



IMPLEMENTING A WEST COAST GROUND FISH MARKET PILOT

PROJECT SUMMARY AND LESSONS LEARNED

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EXECUTIVE SUMMARY

OVERVIEW

The recently concluded West Coast Groundfish (WCGF) market pilot conducted with the support of the David and Lucile Packard Foundation provided timely real world inputs and lessons learned for all the participants. As with many pilots in the business world, this one validated a number of previously identified opportunities and provided insight to new opportunities; it also confirmed a number of identified risks and exposed new challenges to the successful reintroduction of the product to the supply chain in California.

Perhaps most notably, within a very short period of time, the pilot secured orders for several stocks of WCGF rockfish at a price compared to market prices at each level of the value chain. Harvesters received a price premium of 77 cents per pound (¢/lb) of rockfish sold for the pilot, representing a 33% increase over the average 2017 landed prices of 58¢/lb at Fort Bragg. While some fishermen report receiving consistently higher prices for select species of groundfish when they sell directly to users and distributors (\$1.33/lb. for the first part of 2018), WCGF in the pilot were sold to volume processors who look for the most competitive pricing available in the marketplace and would have otherwise been purchasing WCGF for 0.56¢/lb. This premium over average pricing is about twice the premiums (by percentage) conferred to producers of other sustainable products such as Fair Trade Certified™ coffee or organically grown vegetables and resulted in a wholesale price 100% higher than US sourced MSC Pollock. (Please refer to the pricing section within the report for additional details). Pilot sales represented 2% of the total sales of “Pacific Rockfish” and 33% of all pin bone out rockfish sold by Santa Monica Seafood (SMS) during the pilot period, one of the nation’s largest specialty fish and seafood distributors.

Considering the higher product price, the limited marketing resources focused on just a handful of companies and dining operations, and overall pilot budget, this substantial and measurable shift in the total market share and price for a differentiated whitefish product is a striking result. This may be attributable in part to corporate purchasing requirements and to commitments secured during the pilot, but it also reflects significant support for domestically sourced, differentiated rockfish among the chefs and dining operations we engaged. ***These results provided valuable, tangible, actionable inputs to potential investors and principals in the WCGF supply chain seeking change.***

At the conclusion of the pilot, a survey was sent to the twelve sites that completed the pilot project; each submitted a response. The twelve respondents were either unit executive chefs or regional chefs. Key findings included:

- On average, there was a 54% increase in seafood orders sold DURING the pilot.
- Sixty-seven percent of chefs participating described guest reaction to having WCGF as a menu option as Satisfied (50%) or Delighted (17%).
- **As a result of the pilot, 66% of chefs who are currently using imported farmed whitefish said they would very likely replace imported farmed whitefish (tilapia, pangasius, etc.) with WCGF.**

Key product attributes identified in the pilot included “the return of lost, natural flavors;” “wild;” and “locally caught and sourced.” While sustainability was also important for corporate buyers, it was not identified as an important factor from the dining public (or “end user”) perspective.

These results validate a central assumption of the market research completed by Changing Taste (CM) and Wilderness Markets (WM) — that the institutional food service market segment is well suited to utilizing the significantly higher volumes of seafood available in this fishery. Further, that the strategy utilized will result in the ongoing use of the product, as compared to a limited time offer, special or campaign common with many sustainable or healthy food initiatives.

This is particularly important as rockfish specifically, and groundfish generally, continue to compete with commodity, often imported, whitefish; and rockfish prices appear to be declining as stocks improve and quota is increased. Moreover, the size of the quota and potential future harvest necessitates that groundfish displace a large share of commodity whitefish. The ability to effectively de-commodify U.S. sourced whitefish product is central to ensuring its long term economic and social viability.¹

“I think that many of our chefs will continue to menu WCGF now that the pilot is over. It’s such an easy swap on menus where we have other whitefish and such a great story. We’re partnering with Santa Monica Seafood and Real Good Fish to continue offering WCGF to our California accounts.”

—Julia Jordan, Director of Sustainability, Compass Group North America

Unfortunately, Compass chefs only received about two-thirds of the orders they placed for WCGF during the pilot period. At a time when global supply chains reliably provide, and corporate customers expect, 95%+ fulfillment rates, this inability to fill orders represents a significant challenge to building the confidence of major buyers in the supply chain to meet the supply and demand.

At the same time, in post pilot interviews independently carried out for the project with the supply chain partners, fisher representatives expressed dissatisfaction with pilot. Despite the 33% price increase over average 2017 prices, they were disappointed with this pricing and order size outcome reporting that some fishermen sell rockfish directly to distributors for significantly higher prices. In interviews with fisher representatives, processors, and distributors, interviewees noted that the achieved increase in price during the pilot to fishermen was not enough to make a significant impact on fishing incomes. Fisher representatives also expressed strong frustration with being asked to develop pricing that would compete

¹ Changing Tastes, Wilderness Markets & Russ. 2018. Commodity Sector Activation Strategies and Recommendations for the West Coast Groundfishery.

with Canadian sourced rockfish, as their expectation was that the pilot create new supply chain logistics and was set up to bring in premium pricing that would enable fishermen to recoup the higher costs of business in at their ports (as compared to Oregon or Canada), certification work, and sustainable practices in the California fisheries. (These desired results would be the outcome of a successful shift in the market that would increase volume of sales as well as pricing, not simply a pilot effort.) In contrast, some distributor representatives noted that it was constraining to only source from limited ports in California when the same fish could be obtained with more consistency and at a lower price from fishers in Oregon or Canada.

This tension highlights the core challenges of the California fishery, which is that for California fishers to receive greater value, they must either have the interest and operational capacity to make fish available to build the market and perhaps operate “the first mile” of the supply chain, or work with distributors willing and able to differentiate their product. Even if they were to take on the additional work in the “first mile,” diversified distributors are able to provide a broad array of products to buyers, e.g., crab, shrimp, etc., which makes competition difficult, as they can provide multiple products through one point of contact. This means California fishers would need to also: a) differentiate their products from fish in other areas; b) create traceability measures to ensure that end-users can tell whether they have received California fish; and c) provide the same level of reliable availability that customers would receive if sourcing from a wider range of ports. The pilot results indicate that marketing efforts and top-down corporate social responsibility policies can successfully differentiate products and drive demand, but that there is still work to be done to ensure consistent availability.



RESULTS AND RECOMMENDATIONS

PROJECT PURPOSE	RESULT
Test and prove the viability of the institutional foodservice market	<p>Strong demand and support for the products was demonstrated by a major institutional food service group (Compass)</p> <p>Support was demonstrated for premium pricing for the products</p>
Build confidence in the supply chain to meet supply and demand	<p>Operational capacity of the supply chain remains nascent, particularly at the “first mile”</p> <p>Communications capacity across the supply chain needs significant improvement</p>
Develop the business case and essential marketing tools	<p>Product differentiation based on provenance (wild and local) and the completion of the recovery story provides value and increases demand, especially when reinforced through trainings</p> <p>User guide developed (See Appendix 1)</p>

METRICS	RESULT
Improved price per pound for fishers	Fishers were paid 77¢/lb for rockfish used in the pilot, a 33% to 54% premium when compared to market data for CA ports which showed a price of between 50¢/lb – 58¢/lb in 2017 and 2018
Established logistical relationships between at least two or more end market buyers and fishers at the distributor level	Operational relationships were established with Real Good Fish and SMS; and between Half Moon Bay Groundfish Marketing Association and Real Good Fish
Consistent product availability to the selected end market buyers	Consistent availability to the market was not achieved; as identified in this report; 1/3 of orders were not fulfilled
Successful utilization, sales and customer satisfaction	End market utilization and satisfaction were reported as high. Sales were negatively impacted by product availability

The pilot demonstrated strong demand for branded rockfish sourced in California. However, in order to ensure this demand is met consistently and reliably. And harvester groups are able to benefit, and harvester groups are able to benefit, four precursors have been identified in order to effectively meet market demand.

- **Address supply chain capacity constraints in fishing organizations and Fish Marketing Associations (FMAs)** — develop the capacity of fishing organizations and FMAs (as identified in this document) to effectively and professionally engage in the supply chain is a priority if the objective is to directly improve fishers' incomes. In light of the recovery of the fishery, and considerable increases in quota, fishers will be challenged to implement the identified recommendations related to product differentiation. These are necessary to effectively compete in a commodity market currently served by a generic whitefish product.
- **Develop the capacity of “good middleman or dockhand” to facilitate high volume deliveries into the supply chain in a consistent and reliable manner** — invest in improving “good dockhand or middleman” options for fishers to sell into existing distribution channels and address “first mile” constraints to support the availability of the product in the supply chain. Provide targeted support, potentially as program related investments, with explicit social and environmental benchmarks, to support the evolution of the supply chain.
- **Support the development of a product “ambassador”** — support the development of a product “ambassador” capable of effectively differentiating the product in the market. By focusing on attributes that matter to the market, they would build trust within the supply chain, support distributors and establish relationships with new and existing buyers. This would be consistent with the identified need to work with existing distributors to improve product awareness and to develop best marketing practices that would help them better position this “differentiated” product. They would provide commonly expected support for new product introduction that will be essential to improving product market recognition and pricing.
- **Improve communication between end buyers (chefs) and fishers** — explore and develop different mechanisms to improve communication between the fishing groups and buyers to address information gaps in product supply and demand. These mechanisms should respect the role of existing commercial relationships as demonstrated in this pilot.

CONCLUSION

The major constraints identified during this pilot were the lack of timely communication of supply and demand through the supply chain and the lack of investment in the “first mile” of the supply chain. The lack of communications is compounded by the lag time between when a menu is prepared, the orders are placed, vessels go out fishing, and the time it takes to process and deliver the fish. This lag time is especially an issue with highly perishable products such as seafood, and compounded in this fishery by the lack of any buffer or investment in personnel or storage capacity in the first mile.

With a minimal marketing budget, this pilot demonstrated the potential to use practical and culinary support along with knowledge of the supply chain to secure the commitment of a major foodservice company to displace cheaper whitefish products, bring onboard an important supplier and define priorities to secure the de-commodification of this seafood product.

The finding of the pilot and the “first mile” issues experienced lead us to conclude that promoting WCGF to a wider audience is premature. The majority of buyers are not as forgiving as Compass was in the pilot and early order fulfillment issues may permanently close the opportunity to sell WCGF. In many markets, with only one chance to make a good impression, it essential to have first mile issues addressed. Without more work on the part of the fishing groups or trusted middlemen to differentiate/promote the product and retain value, we are concerned that financial gains to the fishers, either through increased prices or volume of sales cannot be secured.

We recommend similar future efforts to drive change in supply chains and sourcing practices continue to leverage existing supply chain actors. Only by demonstrating success and showcasing leadership in lead firms will other supply chain participants change their practices. We recommend this practical approach over “build it and they will come” marketing and branding approaches.



PROJECT IMPLEMENTATION

OVERVIEW

The West Coast Groundfish market pilot was developed and implemented by Wilderness Markets (WM) and Changing Tastes (CT) with the support of the David and Lucile Packard Foundation. This initiative facilitated a 90-day pilot with institutional food service providers serving corporate dining and aquariums locations in California, aiming to raise commercial buyers' and suppliers' awareness of U.S. West Coast Groundfish (WCGF) as a domestic, sustainable source of whitefish and prove that these fisheries can provide a reliable supply of local fish. The objectives of this pilot were to:

- Improve the price per pound at the harvester level for key rockfish, roundfish and flatfish in the groundfish complex;
- Establish logistical relationships to ensure domestic fishers have improved access to U.S. markets;
- Breakthrough a logjam of concern about available catch and market demand by ensuring a consistent supply of domestically harvested key species are available to end buyers during the pilot period;
- Prove the merits of participating in a premium market for West Coast Groundfish to regional and national institutional foodservice companies;
- Develop and deliver the necessary tools for fishery participants and supporting actors to continue to develop the market; and
- Lay the foundation for increasing the use of domestic fish and seafood, creating more valuable employment in domestic fish processing, and help reduce trade deficits tied to imported seafood.

BACKGROUND

The WCGF fishery in California is a management success. Of the 90 plus species managed by the Pacific Coast Groundfish Fishery Management Plan, the management council currently considers only five overfished, and classifies each of these species as “rebuilding.” In 2014, the Marine Stewardship Council (MSC) certified 13 trawl-caught species and the Monterey Bay Aquarium’s Seafood Watch program rated 21 trawl caught species “Green, Best Choice” or “Yellow, Good Alternative.”² This is a significant change from 2000 when the fishery was formally declared a disaster by the U.S. Secretary of Commerce.³

2 “Huge improvement in Seafood Watch Rankings for Key West Coast Fisheries.” Retrieved September 25 2015 from <https://newsroom.montereybayaquarium.org/press/huge-improvement-in-seafood-watch-rankings-for-key-west-coastfisheries>

3 <https://www.gpo.gov/fdsys/pkg/CHRG-107shrg87847/html/CHRG-107shrg87847.htm>

This ecological and management success did not happen in a vacuum, or overnight. A legally mandated, scientifically informed and enforced quota system provided the basis for effective management and sustainable harvests. Despite this significant ecological progress, fishing and conservation communities continue to share concern about the long-term economic sustainability of the fishery, particularly as the fishermen continue to bear management costs that have increased over the past five years,⁴ thus increasing the cost of production in comparison to generic “whitefish” products. Adding to the complexity, U.S. fishers face the challenge of having to compete to displace whitefish products that have been substituted for U.S. groundfish on menus and in supply chains.

Results from market demand research conducted by CT indicated that next efforts to improve demand and pricing for WCGF should focus on selling minimally processed products to suppliers and buyers in the grocery retail and full service restaurant sectors.⁵ WM and CT designed this project to eliminate the chicken-and-egg conundrum in the fishery, where fishers are unable to sell high quality, sustainably sourced local groundfish at a reasonable price while buyers are unable to access high quality local groundfish products in their supply chains. The pilot focused on the institutional food service segment—and more narrowly on corporate dining operations—due to their higher flexibility and volume requirements. The pilot was a time-specific and species-flexible initiative to provide fishers with orders they could fill at an improved price.

The overall goal of the pilot was to improve the acceptance and value of select, California “local” sourced rockfish, roundfish and flatfish in the institutional foodservice market segments. In addition, we proposed to use the pilot as a learning opportunity to determine the business viability of the approaches identified in this document to benefit fishers and to identify obstacles that may emerge.



