TO THE MARKET

December 2007

Roy Cunningham
Young’s Seafood

- 200 year heritage.
- UK’s biggest processor - $1.200bn+ sales.
- Grimsby HQ, major Scottish interests.
- Award Winning Fish for Life program.
  - Ten Principles for Responsible Fish Procurement.
- 40% of UK seafood products.
- 85% of MSC certified products.
  - Fresh, Frozen, Added Value, Natural.
One of Europe’s largest food businesses with turnover of $2bn
FoodVest Global Sourcing by Volume of Product

- Iceland: 5.5%
- Norway: 16.3%
- UK+Eire: 4.3%
- Baltic States: 4.5%
- Europe: 7.2%
- China: 12.5%
- Faroes: 4.3%
- S.Africa: 0.6%
- S.America: 3.9%
- Russia: 0.8%
- I.Ocean: 1.0%
- SE Asia: 4.1%
- Alaska: 11.7%
- Australia/New Zealand: 0.8%

Total Seafood Spend >$800m and Growing
Clear Seafood Market Leader in UK

Source: Young’s Management Data
Creating a $600m Young’s Brand
Fish – the good news

- A growing UK market.
  - Worth $4.6bn.
  - Sustained growth at +7% a year over the last 4 years.

- A growing world market.

- Perfect fit with modern consumer food values.
  - Health, convenience, variety.
Our achilles heel...
Environmental challenges

- Seafood Sustainability is central to our business agenda.

BUT...

- The wider environment poses further challenges to the industry.
Sustainability – Under-pinning
Our Fish Specialist Promise

‘Fish For Life’ is The Cornerstone of Our Consumer Communication
And new consumer concerns

- Local Sourcing, Provenance.
- Waste, Efficiency.
- Carbon footprint.
- ‘Food Miles’.
- Packaging Waste.
- Ethical Sourcing.
- Organic and Free Trade Foods.
How do we Manage Market Growth with Environmental Responsibility?
A salutary tale

- 12 months ago, we moved a process to Thailand...
- Langoustine Peeling for Young’s Scampi.
- Resulting in UK Job Losses.

WHY?

Improved Quality and Cost Efficiencies.
Getting whacked...

The 17,000-mile round trip that is costing the earth
What we did

- Commissioned report from Carbon Trust.
- Full evaluation of process, all CO$_2$ emissions.
  - Energy use, transportation, waste, refrigeration.
- Long, slow, complex.

Outcome...?
“Based on the data provided by Young’s and CO₂ conversion factors provided by Enviros, the evaluation showed that no net increase in CO₂ emissions had occurred”

i.e. No Negative Impact on Carbon Footprint
Available online for all of our stakeholders to see
A Genuine Worldwide Business

- International trade is intrinsic to our business - 60 species from 30 countries.
  - And vital in the responsible fisheries agenda.

- Many of the best sources of sustainable fish are remote.

- Our Ad Campaign communicates this point to our consumers.
Conclusion

- Our Environmental Responsibilities extend far beyond just seafood sustainability.
- We have first hand practical experience of such issues.
- Addressing such issues is a major part of our business agenda.
- Ultimately this issue is about making positive steps and proper communication.
YOUNG’S …
Taking Alaskan Seafood to UK Consumers

OUR TRACK RECORD OF SUCCESS
The Results Are Stunning!!
Wild Alaska Pollock

Tonnes Bought

Value of Spend

Driving the Alaska UK Agenda
The Results Are Stunning!!
Wild Alaska Salmon

Tonnes Bought

Value of Spend

Driving the Alaska UK Agenda
The Results Are Stunning!!
Wild Alaska Cod

Driving the Alaska Cod UK Agenda
MSC Seafood Growing With YSL Taking 80% Share

MSC Seafood Sales and Share
52 YE October 2007 (Millions)

- MSC Seafood Sales: $193m
- Young's: $213.2m

80% YSL
$154m

20% Others
$40m

Source: AC Nielsen / Key Account EPOS / TNS
Young’s … Making Fish The Dish of The Day

- Strong track record – one of the fastest growing brands in food
- Vision to become the ‘iconic’ brand in seafood
- Marketing plans set to make this vision a reality
- Sustainability sits at the heart of our fish specialist proposition
- Industry leading initiatives to drive sustainable species
- Industry leading in how we approach consumer communication

A Marketing Programme Rooted in What We Do as a Business
THANK YOU ALASKA

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