4 *West Coast Groundfish in California*. Wilderness Markets. 2015. <http://www.wildernessmarkets.com/wp-content/uploads/2015/12/Wilderness-Markets-West-Coast-Groundfish-in-California-synthesis-Final-Dec-20-2015-Web.pdf>

5 *West Coast Groundfish Regional Market Demand and Opportunities*. Changing Tastes and Wilderness Markets. 2017. <http://www.wildernessmarkets.com/portfolio/west-coast-groundfish-regional-market-demand-and-opportunities/>

TABLE 1 WILDERNESS MARKETS AND CHANGING TASTES PROPOSED PILOT

PURPOSE	<ul style="list-style-type: none"> • Test and prove the viability of the institutional foodservice market • Build confidence in the supply chain to meet supply and demand • Develop the business case and essential marketing tools
METRICS	<ul style="list-style-type: none"> • Improved price per pound for fishers • Established logistical relationships between at least two or more end market buyers and fishers at the distributor level • Consistent product availability to the selected end market buyers
PRIMARY BENEFICIARIES	<ul style="list-style-type: none"> • Members of the California Groundfish Collective and Monterey Bay Fisheries Trust • NGOs (TNC, EDF, MSC) • Distributors
SCALE	<ul style="list-style-type: none"> • Year 1 — achieve annualized utilization rate of 750,000 lbs/yr if successful

For continuity with earlier work completed in this fishery, we proposed to carry out the work out under a consistent theme tied to a value proposition of “Sustainable Fish from the U.S. West Coast” to ensure geographically-based marketing campaign and clear terminology for participants in the value chain. Subsequent work identified that the use of a “California” as the source would be more meaningful to pilot participants.

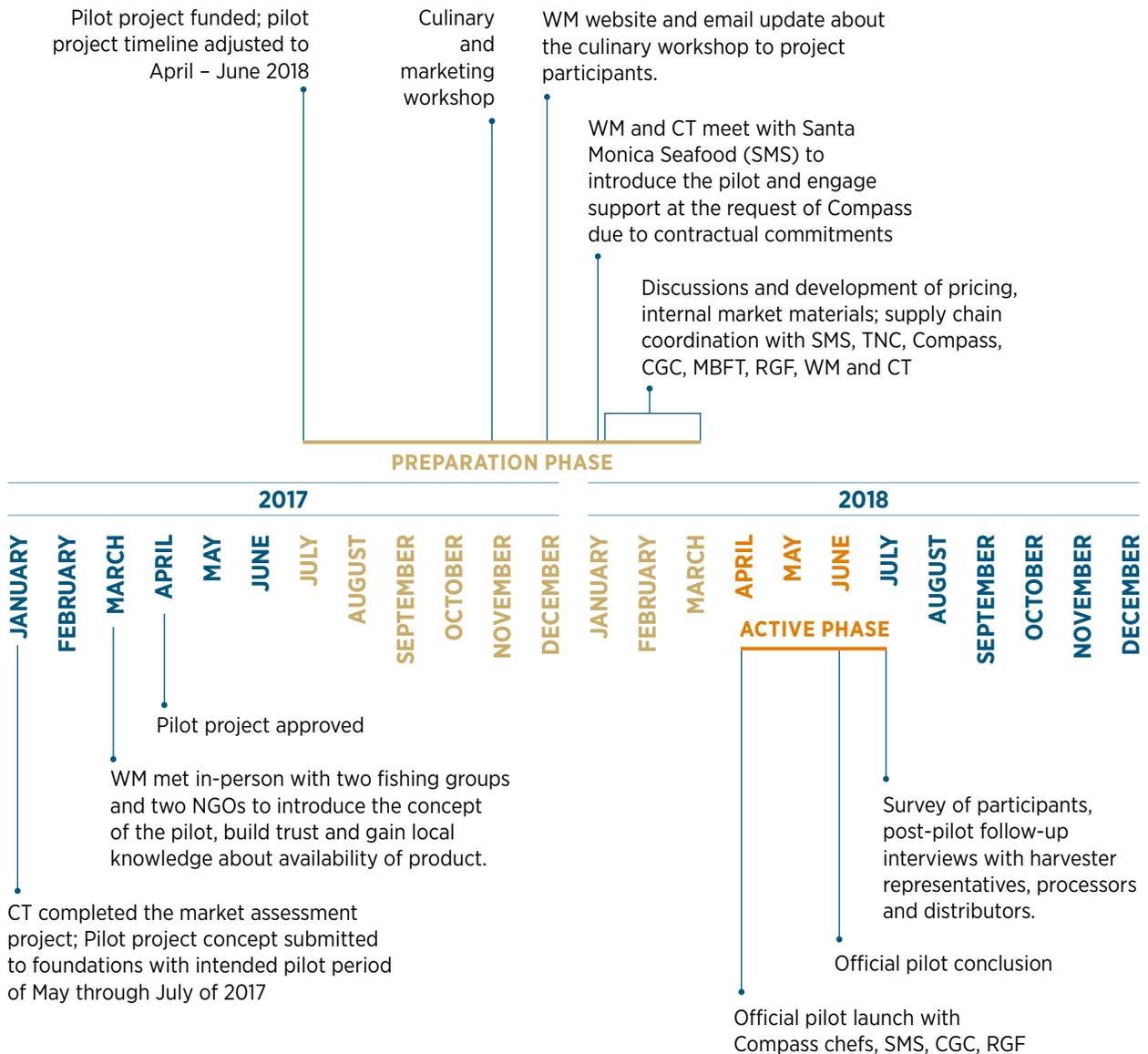
KEY COLLABORATORS

While many groups provided input and worked to make the pilot successful, the following groups were the most involved and appear frequently throughout the report.

- **California Groundfish Collective (CGC):** Groundfish marketing associations from Half Moon Bay and Fort Bragg with input from The Nature Conservancy (TNC), an environmental non-governmental organization
- **The Nature Conservancy (TNC):** An environmental non-governmental organization; working in the U.S. to promote environmentally sustainable fisheries
- **Environmental Defense Fund (EDF):** an environmental non-governmental organization; working in the U.S. to promote consumption of products from environmentally sustainable fisheries
- **Monterey Bay Fisheries Trust (MBFT):** Fisheries trust located in Monterey Bay working to provide access to markets and quota
- **Real Good Fish (RGF):** Seafood distributor specializing in locally caught seafood based in California
- **Santa Monica Seafood (SMS):** Largest seafood distributor in the southwest, headquartered in Los Angeles area
- **Compass Group North America (Compass):** Largest corporate foodservice provider in the U.S.; part of the largest contract foodservice company in the world, which is active in 50 countries with subsidiaries such as Bon Appetit, Eurest, and Wolfgang Puck that are active in California

PILOT TIMELINE

A summary timeline is provided below. While the active portion of the pilot was April through June of 2018, the groundwork was laid to build familiarity of WCGF at SMS and Compass sites and coordinate the supply chain in the lead up to the pilot.



PREPARATION

Between July 2017 and April 2018, organizations were approached as potential pilot participants and conditions for participation were presented to Compass, Wolfgang Puck Enterprises, Service Systems Associates (SSA) and Google who each agreed to participate; internal marketing and training was held with Compass and SMS; and fishers' participation and capacity were delineated. The preparation phase was unintentionally extended due to the delayed pilot launch because of the timing of funding approval and the opening of the harvest season (see timeline, above).

Compass selected fourteen pilot sites distributed between Northern and Southern California. As Compass has a pre-existing contractual relationship with SMS, and has built significant trust with SMS, they were invited, at the request of Compass, to participate in the pilot. It should be noted that had SMS declined to participate, it is unlikely the pilot would have proceeded. This request by Compass is consistent with research carried out by WM and CT indicating that product distribution needed to take place within the existing supplier channels as opposed to attempting to convince users to experiment with new distribution channels for products. This approach has the added advantage of permitting a successful pilot to proceed or be replicated once external support is withdrawn.

During this preparation phase, discussions and meetings were held with representatives from the MBFT, the CGC, RGF, TNC and EDF. These discussions explored their readiness and willingness to participate in the pilot. Note that a key element of discussions with the CGC was pricing for the pilot. The CGC initially proposed \$1.25 per pound for harvesters, which would have led to an end price of more than \$9/lb. (300% higher than any other fish/protein), making the pilot unfeasible for Compass clients. Through several iterations, CGC, WM, and SMS agreed to \$.77/lb.

The MBFT advised WM early in this process they would not be able to participate as they were in the process of hiring a local coordinator for their planned seafood hub. They requested to be kept informed.

CULINARY WORKSHOP

A full day culinary workshop to introduce California sourced groundfish species to the pilot chefs and develop recipes was held in November 2017. Hosted by The Google Food Team at the Google Kitchen Sync in Mountain View, California, the workshop used WCGF sourced from California ports to collaboratively develop a number of recipes during a daylong event (these are included in the user guide in the Appendix).

Intentionally kept small and focused to encourage sharing, a dozen Compass chefs were invited, most of them from the Compass business sectors, Eurest and Bon Appetit. One chef from SSA at the Monterey Bay Aquarium also participated. Alan Lovewell from Real Good Fish (RGF) participated to assist and answer product and fishing related questions. Key takeaways from the day were subsequently shared with the CGC and TNC.

A concurrent marketing session was hosted by CT and Marie Molde from Datassential, who presented consumer trends on fish and sustainability and answered questions about trends in recipe design. Seven sustainability and marketing professionals from Compass, SSA and Google attended. Marketing ideas and concepts were developed that were integral to the pilot and included in the user guide.

To increase engagement of both chefs and marketing professionals, the workshop included a training element in the morning for all participants that told the history and the recovery story of WCGF as well as an overview of the upcoming field pilot. Most of the day was spent in recipe development for chefs, and in marketing workshops for the sustainability professionals. It was clear by the end of the day that the culinary workshop helped develop greater interest and ownership from the chefs at Compass.

WORKSHOP OBJECTIVES

- Learn about importance of the recovery of WCGF
- Identify best kitchen practices that support the success of the pilot as a testing ground for introduction to the foodservice industry and a return to menus
- Develop 12 or more recipes that work best in a high volume environment to be included in the user guide
- Compare reactions and experiences of fresh to frozen for the same species
- Collect photos of plated entrées and more for use in the user guide

RECIPE DEVELOPMENT LOGISTICS

After convening for the presentation of the history of the fishery and the overview of the pilot, chefs went to the test kitchen, where they were able to use fresh and frozen WCGF provided by RGF from the fishermen in Fort Bragg, including: Dover sole, sand dabs, chili-pepper and blackgill rockfish, boccaccio, sablefish (AKA black cod). These species were recommended by the fishing groups on the basis of their abundance and by the CT team based on their flavor, texture and ease of preparation.

Chef teams were provided the following guidelines:

- Consider full spectrum of applications in typical café setting: Grill, Hot Line, Chef Table, etc.
- Develop at least:
 - One recipe that fits Asian or Latin flavor profile
 - One taco recipe (in addition to the Latin flavor request)
 - One recipe that uses 3 ounces or less of fish
- If time permits, create a recipe with specialty application such as for soup, stews or salads
- Consider portion sizes appropriate to premium cost and pricing
- Display one presentation plate per recipe
- Provide 6 – 8 additional servings to be offered family style at the group luncheon
- Submit written recipe using provided template for 12 people



Preparing the dishes

TASTING AND GROUP DISCUSSION:

Each chef presented one or more dishes and discussed product application in a food service setting; the best way to position species on menus; as well as any potential operational concerns they might have experienced. The following survey results reflect the product opinion of the participating chefs.

CULINARY WORKSHOP SURVEY HIGHLIGHTS

TABLE 2 POST WORKSHOP CHEF SURVEY

Species chefs are most likely to use	Chili-pepper, blackgill and boccacio Dover sole and sand dabs
Species chefs are least likely to use	<i>This selection is probably due to lack of kitchen skills to handle these species, as well as flavor. See notes below</i>
Based on quality and pricing aspects learned at workshop, chefs will likely use these species to replace farmed whitefish (tilapia and pangasius)	Chili-pepper and blackgill
Based on quality and pricing aspects learned at workshop, WCGF species chefs likely to replace a premium seafood on menus (e.g. Salmon):	Dover sole and sablefish (AKA black cod)
Comments on potential prep and cooking challenges using these species in high volume food service kitchen	Petrале sole, Dover sole, sand dabs: All comments were related to difficulty in handling or removing bones from these species. Rockfish and roundfish: No potential prep or cooking challenges expressed for these species by any chefs

**The survey was based only on species available during the workshop.*

MARKETING WORKSHOP

Concurrent with the chefs’ recipe development workshop, the marketing and sustainability professionals in attendance were meeting in a marketing workshop. Participants included experts in food marketing working for Google, Compass, Datassential, Bon Appetit Management Company, SSA and the Monterey Bay Aquarium.

Prior to this workshop, as a part of the developmental work for the reintroduction of WCGF into the foodservice industry, we explored current consumer research and menu trends regarding what attributes of the fish would make it most attractive to consumers. In addition to consumer focused research, we also considered the attitudes of two other participants that serve as gatekeepers for putting fish on plates—chefs and menu/purchasing decision makers—to identify what food attributes would best motivate them to regularly place WCGF on menus.

Based on this research, we found several trends and preferences regarding food and fish in general, and whitefish in particular, including:

- A shift in consumer preferences to whole muscle preparations and smaller portions of fish.
- Substantial concern about antibiotic use in fish production, which supports a preference for wild-caught fish
- A dramatic decline in consumption of tilapia, which had previously replaced WCGF on U.S. menus
- A continued perception of food from local and small producers as a preferred ingredient and at a premium price

During the workshop, this research was applied specifically to the discussion regarding the reintroduction of WCGF within corporate dining and retail restaurants. The assembled group of food marketing experts worked through more than a dozen descriptors, attributes and value propositions to use when offering WCGF to diners as a choice, with an eye toward getting diners to try WCGF, to prefer it over other fish choices, to choose it over other choices of protein such as chicken, and to select it regularly as a part of their meal.

ATTRIBUTES THAT MATTER TO CONSUMERS

Consumers consider locally grown food, food from small producers, or at least food with a provenance to be more appealing. In addition, highlighting new flavors and ingredients can cause consumers to try something new and break from old patterns. For WCGF marketed in California, the key attributes identified to communicate to diners in order to encourage greater consumption are:

- The location of the fishery and dock, and that the fish is local and caught nearby.
- The names, pictures and stories of the artisan fishers who catch the fish in small and family owned enterprises.
- The specific names and flavors of individual stocks rather than treating the entire catch as a whole, which is to say not call an item “West Coast Groundfish,” but rather feature the specific species or stock, e.g., chili-pepper rockfish, bocaccio, petrale sole, etc.
- That the reopening of the West Coast Groundfishery has enabled “Lost Flavors” to return to menus and tables.

By comparison, consumers are **not likely** to try food or shift eating habits because of:

- The ecological sustainability recovery story of the fishery.
- Ratings or certifications are important to corporate buyers, but they are not as useful for introducing new flavors or stocks into the market. They are not useful for driving premium pricing either, as they also are used to market lower quality, commodity fish in the same market.

ATTRIBUTES THAT MATTER TO CHEFS, MENU AND PURCHASING DECISION MAKERS

Most restaurant and foodservice dining establishments only serve one or two kinds of fish and seafood at a time, at most.⁶ So for WCGF to be placed on the menu and offered to diners as a choice, chefs and other menu/purchasing decision makers need to be engaged in order to secure orders for product.

The attributes that matter to consumers also matter to chefs, who want to offer choices that will be well received. For WCGF these include:

- Local fish caught by artisan fishers, which integrates it into the “farm to table” movement embraced by U.S. chefs.
- “Lost Flavors” that are new and interesting to diners, and linked to specific stocks or types of fish.

Chefs and other business decision makers also value other attributes which infuse purpose into their work. This includes:

- The choice to place WCGF on the menu is the final chapter in the sustainability recovery story, and something that makes their dining operation “part of something bigger.”
- That they are part of, and supporting, the “local food movement” by utilizing fish caught by small artisanal fishers from nearby waters.

ATTRIBUTES THAT MATTER TO FOODSERVICE AND RESTAURANT COMPANIES

Larger restaurant, hospitality, and foodservice companies are one of the few segments capable of buying WCGF in sufficient quantities to support a successful market reintroduction.

Almost all of the largest companies also have formal sustainable purchasing policies that include guidelines and goals for seafood, often relying contract purchasing partners and on a combination of the Seafood Watch rating system as well as on MSC certification. These companies value the fact that specific WCGF stocks have garnered ‘Best Choice’ or ‘Good Alternative.’”

Companies also value recognition for participation in larger sustainability efforts that “are a part of something bigger” as well as support for the local food movement, both of which bolster their corporate reputations. This brand enhancement is parallel to individual decision makers finding meaning through their work.

In Recognition: The culinary workshop would not have been possible or as successful without the gracious assistance of The Google Food Team who hosted the event as well as provided key staff that worked very hard to coordinate logistics from planning to clean-up.

6 Salmon, tuna, and cod are popular; see part C, “Product Differentiation” of section IV, “Results and Lessons Learned”

INTERNAL MARKETING

Marketing to the gatekeepers who control the supply of products to consumers is often overlooked when trying to improve market demand and was a key activity in this pilot. To this end, both Compass and SMS received training and marketing materials to better acquaint them with WCGF and learn its selling points.

INTERNAL MARKETING – COMPASS

Webinars

A majority of the pilot sites selected by Compass participated in two training webinars. The first was hosted by Compass as a way to introduce the pilot and discuss marketing recommendations. A second seminar, hosted by CT, focused on the history and recovery story; emphasized the importance of supporting the economic recovery of the fishery; stressed the “premium” characteristics of WCGF; and detailed the timeline and the role of chefs and managers in the pilot. Notably, the three sites that did not participate in the webinars did not complete the pilot, reinforcing the need to engage the marketplace with a strong “recovery” story to motivate sustained interest.

At the conclusion of the pilot, a survey of participating chefs was completed. Ten out of twelve post-pilot survey participants at the pilot sites also participated in the two webinars. Feedback provided indicated:

- Of those that participated in the survey, 80% felt that the materials presented at these webinars deepened their interest and willingness to include WCGF to their menus by “A lot” or “A great deal.”
- Only two chefs said that a California wild caught provenance was NOT an important characteristic to their operation. A majority felt that this was a characteristic that is important to their menuing decisions, their customer base.

**“Our guests want their food to be as local as possible.
Living close to the ocean only makes sense that the fish
we serve comes from local sources”**

— Sean Goodin, Compass Chef

Materials

A Pilot User Guide (see Appendix) was developed for distribution to all pilot sites. Main topics covered in the guide included:

- Pilot program overview
- Role of participant
- Implementation guidelines
- Sourcing and seasonality
- Kitchen considerations
- Social media recommendations
- WCGF as a premium protein
- Sourcing logistics (including product code list)
- Recipes

A series of marketing discussions between the CGC and Compass took place in an effort to provide a story of provenance that could be used by pilot sites in order to promote their WCGF menu offering. Ultimately, due to the CGC’s concerns about whether these materials might be used to market fish caught by fishers outside the Collective, marketing materials provided by the CGC were not used. Compass developed and implemented their own marketing message around “A Story of Recovery” with the support of WM and CT. The Compass marketing program also included a series of social media activities and guest engagement. All related marketing documents are included in the Appendices. The materials did not include an element Compass had hoped to include: A story of the fishers and their faces.

Santa Monica Seafood Sales Staff

A first face-to-face meeting with SMS owners and leadership included a key element of education on the history and recovery story of WCGF which helped establish a strong commitment on their part to the project. SMS sales staff was subsequently trained on same through conference calls and webinars.

In an effort to support SMS to promote WCGF to Compass, WM and CT, with the support of SMS, TNC and RGF designed and provided marketing materials to the sales team. This included the attached flyer and “California Wild Caught” box labels.

A key concern of all the supply chain participants was the need to clearly identify the provenance of the fish sold through the pilot to ensure the link to California sourced product. In order to keep track of this, SMS developed and provided new and specific order codes for the product for use by Compass pilot sites and the supply chain (which are included in the user guide).



FIGURE 1 FLYER PROVIDED TO SMS SALES STAFF, INCLUDED IN THE APPENDIX

Due to the large number of stocks in the groundfish complex, a decision was taken by Compass, SMS, CT and WM to initially focus the pilot on chili-pepper and boccacio rockfish due demand and logistical concerns. Feedback from the chefs indicated these were the most interesting stocks.

From a logistics and traceability perspective, each species necessitated at least three order and tracking codes for chefs to consider and for distributors to manage. As an example, chili-pepper rockfish was available whole gilled and gutted; or as a fresh filet pin bone out (PBO) or pin bone in (PBI), necessitating three specification codes for the one stock of fish. If frozen product was available, another three codes were required, meaning a total of six specification codes per species for chefs and the supply chain to manage.

SUPPLY CHAIN PREPARATION

The number of participating pilot sites was determined in January of 2018, after the culinary workshop in November 2017. Once defined, an estimate of the order volume potentials was possible. The CGC and the MBFT were approached with an update on the pilot in early February, with an offer to engage directly with Compass and SMS. MBFT advised WM that as they had only just recruited their seafood hub coordinator, they were not yet prepared to engage with the pilot.

The CGC was encouraged to meet with both Compass and SMS to better understand the demand requirements. While the face-to-face meeting with Compass never occurred, discussions continued through February and March with SMS and various representatives from the CGC to address use of marketing materials, pricing, availability, and processing requirements. In March, WM and SMS traveled to Fort Bragg to meet with the Fort Bragg Groundfish Marketing Association and Caito Fisheries, the main groundfish processor in Fort Bragg, and SMS was able to approve Real Good Fish (RGF) to become an authorized vendor.

Various options were discussed with the CGC to enable them to attain a greater share of the price while keeping prices at a level considered acceptable to Compass chefs during this period. These included:

1. **CGC acting as the broker or vendor** — the CGC declined to take this approach for operational reasons. As they did not have a first receiver permit, an EIN (and thus were not a legally recognized commercial entity), it would have been legally challenging for them to act as a broker for this pilot. The lack of the EIN and legal entity also meant that the CGC was unable to secure and provide insurance or food safety certification, both of which are requirements for vendors to SMS (and, indeed, to all the institutions in the pilot and any other reputable foodservice provider or supplier).
2. **Securing the services of an external broker** — the CGC declined this option at the time of discussion. However, they subsequently did agree to work with RGF, who was able to provide logistics and establish a relationship with SMS as an approved vendor
3. **Negotiating a rebate** from either Compass or SMS back to the vessel to cover a price premium — this was determined to be not possible due to the contract agreement between Compass and SMS. Additionally, the lack of an EIN for the CGC presented administrative concerns for SMS.

PRICING

Potential pricing options were prepared and negotiated with the fishing groups, RGF, SMS and Compass. Pricing and mark-ups at each point in the value chain were made available by and to the stakeholders, a summary of which is provided here.

TABLE 3 SUMMARY PRICING MODEL — U.S. WEST COAST GROUND FISH (ALL USD PER POUND)

ROCKFISH	FRESH	FROZEN
Proposed price to harvester (round cost)	\$0.77	\$0.77
PACKER/PROCESSOR COSTS		
Yield	29%	29%
Fillet cost (round cost divided by yield)	\$2.66	\$2.66
Processing costs (PBO; includes transport)	\$2.79	\$2.79
TRANSPORT & OBSERVER		
Freezing		\$0.25
Delivered cost (subtotal of costs)	\$5.45	\$5.70
DISTRIBUTOR/COMPASS CONTRACT		
Packaging	\$0.04	\$0.04
Overhead	\$0.22	\$0.22
Distributor margin	22%	22%
PRICE TO COMPASS	\$6.95	\$7.27

One of the objectives of the pilot was to attain a higher price per pound for differentiated fish. To this end, the CGC was asked to propose prices based on specifications to be developed with the customers, i.e., Compass and SMS. The CGC did not engage directly with Compass or SMS after introductions had been made by email and information exchanged in phone conversations. A proposal was sent by the CGC to SMS and WM with a proposed ex-vessel landed price of \$1.25 per pound (/lb), a 100% increase over average 2017 prices reported by PacFIN at either CGC port group (58¢/lb and 52¢/lb, respectively).⁷ The cost to Compass would have been more than \$9/lb. Based a poll of ten Compass chefs participating in the pilot, this price point was considered too high, and would have likely resulted in very few orders.

At the same time, WM and CT negotiated with SMS to understand their pricing structure, the terms of their contract with Compass and the implications for the pilot. SMS was flexible and transparent in providing their contract details, along with market information to benchmark prices.

7 PacFIN data retrieved on February 12, 2018. <https://reports.psmfc.org/pacfin/f?p=501:5:13678722655827::NO::>

With input from CT about acceptable pricing to Compass chefs based on comparable market prices, a final sales price of \$5.45 per pound/lb to SMS was established, with a resulting price to Compass of \$6.95/lb and a 77¢/lb to fishers (see table above).

This price was significantly higher than prices offered to SMS for other U.S. sourced rockfish by suppliers. These ranged from \$2.99 to \$3.50/lb to SMS (using the prices of similarly specified PBO rockfish assumed for the pilot, the resulting price to Compass for delivered fillets would be \$4.23-4.89/lb versus the pilot cost of \$6.95/lb, or a 42% premium). By comparison, US sourced MSC Pollock was available at \$3.30/lb, delivered.

This price placed pilot-associated rockfish as one of the most expensive proteins on institutional food service menus (see table below), and represented a considerable risk to the pilot during the planning phase. Had chefs considered prices to be too high, there was a concern that they would not order it. It is important to note that differentiation, based on attributes related to origin (wild, California-caught, i.e., “local”) and story, likely added value to make the product attractive enough to make this pricing feasible.

TABLE 4 COMPARISON OF PROTEIN PRICES*

PRODUCT	PRICE PER POUND
Pilot – California Rockfish (PBO)	\$6.95
Pollock (PBO) US , MSC	\$3.30
Antibiotic-free chicken (bone in)	\$3.92
Other U.S. Rockfish	\$4.23 – \$4.89
“Natural” beef (ground, formed frozen patties)	\$5.06
Antibiotic-free chicken breast (skinless and boneless)	\$5.55

* Wholesale Prices as at July 2018

Despite the 33% increase at the harvester level as compared to average 2017 prices, the CGC was unhappy with this pricing outcome. In post-pilot interviews with harvester representatives, processors, and distributors, interviewees noted that the increase in price to fishermen was not enough to make a significant impact on fishing incomes. Fisher representatives also expressed strong frustration with being asked to develop pricing that would compete with Canadian sources, as their expectation was that the pilot was set up to bring in premium pricing that would enable fishermen to recoup higher costs of business (as compared to Oregon or Canada), certification work, and sustainable practices in the California fisheries. In contrast, some distributor representatives noted that it was constraining to only source from limited ports in California when the same fish could be obtained at a far cheaper rate from Oregon or Canada with greater consistency.

This tension highlights the core challenges of the California fishery which is that in order for California boats to receive higher premiums, they must either have the interest and capacity to control more of the supply chain (as per the suggestion to broker their own fish), or work with distributors willing and able to differentiate their product. In addition, even with these changes in the supply chain, they must also:

- a) differentiate their products from fish in other areas;
- b) create trustworthy traceability measures to ensure that end-users can tell whether they have received California fish; and
- c) provide the same level of reliable availability that customers would receive if sourcing from a wider range of ports.

Please refer to the Changing Tastes and Wilderness Markets paper on "Commodity Sector Activation Strategies and Recommendations for the West Coast Groundfish Fishery" for further insights.

ACTIVE PHASE

Beginning the week of April 1, Compass pilot sites had the opportunity to purchase WCGF from vessels in Fort Bragg and Half Moon Bay (both part of the CGC). As it rapidly became apparent that one or two vessels would be unable to reliably meet weekly demand, the vessel locations ultimately grew to include non-CGC vessels in San Francisco through RGF.

ORDERS

Once chefs agree to include a product such as rockfish on the menus based on recipes they trust to please their customers, it is integrated into a menu cycle. This planning process results in the inclusion of the product in upcoming menus, staff training and preparation, and the ordering of related recipe ingredients. Orders are placed that generate a purchase order for the distributor, who in turn has to generate a purchase order for the purchase of the product.

The pilot successfully delivered a total of 3,270 lbs of rockfish pin bone out to Compass out of total orders to SMS of 5,010 lbs over the same period, implying a 65% fulfillment rate. Of this, 1,350 lbs (35% of purchases) was obtained from Caito Fisheries in Fort Bragg, and 2,440 lbs (65% of purchases) from RGF (from vessels in San Francisco and Half Moon Bay), for a total of 3,790 lbs purchased. The difference was accounted for in frozen (230 lbs), discards (100 lbs) and sales after the project ended (190 lbs). The discards were the result of SMS carrying extra product to fulfill potential orders that were ultimately not used, resulting in a financial loss to SMS. Frozen product was accepted by some sites as a substitute when fresh product was not available. SMS ordered and paid for frozen product; if not sold, this purchase would result in additional loss for SMS.

The pilot-specific product was not offered to all Compass sites, so the final numbers may not be reflective of total demand; it may have been higher. The demand may be a testament to the influence of corporate decision making on their chefs, which implies it may have been lower without corporate influence.

DELIVERY

Significant unanticipated effort was invested by all participants in ensuring the timely delivery of product in the supply chain. This required coordination from vessels in Half Moon Bay and San Francisco to a contract processor in Watsonville for fish sourced from these ports. Fish sourced from Fort Bragg was delivered directly to a port side processor (Caito Fisheries) and then to SMS's redistribution facility in Los Angeles, with transport provided by San Francisco Seafood Express.

Once RGF was approved as a vendor to SMS, the project dynamics improved considerably as RGF was able to fulfill the role of a trusted and capable intermediary between the fishers in Half Moon Bay and San Francisco and SMS. RGF was able to respond to orders and provide supply logistics information to SMS in a

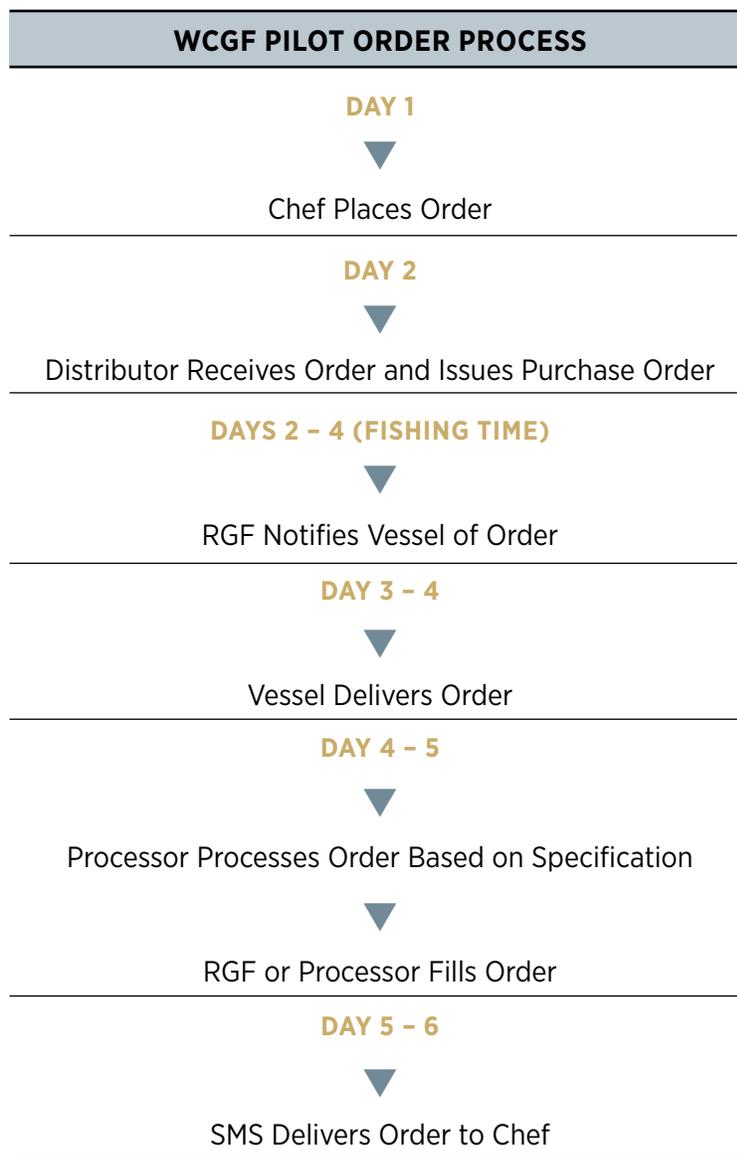
timely manner, arrange for shipments to SMS or, in some cases, make last minute deliveries to customers on behalf of SMS. As a consequence, order fulfillment by RGF reached 65% of the 3,270 lbs sold, which was a direct reflection on their willingness to build trust and deliver product under difficult circumstances.

Orders from Fort Bragg (35% of deliveries) were hampered by poor weather, delays due to inspections of the vessel and issues with transport availability (particularly over weekends). RGF was able to work with the CGC and other vessels to deliver groundfish when orders from Caito were unfulfilled.

We note that we doubt SMS or RGF would have been as likely to invest the extra time and effort that were key to ensuring delivery without the buyer network and commitment provided by Compass. Without support provided by intermediaries like CT and WM, they likely would not have had the time or resources to commit to finding solutions given the multiple challenges and conditions impacting delivery.

PILOT ORDER PLACEMENT AND FULFILMENT PROCESS

The figure below provides a graphic of the order placement and fulfillment process experienced in the pilot. Based on the current and existing practices in the supply chain, up to 4 - 6 days pass between when an order for fresh rockfish was placed to when it is delivered, assuming there is no inventory on hand with a distributor.



CONDITIONS IMPACTING DELIVERY

Four major conditions impacted the successful delivery of fish to Compass. These are summarized as:

- **No fish available** — Weather, permit infractions and public holidays all impacted the ability of vessels to go out and fish during the pilot period. The first week, the pilot launched in the face of a major Pacific storm, resulting in limited seafood landings. While weather related issues are out of the control of fishers, permit infractions would appear to be a planning consideration. Not fishing due to the holidays also resulted in lost orders. Regardless of demand, these factors negatively impacted the availability of product, and meant users either removed rockfish from menus on relatively short notice or found alternative sources of fish.

- **Fish available but logistical challenges** — During the times fish were landed, a series of logistical challenges had to be addressed. These included limited delivery options from Fort Bragg, particularly on Fridays, which meant deliveries would be 3 to 4 days old when delivered Compass on Monday or Tuesday.

Limited transport options were experienced for delivery of whole fish out of Half Moon Bay to a contract processor in Watsonville. Initially advised there was no option, RGF utilized their van, which was only capable of transporting 2,100 lbs of unprocessed fish per trip. As trawl vessels land in excess of 10,000 lbs per trip, this presented a major constraint. Furthermore, given an estimated processed yield of 27%, 2,100 lbs of whole fish would yield approximately 560 lbs of fish, negatively impacting the economics for RGF.

SMS's ability to sell in both Southern and Northern California at higher volumes is a significant strength. However, SMS's distribution requirements required shipping product south to the SMS redistribution center Los Angeles before it could be shipped north to clients in the San Francisco area.

- **Fish available, logistics addressed but no orders** — The third major condition related to the availability of orders. From the fishers' perspective, order levels, which were between 400 to 800 lbs per week, were relatively minimal by vessels that land over 10,000 lbs of fish at one time. Furthermore, as the pilot progressed, order volumes declined based on missed deliveries earlier in the pilot.
- **Fish available, logistics addressed and sufficient orders** — The fourth major condition was the optimum condition – fish was available, all the logistics aligned and orders were placed. This was the exception, not the rule during the pilot.



**RESULTS AND
LESSONS LEARNED**

RESULTS AND LESSONS LEARNED

Neither a roaring success nor a dismal failure, the pilot provided valuable results and lessons learned:

- **Strong Demand** — Major institutional food service group (Compass) demonstrated strong demand and support
- **Premium Pricing** — Premium pricing over average prices was achieved
- **Product Differentiation** — Value and demand increased based on provenance (wild and local) and being part of the recovery story, especially when re-enforced through trainings
- **Value Chain Capacity** — Operational capacity is nascent
- **Communications** — Communications capacity needs improvement

Each of these points is expanded in the following sections.

STRONG DEMAND AND SUPPORT

Based on data collected during the course of the pilot and provided by SMS, the following sales volumes and prices were recorded:

TABLE 5 PILOT PERIOD SALES 4/1-6/30/2018

	POUNDS	PRICES	
NOT PILOT-SPECIFIC	Total SMS PBI Pacific Rockfish Sales (SNA103)	146,485 <i>(635 to Compass Pilots)</i>	\$2.95- \$3.60
	Total SMS PBO Pacific Rockfish Sales (SNA103P)	14,750 <i>(2,180 to Compass Pilots)</i>	\$3.74- \$3.95
	Total Compass PBI and PBO Pacific Rockfish Sales to Pilot Sites (SNA103P, SNA103)	2,815	
Total Orders of Pilot-labeled California Rockfish PBO during Pilot (SNA1022-1024, SNA2024)	5,010	\$5.45	
Total Deliveries of Pilot-labeled California Rockfish PBO during Pilot (SNA1022-1024, SNA2024)	3,270	\$5.45	
Fulfillment Rate (Deliveries/Orders=Fulfillment Rate)		65%	

PBI = PIN BONE IN
PBO = PIN BONE OUT

During the period of April 1 through June 30, SMS sold a total of 146,485 lbs of “Pacific Rockfish” fillet and 14,750 lbs “Pacific Rockfish Fillet” pin bone out (PBO). Compass pilot participants ordered a total of 5,010 lbs of pilot-coded rockfish, which constitutes 33% of the total orders for PBO product.⁸ Unfortunately, Compass received only 3,270 lbs of rockfish during this time (a 65% fulfillment rate) due mostly to weather and the aforementioned conditions affecting the supply chain. Total rockfish purchases (program and non-program purchases) by Compass pilot participants was 6,085 lbs for the period.

The total “Pacific Rockfish” sales (nearly 147,000 lbs in three months) indicate there is strong demand for this product from SMS clients. The PBO product, while preferred, has less demand and represents a smaller market. Achieving 2% (3,270 lbs to pilot sites compared to 146,850lbs) of the overall SMS market during a pilot phase with minimal marketing and a higher product price represents a significant achievement for the pilot participants. While it may reflect a corporate requirement to participate, feedback from the chef surveys indicated a high degree of engagement. Securing over 33% of the PBO share of market within the first three months of the pilot indicates strong demand and support. Unfortunately, a 65% fulfillment rate is significantly below industry standards which are 95% or higher.

In July of 2018, following the pilot, a survey was sent to the twelve sites that completed the project; each submitted a response. The twelve respondents were either unit executive chefs or regional chefs. Seventy-five percent indicated that they were offering WCGF on their menus prior to the pilot and 56% indicating they were aware of the provenance of these products at time of ordering. During the pilot, each of these chefs ordered the product associated with the pilot, likely paying a higher price than before, but for a product differentiated by story and location.

The combined average daily guest count per meal served for all twelve unit was 8,380, ranging between serving 130 and 2,000 guests at a meal.

- Average count of seafood orders sold per meal period BEFORE the pilot = **123**
- Average count of WCGF orders sold per meal period DURING pilot = **113**
- Average count of other seafood orders sold per meal period DURING pilot = **77**
- Combined average of WCGF and other seafood orders sold per meal during the pilot = **190**

On average, there was a 54% increase in seafood orders sold DURING the pilot, demonstrating significant demand for this product. This increase meant that the pilot increased the consumption of seafood overall, not just shifted prior consumption to WCGF.

In pilot participant interviews, distributors cited Compass’ involvement as an important element success in the pilot: by having a corporate mandate to buy California rockfish, Compass spurred both interest and orders of fish at premium prices.

8 An additional 2,815 lbs of PBO rockfish was sold to Compass pilots under a different code due to confusion over codes.

“Having the guaranteed market was great ... generally CSR programs that want to drive responsible sourcing don’t recognize that it affects food costs and all the people who are supposed to make that [responsible sourcing] happen are being incentivized on food costs. We overcame that by having a corporate mandate that they buy this and nothing else.”

—Logan Kock, Santa Monica Seafood

PREMIUM PRICING

The ultimate pilot project price for PBO rockfish was \$5.45/lb delivered to SMS, which averaged \$1.59 (41%) more per pound than “generic” U.S. sourced rockfish which averaged around \$3.25/lb (delivered) during the pilot period.⁹ This “generic” product was available from suppliers such as Caito Fisheries and from suppliers in Oregon and Washington. The specific price of delivered California sourced product outside the pilot is unknown.

Landed price per pound in 2017 in Fort Bragg for chili-pepper rockfish was reported by PacFIN to be 58¢/lb and 52¢/lb in San Francisco, which would include Half Moon Bay vessel prices.¹⁰ Prices in 2018 are not yet available from PacFIN, but personal communications with SMS indicated the price was 50¢/lb in February and March of 2018. The 77¢/lb represents an increase of 33% and 42% over the average 2017 prices per pound for the two ports, respectively, reported by PacFIN and 54% above 2018 prices.

We note that as stocks have recovered, quota has generally been increased. In 2017, the 4.23 million available quota pounds of chili-pepper rockfish was nearly double the 2.63 million pounds in 2016.¹¹ This appears to have a downward impact on prices for chili-pepper rockfish over the past twenty-four months based on present data.¹² This implies a greater need to effectively market the product in order to move from a commodity to a differentiated product.

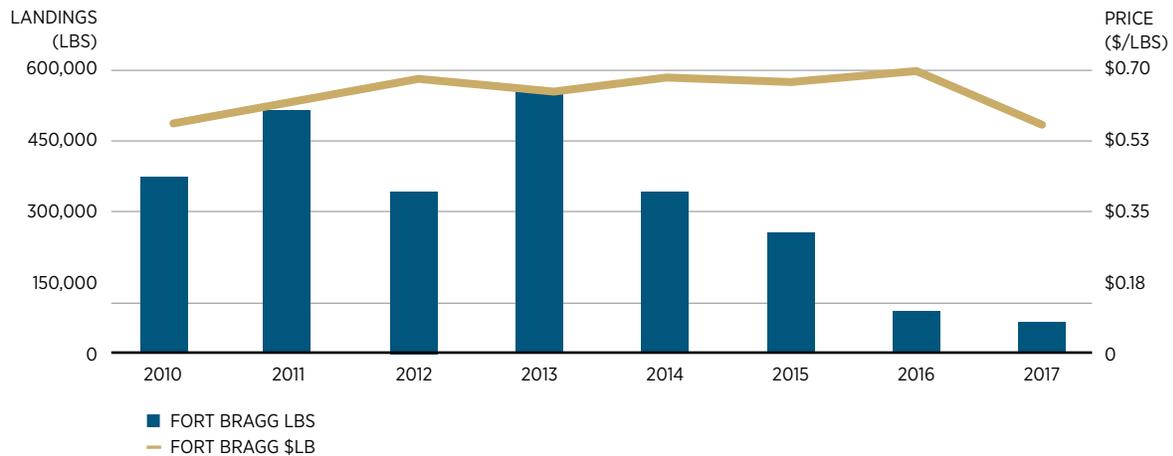
9 Santa Monica Seafoods. Personal Communication.

10 PacFIN data retrieved on February 12, 2018. <https://reports.psmfc.org/pacfin/f?p=501:5:13678722655827::NO::>

11 NOAA-NMFS Data retrieved on February 13, 2018. [https://www.webapps.nwfsc.noaa.gov/apex/ifa/f?p=155:1:::~:PL=155:1:::~:PL=155:1:::](https://www.webapps.nwfsc.noaa.gov/apex/ifa/f?p=155:1:::)

12 PacFIN. 2018.

FIGURE 2 CHILI-PEPPER ROCKFISH, LANDINGS AND PRICES, 2010-2017



While the price to fishermen reflected a 33% increase compared to average 2017 prices, fishing groups expressed deep frustration with the pilot pricing process, citing a lack of clarity about what vendors would be involved in the middle of the supply chain and at what cost. In the end, fishermen captured only 14% of the end-user price, but may have been able to garner a larger percentage if they had the interest and capacity to take-on the roles provided by others in the supply chain.

PRODUCT DIFFERENTIATION

We identified three factors that drove diner acceptance and preference that align with current consumer food trends. New — or in this case — **lost flavors are interesting**. And if they are sufficiently delicious, will displace lesser ingredients, such as farmed whitefish. **Locally grown and caught foods are seen as better** and deserving of premium pricing. Finally, **diners prefer knowing who harvested their food**, although this attribute could not be demonstrated during the pilot due to concerns from the fishing community.

Previous research from CT indicates that product sustainability matters to purchasing and menu decision makers. The ability to support a “sustainability success” also was a motivator for companies to participate in the pilot, particularly with regard to recognition in their marketplace; extensive consumer surveys indicated this was not a driver for the dining public to change eating habits. Flavor and dependable availability are equally important to all users.

It was discovered early in the pilot that some units were ordering “off-program” (purchasing WCGF product *not* associated to the pilot) at the rate of 46% of total pilot rockfish volume shipped. This was a surprise because “differentiated” product codes were published in the pilot sourcing order guide. In addition, a sales flyer specifying those same “differentiated” product codes were provided to SMS sales team.

We assumed a variety of reasons for this behavior, ranging from the possibility that participants did not know about those specific codes or that they were ordering a different product because it was much cheaper, and the latter being a large concern.

The results of the follow-up chef survey indicated the following:

- 83% who ordered directly were aware of the “differentiated” product code
- 75% placed their orders by phone or online using the specific product code
- 16% *purposely* ordered “off-program” “because of better availability at time of ordering.
- **OF NOTE: No chef reported that they ordered “off-program” because of better pricing. This is good news!**

Nonetheless, only 60% of chefs that ordered directly from SMS found that the differentiated product codes or a “California Wild Caught” indication were **clearly identified** on the sales sheet, ordering guide or known to the order desk. This would indicate that further effort would be required to continue to differentiate the product effectively.

As a lesson learned, there may be opportunities to work with suppliers in to develop best marketing practices that would help them better position this “differentiated” product on sales sheets or via social media. Also, additional sales staff and order desk training would support better market penetration. It was apparent from this pilot that the SMS sales staff act more like order takers rather than marketers of a particular product or brand. This may be the sales culture with all regional fresh seafood houses, as it is similar to many other foodservice distributors.

A final note on produce differentiation concerns price. The buyer perspective of guaranteed pilot price at 33% to 54% or more of a price premium over regular pricing was seen as unusually generous. As a comparison, rockfish were priced higher than any other proteins used except specialty cheeses, which are used only for catering events (see Table 4 for price comparisons). In contrast, from the perspective of the fishing groups, both the volumes and prices were seen as lacking.

FIGURE 4
LABEL USED
TO IDENTIFY
FISH
ASSOCIATED
WITH THE
PILOT



Chefs that were sensitized to the story of recovery stayed loyal to the pilot, while those that were not “trained” dropped out of the pilot very early. This indicates the importance of telling the WCGF story in the business-to-business marketplace, to corporate chefs, and to menu- and purchasing- decision makers. With the exception of one instance driven by a client, price was never stated



chef to chef

WHAT THESE CHEFS WOULD SAY TO CHEFS UNFAMILIAR WITH WCGF:

“It’s a great product...a great story. Flavor is amazing!”

“Very easy to include in your menu cycles. Great texture and takes little time to prep. Makes a fantastic tasting dish.”

“The flavor of the fish is great, sustainable and the margin is a bonus.”

“Never order Tilapia again! Explore these superior natural flavors.”

“I would suggest exploring the natural flavors of the rockfish!”

as a reason to stop ordering or to order a non-program product (which would have been far cheaper). Quality or operational difficulty in preparing rockfish was also not an issue for chefs that affected ordering.

As mentioned previously, in July of 2018, following the pilot, a survey was sent to the twelve sites that completed the project; each submitted a response. The twelve respondents were either unit executive chefs or regional chefs. The following information comes from that survey and ordering information from SMS.

When WCGF was added to menus:

- Diners increased their consumption of seafood meals by 54%
- This occurred in corporate dining environments which also meant that diners choose fish over other non-fish options.

Aside from the 42% who cited erratic availability, chefs indicated the reasons they intentionally stopped ordering during the pilot was because of:

- Guest fatigue (25%)
- Client Request (17%) – Price point concerns and over-menuing, i.e., appears too frequently
- (In this case, a “client” is the foodservice contract manager for a site, not a diner/guest.)

Other notes about WCGF as a product:

- A majority of the chefs menued WCGF as a “special” at a variety of stations. However, 33% indicated that they added a WCGF dish to their static menu *as a daily option*, e.g., fish sandwich at the grill.
- Chef opinion for the ideal applications for WCGF on menus:
 - Tacos (75%)
 - Cooked to Order (75%)
 - Center of Plate (75%)
 - Ceviche (50%)
 - Sandwich (42%)

TABLE 6 TOP 4 “OTHER” SEAFOOD SPECIES THAT WERE MENUED AT PILOT DINING SITES DURING THE PILOT AND REASONS WHY

SPECIES GROUP	PRIMARY REASON	SECONDARY REASON	TERTIARY REASON
Wild Salmon	Guest Popularity		
Farmed Salmon	Favorable Pricing	Guest Popularity	
Tuna	Guest Popularity	Favorable Pricing	Consistent Availability
Cod	Consistent Availability	Favorable Pricing	

Only 2 pilot participating units identified tilapia as a species menued during pilot, and chefs at these locations cited favorable pricing as the primary driver of this decision. Options for each species group were: Favorable Pricing, Guest Popularity, Consistent Availability, Easier to Prep, and Provenance. Chefs could pick one reason or more.

- Removal of pin bone was the dominant kitchen operational or quality concern expressed by chefs participating in the pilot that *might* discourage chefs to use WCGF. Chefs indicated they would address this concern by ordering product pin bone out. Inconsistent size of filets was a minor concern.
- Ninety percent indicated that they used the Compass-provided guest-facing marketing material “judiciously” for guest education. (See Appendix 4.) *This does not apply to the Google operations who did not do any Compass marketing.*
- Sixty-seven percent of chefs gauged guest reaction to having WCGF as a menu option as Satisfied (50%) or Delighted (17%). 33% of the chefs indicated guest reaction as neutral. No chef described guest reaction as Dissatisfied.
- Sixty-seven percent of chefs said they would menu the Same Amount (42%) or More (25%) WCGF on menus as compared to the pilot period. The four who indicated Less expressed a small café population or limited menu options. No one said pricing was the reason they would menu Less.
- As a result of the pilot, **66% of chefs who currently use imported farmed whitefish said they would be Very Likely to replace imported farmed whitefish (tilapia, pangasius, etc.) with WCGF.** Those who were Unlikely to do so indicated that where cost or pricing is important to their menu option, they are either *not* using imported farmed whitefish in their operations or are using it only where cost or pricing is important to their menu option.
- In a related question, no chefs identified imported farmed whitefish as an option in lieu of WCGF.
- Sourcing issues that would cause chefs to exclude WCGF from menus:
 - Unpredictable Availability (75%)
 - Requirement to Pre-order (42%)
- The survey demonstrated that if WCGF frozen product was of good quality: 92% of respondent said that they would use a frozen option as an Automatic Substitution (67%) or as a First Option (25%)

VALUE CHAIN CAPACITY

The supply chain struggled to consistently provide product on the timeline expected by chefs. Inconsistent availability was reported by 42% of chefs as the reason they intentionally stopped ordering, and was the primary deterrent to chef orders based on the survey of participating chefs.

In any supply chain, and particularly institutional foodservice, order dependability is a key factor to purchase decisions. Chefs place orders for menus up to a week or more in advance, expecting that their supplier will deliver the item, or an acceptable substitute on the specified day. This is part of a normal menu planning cycle. If the product ordered is not available on the day it is on the menu, chefs have to scramble to revise menus, staffing and substitute items.

As an example, the summary of orders placed and deliveries provided during the first eight weeks of the pilot are provided below. Noted are the reasons for the delivery.

TABLE 7 SUMMARY OF ORDERS AND DELIVERIES DURING THE FIRST EIGHT WEEKS OF THE PILOT

			14 APR	21 APR	28 APR	5 MAY	11 MAY	18 MAY	25 MAY	1 JUN
Total orders from										
Compass by week (lbs)			240	370	650	490	300	540	760	480
Total delivered by SMS by week			0	160	650	310	460	330	780	20
Origin	RGF	72%	160	250	0	320	500	380	780	
	Caito	28%	0	0	410	190	310			
Notable event and challenges				vessel not fishing (poor weather)	logistics	logistics	vessel not fishing (coast guard issue)	vessel not fishing (poor weather)		vessel not fishing (holiday wk & poor weather)

65% order fulfillment rates achieved in the pilot are considered poor by the foodservice industry who expect at least 95%+ rates of order fulfillment.

KEY CAPACITY CONSIDERATIONS INCLUDE:

Fishing Groups and Vessels

As noted earlier, fishing groups could garner a larger share of the price premium for rockfish by entering new roles in the supply chain (e.g. processing, brokering their own fish, overseeing logistics). However, the fishing groups in the pilot did not have the capacity take on new roles within the existing supply chain. For example, in order to sell directly to Compass or SMS, companies would have to have a first receiver permit, become a preferred vendor and possess the necessary permits and insurance documentation to sell fish. Some fishing groups appeared unaware or unwilling to address these requirements and did not have the proper legal status to take on this role in the supply chain.

Similarly, fishing groups do not currently have the operational capacity to process their fish to meet standard product specifications, e.g., 6oz filet; PBO, required by chefs. Instead, this work was performed by the processor (in Fort Bragg), or it was delegated it to a third party processor (via RGF in Half Moon Bay).

Marketing and branding efforts are also critical to garnering price premiums for California rockfish. In the pilot, fishing groups spoke with Compass to learn what kind of marketing materials would be most useful. However, the two-month follow-up time needed to develop these materials and negotiate appropriate licensing agreements kept materials from being fully developed and used in the pilot. This time lag was likely due to a combination of factors including limited personnel time, the need to develop legal agreements that had not already been put in place, and concern over whether fishing groups materials would be used only for fish from their member ports—all important constraints. These types of marketing partnerships are common in other food sectors and represent a gap in the fishing groups' ability to collaborate in a timely manner to build awareness and demand for local fish. This experience points to the need for fishing groups to be proactively prepared to work with their customers in the supply chain so they are competitive with other purveyors of seafood.

From a logistics perspective, while vessel capacity appears reasonable on paper, the high variability in fishing days and landed species meant multiple vessels were required to ensure a reliable, consistent supply. While each individual vessel is capable of delivering significant volumes, the variability of the landings are too inconsistent for the demands of the supply chain.

In the past two decades the fishers and fishing groups have proven themselves capable of taking on demanding new roles, like fishery and quota management. Gaining more value in the current market will require increasing their capacity and building trust.

Processing Capacity

Based on this pilot, there appears to be adequate processing capacity in the pilot region. While there are relatively few processors (and thus limited competition between processors), their existing capacity to process fish appears to be seasonal and underutilized. Seafood for the pilot sourced in Half Moon Bay and San Francisco was processed under a contract with an existing, certified, processor in Watsonville that normally processes squid. Seafood sourced from Fort Bragg was processed by Caito Fisheries, where the owners expressed concern with excess capacity.

Seafood sourced in Half Moon Bay and San Francisco did have a logistical challenge with transporting the fish from the ports to Watsonville for processing. This gap was filled by RGF who coordinated delivery.

The commercial viability of additional processors entering the supply chain appears poor given the seasonal variation and available capacity. The number of vessels and the volume of landed fish is too low to support additional processing plants. The 2017 closure of the SMS processing facility at Morro Bay is an indication of the excess capacity and supply variability negatively impacting processor economics.

Experience in similar pilots in sectors such as coffee poultry, pork, pulses, value added grains, fruits and vegetables, and dairy by both WM and CT, where growers undertake significant relationship building activities in order to secure the success of the pilot, was not experienced in this fishery. Activities to introduce new products include:

- **Providing samples** available for pilot sites at little or no cost rather than demanding a premium before proving out viability
- **Ensuring products are available** — or slotted — at preferred distributors warehouses to comply with current purchasing practices and avoid any extra ordering steps, like Petaluma Poultry has done with its humane and sustainably produced chickens
- **Taking extraordinary** measures to ensure delivery of product during the pilot phase. Some producers are known to drive their own product to customers when supply chain delays occur, such as Niman Ranch does for its sustainably and humanely raised pork
- **Having producers available to promote their products** including having growers (fishers, in this case) participate in on-site promotions and providing marketing materials that feature growers.

Please refer to the Changing Tastes and Wilderness Markets paper on "Commodity Sector Activation Strategies and Recommendations for the West Coast Groundfish Fishery"

Distribution

Distributors play an important role in global and national supply chains. Providing the “hidden glue” to commercial transactions, they ensure the availability of product in a consistent and timely manner to their customers. Corporate supply chains are dependent upon the economies of scale and efficiency associated with distribution partners.

SMS’s role as the designated distributor was an essential component of this pilot. SMS provided the pilot with the ability to reliably service Compass outlets in both San Francisco and in Los Angeles, with the intention of expanding to additional outlets should the pilot be successful. This alleviated the necessity for a significant investment (either by the fishers or by RGF) in a distribution system. SMS’s contractual relationship with Compass allows them to serve as a de facto quality control mechanism for Compass, and significantly reduced the risk of the pilot to Compass. It is unlikely Compass would have proceeded without the support and involvement of SMS.

During the pilot, SMS used their strong expertise in resolving delivery and logistical issues to ensure the product was delivered to their customers when it was available. It was equally clear that as a distributor, SMS played a minimal role in actively promoting or selling a “differentiated” new product to the marketplace. While they do have a strong team of sales people who were able to support order taking and client awareness, they did not have the time to “evangelize” a new product as would be necessary to promote wide adoption. At the same time, when product was not available, SMS sales people received the bulk of the complaints regarding the lack of reliability in this supply chain.

COMMUNICATIONS CAPACITY

Compounding the distrust within the supply chain, or perhaps as a result of these factors, communication between parties lagged in promptness and quality. Order information flowed from chefs to SMS and then to RGF or Caito, who in turn conveyed it to the vessels. Similarly, information regarding fishing activities such as weather delays or fishing activity first flowed to the processor, then to the distributor, before getting to the chefs. In some cases, it took two to three days before either end party knew what the other was doing. Fishers would find out too late that the product was on the menu or chefs would find out too late that the fishers were unable to go fishing. Given the highly perishable nature of the product, with a limited shelf life for fresh product, these delays resulted in significant missed opportunities to ensure chef satisfaction and support for the product, as well as considerable frustration for all concerned.

In a corporate dining setting like Compass or SSA operates, menus are finalized one to two weeks in advance. For the pilot, the decision to feature WCGF over a 90 day period was made several months in advance. The nature of the foodservice business and its operational considerations means that there is not much flexibility for making menu changes on only a one or two days’ notice, which is also the case for almost every larger operation and the majority of the U.S. restaurant industry. When an order is cancelled or delivered on a later day, chef frustration can easily set in. The requirement that the pilot chefs pre-order

product at least one week in advance without the certainty of actually receiving all the ordered product was a challenge. Not receiving orders takes a foodservice chef out of their normal routine, creating additional workload and disruption. While foodservice can work with seasonally available products well, working with products with shifting availability is not currently realistic.

In anticipation of decreasing interest on the part of chefs, several emails and calls were made explaining the reality of interruptions of sourcing from wild fisheries and requesting time to address supply chain issues. Chefs were consistently reminded of the objective of the pilot: to help with the recovery of these Wild California flavors to restaurant menus while helping with the economic recovery of fishers.

The concern related to decreasing interest proved to be correct. Participation peaked the second week of pilot with ten sites ordering, but slowly diminished week-after-week for the remainder of the pilot, mostly caused by a continuing lack of availability of fish. By week three, two pilot sites officially opted to exit the project altogether without placing even a single order. These pilot sites, like the other that dropped out after placing only one order, did not participate in the webinar education series and thus had not been “sensitized” to the recovery story of WCGF or the issues regarding the reality of wild fisheries. This is a lesson learned that “sensitizing” chefs to the story of WCGF via a marketing campaign or other educational programs would benefit market penetration.

By the mid-point of the twelve-week timeline, an average of only five sites placed orders. Following Memorial Day week, preceded by a notice from fishing groups that they were not going out to fish, orders dropped again, leaving two sites for the remaining month of the pilot. Those two sites, located at Google, had a standing order since the start of the pilot.

In post-pilot interviews, participants at both ends of the supply chain felt frustrated by the lack of transparency. They expressed that the absence of timely information made it harder for them to do their work and left them wondering what was causing the lack of communication.

It is important to note that this pilot was based on a corporate driven *required* participation. Even under that requirement, chefs had difficulty maintaining loyalty to the product and eventually gave up ordering, largely due to lack of availability of fresh product. Although an appeal was sent from the Compass leadership team to continue ordering past the post-Memorial Day final stretch, only one unit responded and with only one additional order, notwithstanding the Google standing order.

Under different and “non-required” setting, the challenges to maintain chef loyalty in the institutional foodservice market place would be significant. The supply chain needs to be able to deliver product consistently and without the limitations of having to pre-order a week in advance. Using frozen fish would be one way to achieve this goal. While we note that 92% of the chefs surveyed post-pilot advised that they would willingly use a high quality frozen option, SMS received very few orders for frozen product, and very limited samples were sent to the chefs. The reasons for the low demand for frozen product during the pilot is unclear; it may have been chefs’ lack of awareness of the frozen product. This pilot was a small dataset and there may be value in “testing” this solution in a more extensive way. Harvester groups and RGF have expressed a desire to develop this.

RECOMMENDATIONS AND POTENTIAL INVESTMENTS

It is significant to note that chefs were very enthusiastic about the quality and flavor of rockfish (the only species used in the pilot) as well as the multi-use application in their operations. *Four chefs out of twelve added the product as daily option on their static menu, taking it beyond the realm of being a menu special.* We also saw a keen interest on the part of chefs to continue selling the product beyond the pilot. While rockfish would probably never replace mainstream consumer preference for salmon, tuna or cod, a concentrated marketing campaign focused on specific food service sectors, e.g., institutional foodservice, seafood restaurant chains, and hotels, could demonstrate to chefs that rockfish is a valuable way to add flavor variety to their daily seafood menu options.

“Thank you again for allowing me to be a part of this pilot. It was a lot of fun. The rockfish was very popular and well received by our guests. We utilized the product in many different applications such as poke, grilled in tacos and sautéed with various greens atop natural grains. We are going to continue to use this product on our campus moving forward”

—Chef Sean Thomas, Senior Executive Chef at Intuit

We recommend that similar future efforts continue to leverage existing supply chain actors. SMS and RGF recognized the potential opportunities of a successful pilot with Compass. They dedicated time and effort above and beyond their normal routine, to complete the pilot satisfactorily. Additionally, we recognize that with a minimal amount of money spent on marketing materials and campaigns, the pilot was able to use practical and culinary support and knowledge of the supply chain to get one of the major foodservice companies to commit to the pilot project and consequently bring onboard an important supplier. We recommend this practical approach over “build it and they will come” marketing and branding approaches.

Specific investments can be made that would allow the supply chain to effectively meet the existing and growing demand for differentiated product in a timely manner. If fishers are to capture any of the upside associated with this demand there is a significant need to address the organizational and operational capacity of the supply chain. Priority investments would include:

- **Address supply chain capacity constraints in fishing organizations and Fish Marketing Associations (FMA)** — develop the capacity of fishing organizations and FMA’s (as identified in this document) to effectively and professionally engage in the supply chain is a priority if the objective is to directly improve harvester incomes. In light of the recovery of the fishery, and considerable increases in quota,

fishers are unlikely to be able to implement the identified recommendations to differentiate products to effectively compete in a commodity market that is currently served by a generic whitefish product without improved business and logistics capacity.

- **Develop the capacity of “good middleman or dockhand” to facilitate high volume deliveries into the supply chain in a consistent and reliable manner** — invest in improving “good dockhand” options for fishers to sell into existing distribution channels and address “first mile” constraints to support the availability of the product in the supply chain. Provide targeted support, potentially as program related investments, with explicit social and environmental benchmarks, to support the evolution of the supply chain.
- **Support the development of a product “ambassador”** — support the development of a product “ambassador” capable of effectively differentiating the product in the market. By focusing on attributes that matter to the market, they would build trust within the supply chain, support distributors and establish relationships with new and existing buyers. This would be consistent with the identified need to work with existing distributors to improve product awareness to work with suppliers and to develop best marketing practices that would help them better position this “differentiated” product. They would provide commonly expected support for new product introduction that will be essential to improving product market recognition and pricing.
- **Improve communication between end buyers (chefs) and fishers** — explore and develop different mechanisms to improve communication between the fishing groups and buyers to address information gaps in product supply and demand. These mechanisms should respect the role of existing commercial relationships as demonstrated in this pilot.

CONCLUSION

With a minimal marketing budget, this pilot demonstrated the potential to use practical and culinary support along with knowledge of the supply chain to secure the commitment of a major foodservice company to displace cheaper whitefish products, bring onboard an important supplier and define priorities to secure the de-commodification of this seafood product.

We recommend similar future efforts to drive change in supply chains and sourcing practices continue to leverage existing supply chain actors. Only by demonstrating success and showcasing leadership in lead firms will other supply chain participants change their practices. We recommend this practical approach over “build it and they will come” marketing and branding approaches.

“I think that many of our chefs will continue to menu WCGF now that the pilot is over. It’s such an easy swap on menus where we have other whitefish and such a great story. We’re partnering with Santa Monica Seafood and Real Good Fish to continue offering WCGF to our California accounts.”

—Julia Jordan, Director of Sustainability, Compass Group North America

SINCERE THANKS

Once again, we find ourselves with deep appreciation of the time and invaluable knowledge shared by the stakeholders in this fishery. Their collective knowledge of the fishery and passion for promoting and protecting it made this work possible.

For their invaluable collaboration and participation before, during, and after the pilot, we thank the following:

ASSOCIATIONS:

- Lisa Damrosch, Half Moon Bay Groundfish Marketing Association;
- Michelle Norvell, Fort Bragg Groundfish Association;
- Sherry Flumerfelt, Monterey Bay Fisheries Trust

PROCESSORS, DISTRIBUTORS, AND BUYERS:

- Alan Lovewell, Real Good Fish;
- Logan Kock, Michael Cigliano, and Giovanni Comin, Santa Monica Seafood;
- Julia Jordan, Compass Group North America

NON-PROFITS:

- Kate Kauer, The Nature Conservancy;
- Shems Jud, Tim Fitzgerald, Phoebe Higgins, Environmental Defense Fund;

FOR THE SUPPORT THAT MADE THE PILOT PROJECT POSSIBLE:

- The David and Lucile Packard Foundation, in particular Heather Ludemann

FOR SUPPORT THAT MADE PROJECT REPORTING AND SHARING POSSIBLE:

- The Gordon and Betty Moore Foundation, in particular Rachel Strader; and,
- The David and Lucile Packard Foundation, in particular Heather Ludemann

APPENDIX 1 - "A STORY OF RECOVERY" USER GUIDE

Document begins on following page >



a story of recovery

**USER GUIDE
AND
RECIPES**



PROGRAM OVERVIEW

West Coast Groundfish (WCGF) are flaky white fish that live on or near the ocean floor. Over 90 native species are found in the fishery, which spans on the west coast from California to Washington State.

After populations crashed in the late 1990s and early 2000s, the fishery was declared a federal economic disaster in 2001. During this time, fishers, regulators, and conservationists began working together to save the fishery. West Coast Groundfish species were replaced on menus by other whitefish species, like Alaskan Cod, Pollock, Pangasius and Tilapia, the majority of which is imported from fish farms in Asia.

Now, almost all West Coast Groundfish have returned to sustainable population levels. Most of these species are rated Green or Yellow by Monterey Bay Aquarium's Seafood Watch program or certified by the Marine Stewardship Council, and over 140 million pounds can be harvested per year — enough to replace all whitefish on menus west of the Mississippi.

The last step in the recovery of this vital fishery is putting these species back on menus across America. Reestablishing a market for these fish will bring jobs back to the California coast and return these wild California flavors to the plate. That's why Compass Group is collaborating with Wilderness Markets and Changing Tastes to pilot the reintroduction of these fish on menus at select dining locations. Each location will serve dishes that feature these fish, and will be tracking volume and customer feedback to gage success.

HOW & WHEN

The goal of this pilot is to explore the demand for WCGF in the West Coast Regional Market to improve the financial benefit for the harvesters, including better market access and prices for their fish. Data gathered after the pilot's conclusion will help determine if there is a business case for other restaurant operators to reintroduce this premium protein to menus across America.

Your role as a pilot participant is to:

- Offer a minimum of one weekly menu item using WCGF. Where appropriate, substitute your current whitefish dish with WCGF for an easy transition for your kitchen staff.
- Promote the dishes to the guests.
- Complete the WCGF Weekly Tracking Spreadsheet, keeping a separate record of any issues with sourcing, quality, and preparation.
- Respond to check-in emails from the team at Changing Tastes.
- Participate in a short culinary survey and phone interview at the end of the pilot.



IMPLEMENTATION

- It's important to note that WCGF should be considered a premium protein rather than a commodity, such as tilapia, pollock, or pangasius and should be priced accordingly.
- This high quality seafood can be compared to wild caught salmon with the addition of messaging surrounding the California fishery recovery and sustainability story.
- Your front of house staff interacts with every customer who walks through the door, so properly train them to talk about the fishery recovery, why you're participating, and what types of fish are offered at your location. Use the separate staff training document provided.
- Encourage tastings with your staff. Give associates the language necessary to talk about the quality dishes your culinary team prepares by offering regular tastings of new recipes. Once your staff knows how a dish tastes, they'll be able to more effectively upsell to customers using thoughtful and educated descriptions.
- Set up a chef's table to feature the fish.
- Display raw whole fish in the café for added effect.

SOURCING AND SEASONALITY

- While WCGF is a year-round fishery, most fishers harvest these species between the months of April through October. You might manage this on your menu in the same way that you manage your fresh seasonal and local produce.
- All the fish will be sourced in California from California fisheries.



KITCHEN CONSIDERATIONS

West Coast Groundfish are delicate and some varieties are vulnerable to overcooking, making it necessary to take particular care when handling and preparing these fish. Below are tips and techniques that will help you and your kitchen staff best serve these wild pacific flavors.

- If you prefer to serve Flatfish like sole and sanddab as a center of plate item, they are best prepared à la minute.
- Rockfish, depending on the species, can offer multiple applications on your menu ranging from whole filet center of the plate to tacos and stews. These fish take on flavor very well.
 - Grilling whole filets is best done on a flattop vs a griddle.
 - Some thick filleted rockfish, such as bocaccio, will hold well on the line and benefit from a broth or sauce.
- Roundfish: Some of the higher priced species like black cod may be more appropriate for a Chefs table or high-end catering menu options. Cod is high in fat and will also hold well on the line.
- Cut and portion your fish before final preparation to allow enough time for the muscle to release its natural juices.
- Check for pin bones and remove if needed.
- Test cook the product, especially if your staff has not worked with the species before.
- Batch cook to avoid waste.
- Take care not to overcook these delicate fish. A maximum internal temperature of 140 to 145 internal is your best stopping point. Look for an opaque color and that the filet flakes easily with a fork.

MARKETING MATERIALS

We suggest you display point of purchase materials either where customers order, where they are served, where they eat, or at multiple locations.

Be sure to update customizable signage regularly and have your staff draw attention to point of purchase materials when possible.

When identifying your West Coast Groundfish dishes, you may use the Common Name or Market Name for that fish. However, we recommend using the Common Name when available from your supplier, and not using the word Groundfish when marketing at the point of purchase.

SOCIAL MEDIA

Let diners know you're serving these delicious fish through your social media channels using the unique hashtag #FisheryRecovery. If you'd like to drive traffic to your post, #SustainableSeafood is a popular hashtag to help you gain attention from users who don't already follow you.



WEST COAST GROUND FISH IS A PREMIUM PROTEIN

A key element to this fisheries' recovery includes making the fishery economically viable for California fishers. This means fishers are paid a fair price for their work, both to cover fishing costs and as a show of appreciation for the sacrifices made during the 14-year recovery process. By supporting this fair price effort, foodservice will play a vital role in the long term and sustainable return of WCGF to the marketplace.

- It's important to note that WCGF should be considered a premium protein rather than a commodity, such as Tilapia, Pollock, or Pangasius.
- This high quality seafood can be compared to wild caught salmon with the addition of messaging surrounding the California fishery recovery and sustainability story.
- Price your menu items accordingly. Your café guest will be willing to pay for those important added values.

SOURCING AND SEASONALITY

While WCGF is a year-round fishery, most fishers harvest these species between the months of April through October. You might manage this on your menu in the same way that you manage your fresh seasonal and local produce.

- Santa Monica Seafood is the ONLY supplier for this pilot.
- Species-Available subject to catch area and landings. Each unit must specify a two substitute options for each item offered below.

CODE	FRESH	PACK
SNA1023	Rockfish, CGC, Pacific, 4/10 oz, PBO	2/5#
SNA1022	Rockfish, CGC, Chili-pepper, 4/6 oz, PBO	2/5#
SNA1024	Rockfish, CGC, Bocaccio, 4/10 oz, PBO	2/5#
SNA1021	Rockfish, CGC, Chili-pepper, Whole G&G, 2/4 #	CS 50#
SNA1020	Rockfish, CGC, Bocaccio, Whole G&G, 2/4 #	CS 50#
FROZEN		
SNA2022	Rockfish, CGC, Chili-pepper, 4/6 oz, PBO	CS 10#
SNA2024	Rockfish, CGC, Bocaccio, 4/10 oz, PBO	CS 10#



- Product Spec:
 - Skin off, pin bone out
 - 6 day shelf life
 - Bagged in 10-pound fixed weight box with 1 jell pack
 - One species per box
 - Whole — Gutted and Scaled by special request
- Contact Santa Monica Seafood for Pricing on Fillets Skin off PBO: Fresh & Frozen
- Labeling:
 - Common name will be listed on master carton
- Ordering process with Santa Monica:
 - Sales order line: 800-696-8862
 - On line order guide: www.orders@smseafood.com
 - Orders placed on Monday the week before will deliver on Wednesday
 - Orders placed on Thursday the week before will deliver on Saturday
 - Species substitutions including frozen options, when necessary, will be pre-specified by unit
- Fresh vs. Frozen:

This is a wild fishery. Successful harvesting is highly dependent on a variety of variables including weather, equipment and locating catch in the open ocean. The 10 day lead time is no guarantee that fresh fish will be available. While fresh fish can be readily available there may be times when frozen will be the only product form in stock.



ABOUT OUR PARTNERS

CHANGING TASTES

 Changing Tastes works with our clients to achieve greater success by understanding and finding opportunities at the intersection of five key trends that are driving change in our food system: sustainability, public health, information technology, demographics and the changing role of the culinary professional and foodservice industry. Our firm's insights at the core of these forces are the basis for the strategy, innovation, sustainability and performance management services we provide to leading nonprofit, philanthropic, business and government institutions.

Our senior team brings more than five decades of experience in sustainability, food and agriculture, including the design of sustainability strategies and reporting programs for the world's two largest foodservice companies. Through our work, we have helped to catalyze some of the most significant changes in the food industry, such as working with the natural and organic food industry to reaccelerate growth by developing a new marketing strategy focused on personal health benefits.

Learn more about Changing Tastes at www.changingtastes.org

WILDERNESS MARKETS

 Wilderness Markets works with our clients to use a data driven approach to address of the planets toughest conservation challenges.

We work closely with stakeholders to design, develop and implement financially sustainable market based solutions in hospitality, agriculture and fisheries. We work with impact investors, fund managers and value chain participants to identify investment opportunities and assess risks from a financial and sustainability perspective. Our team understands the cultural, social and business context of impact investments in the United States Asia, Africa and Latin America having invested, or supported investments, in those geographies.

Learn more about Wilderness Markets at www.wildernessmarkets.com



recipes



EUR: COCONUT SOY GINGER SESAME PACIFIC BLACK COD WITH NAPA SLAW

COCONUT SESAME CRUSTED COD WITH GINGER SOY SAUCE AND NAPA CABBAGE SLAW

Developed by Chef Sean Andres

INGREDIENTS

PORTION = 1 SERVING	FOR 1 SERVING	FOR 4 SERVINGS	FOR 20 SERVINGS
STEP ONE			
Soy Sauce (AP)	1 tbsp	¼ cup	1¼ cup
Granulated Sugar (AP)	¾ tsp	1 tbsp	¼ cup + 1 tbsp
Ginger Root, Fresh, Minced (EP)	½ tsp	1 + ½ tsp	2 tbsp + 1½ tsp
Jalapeno Peppers, Fresh, Minced (EP)	¾ tsp	1 tbsp	¼ cup + 1 tbsp
Minced Garlic Cloves, Fresh (AP)	½ each	2 each	10 each
Sriracha Hot Chili Sauce (AP)	1½ tsp	2 tbsp	½ cup + 2 tbsp
Honey (AP)	1½ tsp	2 tbsp	½ cup + 2 tbsp
STEP TWO			
Ginger Root, Fresh, Minced (EP)	½ tsp	1½ tsp	2 tbsp + 1½ tsp
Soy Sauce (AP)	1 tbsp	¼ cup	1¼ cup
Apple Cider Vinegar (AP)	1 tbsp	¼ cup	1¼ cup
Sesame Oil (AP)	½ tsp	1½ tsp	1½ tsp
Sriracha Hot Chili Sauce (AP)	½ tsp	1½ tsp	2 tbsp + 1½ tsp
Granulated Sugar (AP)	¼ tsp	1 tsp	1 tbsp + 1½ tsp
Cilantro, Fresh, Chopped (EP)	½ tsp	1½ tsp	2 tbsp + 1½ tsp
STEP THREE			
Chinese Cabbage (Napa), Fresh, Shredded (EP)	¾ cup	3 cup	3 qt + 3 cup
Carrots, Fresh, Julienne Sliced (EP)	1 tbsp	⅓ cup + 2 tsp	1¾ cup + 2 tbsp
Red Bell Peppers, Fresh, 1/8" Julienne Sliced (EP)	½ oz	2 oz	10 oz
Sesame Seeds (Black) (AP)	1⅞ tsp	1 tbsp + 1½ tsp	⅓ cup + 2 tbsp + ½ tsp
Cilantro, Fresh, Chopped (EP)	2¼ tsp	3 tbsp	¾ cup + 3 tbsp
Green Onions, Bunch, Finely Diced (EP)	2¼ tsp	3 tbsp	¾ cup + 3 tbsp
STEP FOUR			
Fresh Black Cod Fillet (AP)	5 oz	1 lb + 4 oz	6 lb + 4 oz
Canola Oil (AP)	1 tbsp	¼ cup	1¼ cup
Kosher Salt (AP)	¼ tsp	1 tsp	1 tbsp + 2 tsp
Fine Ground Black Pepper (AP)	¼ tsp	1 tsp	1 tbsp + 2 tsp
Unsweetened Coconut (AP)	2 tbsp	½ cup	2½ cup
Sesame Seeds (Black) (AP)	1 tbsp	¼ cup	1¼ cup



METHOD

STEP ONE: GINGER SOY REDUCTION

Refer to HACCP Plan Form HFS# 001: Prepared Hot for Hot Service.

Refer to HACCP Plan Form HFS# 004: Prepared Cold for Cold Service

Preheat oven to 350 F. Combine the first quantities of soy sauce, sugar, ginger root, jalapeños, garlic in small saucepot and bring to light simmer. Remove from heat, and stir in honey and sriracha sauce. Allow to cool to 41F or below for service. Reserve for last step.

STEP TWO: GINGER SOY DRESSING

Combine cilantro, ginger root, soy sauce, cider vinegar, sesame oil, sriracha, and sugar in bowl and whisk together until combined. Hold cold at 41F or below for assembly.

STEP THREE: NAPA SLAW

Combine napa cabbage, carrots, red bell peppers, sesame seeds, cilantro, and green onions in bowl and toss to combine. Keep cold at 41F or below until ready for assembly.

STEP FOUR: FISH

Pat cod dry with paper towel. Brush on 1 tsp oil and season fish with salt and pepper on both sides. Take two tablespoons of shredded coconut per fish and press evenly over both sides of the filet, making sure you don't break the skin. Sprinkle 1 tbsp. black sesame seeds on each filet.

Add remaining oil to oven safe hot skillet and sear fish skin side up for approximately 3-5 minutes. Be careful not to burn the coconut, it should have a golden brown coating. Flip fish over in pan so skin side is down and place the entire skillet in oven and cook at 350F for 8-10 minutes until internal temperature of 145F.

STEP FIVE: ASSEMBLY

While fish is in the oven cooking, toss together the prepared cabbage slaw with ginger soy dressing.

To assemble, place approximately 1 cup of dressed cabbage slaw on plate. Top cabbage with hot fish and drizzle 1 tsp of the ginger soy reduction over top. Note image contains edible flower garnish which is not included on the nutrition yield.

Serve hot, serve immediately. Portion Size: 1 serving





EUR: GRILLED BAJA PACIFIC BLACK COD FISH TACOS WITH MANGO SLAW

PACIFIC COD AND BAJA SLAW WITH MANGO ON CORN TORTILLAS

Developed by Chef Gabe Ochoa

INGREDIENTS

PORTION = 2 EACH/SERVING	FOR 1 SERVING	FOR 4 SERVINGS	FOR 20 SERVINGS
STEP ONE			
Ground Cumin (AP)	1/8 tsp	2 tsp	1 tbsp + 1/4 tsp
Ground Black Pepper (AP)	1/8 tsp	2 tsp	1 tbsp + 1/4 tsp
Kosher Salt (AP)	1/8 tsp	2 tsp	1 tbsp + 1/4 tsp
Lime Juice, Fresh (AP)	1/8 oz	2 oz	3 1/4 oz
Canola Oil (AP)	2 tsp	1/2 cup	3/4 cup + 1 tbsp
Crushed Red Pepper Flakes (AP)	1/8 tsp	1 tsp	1 3/4 tsp
Cilantro, Fresh, Chopped (EP)	1/8 tsp	2 tsp	1 tbsp + 1/4 tsp
Fresh Black Cod Fillet (AP)	4 oz	3 lb	5 lb
STEP TWO			
Real Sour Cream (AP)	2 tbsp	2 cup	3 1/3 cup
Kosher Salt (AP)	1/8 tsp	2 tsp	1 tbsp + 1/4 tsp
Lime Juice, Fresh (AP)	1/8 oz	2 oz	3 1/4 oz
Heavy Duty Mayonnaise, Kraft (AP)	1 tbsp + 1 tsp	1 cup	1 2/3 cup
Baja Slaw with Mango (see recipe)	1/2 cup	1 qt + 2 cup	2 qt + 2 cup
STEP THREE			
Corn Tortilla, 6" (AP)	2 each	24 each	40 each
Lime Wedge (EP)	2 each	24 each	40 each

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METHOD

STEP ONE: PREPARE COD

Refer to HACCP Plan Form HFS# 005: Prepared Cold for Cold Storage.

Refer to HACCP Plan Form HFS# 001: Prepared Hot for Hot Service.

Cut cod into 4oz portions. Mix together, cumin, lime juice, crushed red pepper, cilantro, salt, pepper and canola oil to make marinade. Marinate cod filets for at least 20 minutes and up to 48 hours. Cook fish on char grill until internal temperature reaches 145F. Discard marinade after use. Hold hot for service.

STEP TWO: PREPARE CREMA

Blend together, mayonnaise, sour cream, kosher salt and lime juice. Hold cold for service. Prepare Baja Slaw sub recipe according to recipe and hold cold for service.

STEP THREE: ASSEMBLE

For each taco place 2oz grilled cod on corn tortilla topped with 1/4 cup Baja slaw and 1 fl oz crema. Serve with lime wedge.

Portion: 2 tacos

Hold hot for hot service.





EUR: BAJA SLAW WITH MANGO

Developed by Chef Gabe Ochoa

INGREDIENTS

PORTION = ½ CUP	FOR 1 SERVING	FOR 4 SERVINGS	FOR 20 SERVINGS
STEP ONE			
Shredded Green Cabbage, Fresh (EP)	¼ cup	3 cup	1 qt + 1 cup
Shredded Red Cabbage (EP)	¼ cup	3 cup	1 qt + 1 cup
Cilantro, Fresh, Chopped (EP)	⅛ tsp	½ cup	¾ cup + 1 tbsp + 1 tsp
Fresh Lime (EP)	¾ each	8 each	1¾ each
Fresh Red Fresno Chili Peppers Thinly Sliced Rings (EP)	< ¼ each	2 each	¾ each
Mango, Fresh, Peeled, Julienne Sliced (EP)	2 tbsp + 2 tsp	2 cup	3⅓ cup
Kosher Salt (AP)	¼ tsp	1 tbsp	1 tbsp + 2 tsp

METHOD

STEP ONE: PREPARE COD

Refer to HACCP Plan Form HFS# 005: Prepared Cold for Cold Storage. Juice limes. Mix all ingredients in a bowl. Cover and store in refrigerator 40F degrees. Hold cold

Portion Size: 1/2 cup (4 oz)



EUR: SICHUANESE ROCKFISH

SZECHUAN ROCKFISH, SHIITAKE MUSHROOMS, CHILI BROTH

Developed by Chef Robin Hernaez

INGREDIENTS

PORTION = 1 SERVING	FOR 1 SERVING	FOR 4 SERVINGS	FOR 20 SERVINGS
STEP ONE			
1 Rockfish Fillet, Fresh (AP)	4 oz	1 lb	5 lb
Kosher Salt (AP)	½ tsp	1½ tsp	2 tbsp + 1½ tsp
Green Onions, Bunch, Sliced (EP)	2 tbsp	½ cup	2½ cup
Ginger Root, Fresh (EP)	1⅞ tsp	1 tbsp + 1½ tsp	⅓ cup + 2 tbsp + ½ tsp
STEP TWO			
Star Anise (AP)	1 each	4 each	20 each
Ground Cinnamon (AP)	¼ tsp	1 tsp	1 tbsp + 2 tsp
Cardamom Pods (AP)	½ each	2 each	10 each
Szechuan Peppercorns (AP)	1½ tsp	2 tbsp	½ cup + 2 tbsp
Red Chili Peppers, Dried (AP)	¾ each	2½ each	12½ each
Canola Oil (AP)	1 tbsp	¼ cup	1¼ cup
STEP THREE			
White Wine (AP)	1½ tsp	2 tbsp	½ cup + 2 tbsp
Minced Garlic Cloves, Fresh (EP)	½ tsp	2 tsp	3 tbsp + 1 tsp
Ginger Root, Fresh, Minced (EP)	1⅞ tsp	1 tbsp + 1½ tsp	⅓ cup + 2 tbsp + ½ tsp
Shiitake Mushrooms, Fresh, Stemmed, Sliced (EP)	½ cup	2 cup	2 qt + 2 cup
Sambal Oelek Chili Paste (AP)	2¼ tsp	3 tbsp	¾ cup + 3 tbsp
Canola Oil (AP)	¾ tsp	1 tbsp	¼ cup + 1 tbsp
Fish Stock (see recipe)	½ cup	2 cup	2 qt + 2 cup

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METHOD

STEP ONE: FISH

Refer to HACCP Plan Form HFS# 001: Prepared Hot for Hot Service. FISH: Slice ginger root thin. Lay fish on sheet tray and top with sliced ginger and green onions. Season with kosher salt. Steam fish until cooked and reaches internal temperature of 145F. Hold hot until ready to serve.

STEP TWO: PREPARE OIL AND BROTH

OIL: Toast anise, cinnamon, cardamom pods, peppercorns in first quantity of canola oil until roasted and aromatic. Cool and strain. Discard spices and hold oil for service.

BROTH: Heat second quantity of oil in pan on low heat sauté garlic and ginger until fragrant, add wine and whisk in chili paste, bring to a simmer. Add mushrooms and cook until tender. Add fish stock, bring to a simmer for 10 minutes. Hold hot until ready to serve.

STEP THREE: ASSEMBLE

Place fish in a lipped bowl or container. Ladle broth over fish. Drizzle with spiced oil. Garnish with cilantro sprigs.

Portion Size: 4 oz fish, 1/2 cup broth, 1 T infused oil, and 1 spring cilantro.
Serve hot, serve immediately.

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EUR: FISH STOCK

SZECHUAN ROCKFISH, SHIITAKE MUSHROOMS, CHILI BROTH

Developed by Chef Robin Hernaez

INGREDIENTS

PORTION = 1 LADLE 8 OZ	FOR 1 SERVING	FOR 4 SERVINGS	FOR 20 SERVINGS
STEP ONE			
Fish Bones (for stock) (AP)	5 oz	10 oz	3 lb + 2 oz
Cold Water (AP)	1 cup	2 cup	2 qt + 2 cup
Celery, Fresh, 1/4" Small Diced (EP)	1/3 oz	3/4 oz	3 3/4 oz
Spanish Onions, Diced (EP)	1/3 oz	3/4 oz	3 3/4 oz
Thyme, Fresh (EP)	1/8 tsp	1/8 tsp	3/4 tsp
Green Peppercorns, Crushed (AP)	< 1/8 tsp	< 1/8 tsp	1/8 tsp
Whole Bay Leaf (AP)	< 1/4 each	1/4 each	1 1/4 each
Parsley, Sprig, Fresh (EP)	1/2 each	1 each	5 each

METHOD

Refer to HACCP Plan Form HFS# 001: Prepared Hot for Hot Service. Bundle the bay leaves, peppercorns, thyme and parsley (use parsley stalks if available). In a large stock pot add the fish bones, celery, onions, and herb bundle. Pour water on top of ingredients, over a medium heat bring to a simmer. As the stock simmers, skim the foam from the top. Simmer for 30-40 minutes.

Strain and cool the stock in a blast chiller until below 40F degrees cover, label and refrigerate. Hold cold
Portion Size: 8 fl oz

APPENDIX 2 – “A STORY OF RECOVERY” SOCIAL MEDIA GUIDE

SAMPLE SOCIAL MEDIA POSTS FOR WCGF

The following sample posts may be used on your social media accounts. We encourage you to customize story content to fit your brand voice and platform character requirements.

- Our culinary team is excited to help with a California #fisheryrecovery by putting species like Chili-pepper Rockfish, Sablefish, and Sole on our menu. [picture of dish]
- Why are we putting species like Lingcod and Bocaccio on our menu? Because we're committed to the recovery of a once great Californian fishery that's home to these wild fish. #fisheryrecovery
- When you choose our Chili-pepper Rockfish tacos this week, you're choosing to support California fishing communities. Find out more on our website: LINK.
- Have you tried our Bocaccio Dish Name? This flaky fish not only melts in your mouth – it supports the recovery of sustainable California fisheries! [picture of dish]
- The West Coast Groundfishery used to support fishermen and women from Southern California to the Pacific Northwest. We're excited to help recover this once great fishery by putting these fish back on the menu! Come in and taste what delicious recipe our chef has created with the wild Pacific flavors of Chili-peper Rockfish this week. #SustainableSeafood [picture of dish]
- If you've never tasted Chili-pepper Rockfish or Bocaccio, you're missing out! We've put these wild Pacific flavors on our menu in an effort to support a great #fisheryrecovery for California fishermen and women up and down the coast.

OPTIONAL SOCIAL MEDIA CONTEST

Get your diners involved with a social media contest using the unique hashtag #fisheryrecovery. You may also customize this hashtag to include your business name, like #Compass4Fisheries. If a diner posts a photo of a West Coast Groundfish dish both tagging your business and using the hashtag, they get the chance to win free lunch for a week, or some other prize that would be considered valuable. Winners are chosen by looking back through the hashtag. For example:

Enter for a Chance to Win FREE Lunch!

It's easy:

1. Take a photo of insert your WCGF dish
2. Post it to Instagram or Twitter using the hashtag #fisheryrecovery
3. Tag @YourBusiness in the photo
4. Ten Diners will be chosen!

APPENDIX 3 – “A STORY OF RECOVERY” STAFF TRAINING

Key Talking Points

Help your staff become West Coast Groundfish experts by sharing these talking points across several pre-shift or pre-service meetings. This will ensure they stay knowledgeable and prepared to talk about your pilot participation over time.

- After being declared a federal economic disaster in 2001, the West Coast Groundfishery is now considered sustainable.
- The final piece of the fishery recovery is creating a viable market for these fish.
- You are serving these fish to help recover this vital California fishery and support fishermen and women in your state.
- You are returning wild California flavors to the plate.

Training FAQ's

What are West Coast Groundfish?

West Coast Groundfish include over 90 species of whitefish harvested off shore along the California coast. The most popular species include rockfish, sole, sand dabs, sablefish and cod. These fish are ideal for any dish that features flaky whitefish.

How is your dining operation helping the fishery recover?

The final recovery of this sustainable fishery will be realized once these species have made it back onto menus across the U.S. By putting these fish on your menu, you're creating the demand needed to meet the now sustainable supply of these fish. For every dish served, diners are supporting California fishers who need the market for these species to return.

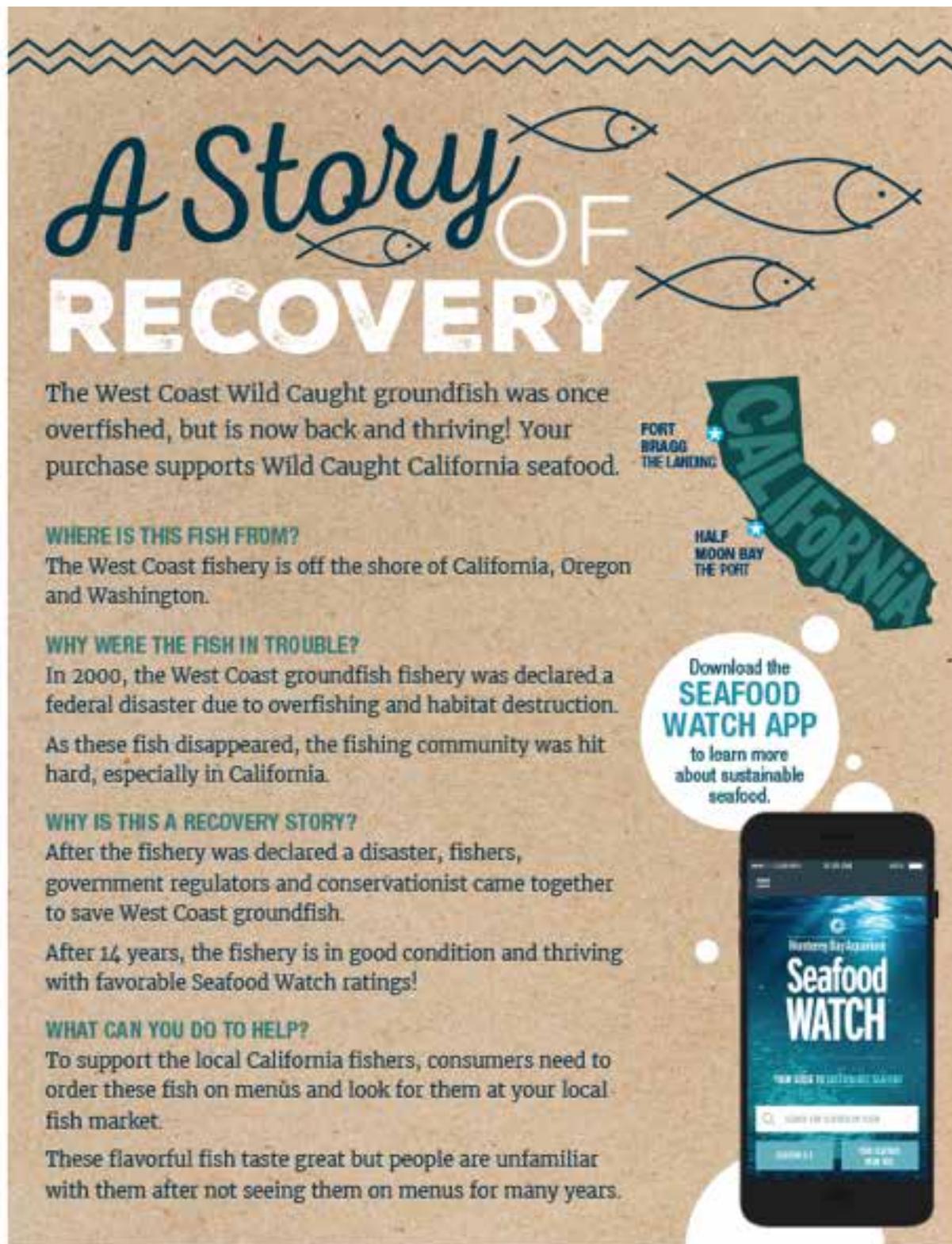
Why is the recovery of this fishery important?

The West Coast Groundfish recovery is one of the nation's leading sustainable seafood success stories. It is the vital environmental recovery of a U.S. fishery, but the economic recovery of California fishing communities depending on restaurants and diners like you. This also signifies the recovery of wild California flavors to plates across the U.S.

How should you talk about West Coast Groundfish to your customers?

It is recommended you not use the word "Groundfish" when talking to customers about these fish. Use the word "California Caught" or "Wild Caught" and reference the species name used on the menu.

APPENDIX 4 – “A STORY OF RECOVERY” POINT OF SALE/CONSUMER GUIDE



A Story OF RECOVERY

The West Coast Wild Caught groundfish was once overfished, but is now back and thriving! Your purchase supports Wild Caught California seafood.

WHERE IS THIS FISH FROM?
The West Coast fishery is off the shore of California, Oregon and Washington.

WHY WERE THE FISH IN TROUBLE?
In 2000, the West Coast groundfish fishery was declared a federal disaster due to overfishing and habitat destruction. As these fish disappeared, the fishing community was hit hard, especially in California.

WHY IS THIS A RECOVERY STORY?
After the fishery was declared a disaster, fishers, government regulators and conservationist came together to save West Coast groundfish. After 14 years, the fishery is in good condition and thriving with favorable Seafood Watch ratings!

WHAT CAN YOU DO TO HELP?
To support the local California fishers, consumers need to order these fish on menus and look for them at your local fish market. These flavorful fish taste great but people are unfamiliar with them after not seeing them on menus for many years.

FORT BRAGG THE LANDING

HALF MOON BAY THE PORT

Download the **SEAFOOD WATCH APP** to learn more about sustainable seafood.



APPENDIX 5 – SANTA MONICA SEAFOOD STAFF INFORMATIONAL FLYER



West Coast Groundfish (WCGF) are flaky white fish that live on or near the ocean floor. Over 90 native species are found in the fishery, which spans on the west coast from California to Washington State.

After populations crashed in the late 1990s and early 2000s, the fishery was declared a federal economic disaster in 2001. During this time, fishers, regulators, and conservationists began working together to save the fishery. West Coast Groundfish species were replaced on menus by other whitefish species, like Alaskan Cod, Pollock, Pangasius and Tilapia, the majority of which is imported from fish farms in Asia. Now, almost all West Coast Groundfish have

returned to sustainable population levels. Most of these species are rated Green or Yellow by Monterey Bay Aquarium’s Seafood Watch program or certified by the Marine Stewardship Council, and over 140 million pounds can be harvested per year — enough to replace all whitefish on menus west of the Mississippi.

The last step in the recovery of this vital fishery is putting these species back on menus across America. Reestablishing a market for these fish will bring jobs back to the California coast and return these wild California flavors to the plate.

CODE	FRESH	PACK
SNA1023	Rockfish, CGC, Pacific, 4/10 oz, PBO	2/5#
SNA1022	Rockfish, CGC, Chilipepper, 4/6 oz, PBO	2/5#
SNA1024	Rockfish, CGC, Bocaccio, 4/10 oz, PBO	2/5#
SNA1021	Rockfish, CGC, Chilipepper, Whole G&G, 2/4 #	CS 50#
SNA1020	Rockfish, CGC, Bocaccio, Whole G&G, 2/4 #	CS 50#
FROZEN		
SNA2022	Rockfish, CGC, Chilipepper, 4/6 oz, PBO	CS 10#
SNA2024	Rockfish, CGC, Bocaccio, 4/10 oz, PBO	CS 10#