# MAINE STATE LEGISLATURE

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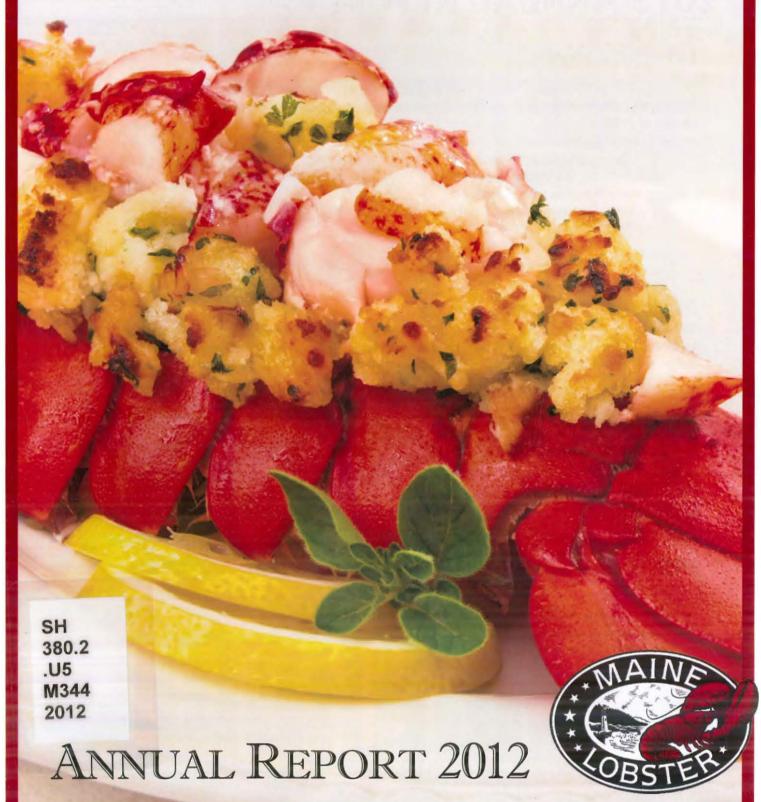
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# Maine Lobster Promotion Council





# 2012 ANNUAL REPORT

### INTRODUCTION

The Maine Lobster Promotion Council is a public instrumentality of the state, founded by the industry to promote and actively market Maine lobsters in state, regional, national and international markets. The Council was established in 1991.

This report is prepared annually and distributed to the Joint Standing Committee for Marine Resources, Maine Department of Marine Resources and other industry organizations and interested parties.

An electronic copy is available at www.LobsterFromMaine.com.



### MISSION

The mission of the Maine Lobster Promotion Council is to provide professional support, guidance and leadership for members of the Maine Lobster industry in the areas of marketing, advertising, public relations and promotional efforts to assist in developing long-term market value and economic stability for the industry.



# **BOARD OF DIRECTORS**

The Council is governed by a volunteer Board of Directors comprised of representatives from the harvester and dealer sectors as well as public members.

#### Harvesters

- Jim Dow, Bar Harbor
- Peter Miller, Tenants Harbor

#### Dealers

- · Emily Lane (chair), Calendar Islands Maine Lobster
- Mike Cote, Bar Harbor Foods
- John Petersdorf, Linda Bean's Perfect Maine Lobster

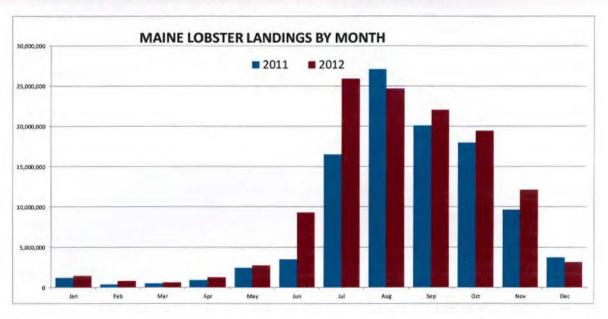
#### **Public**

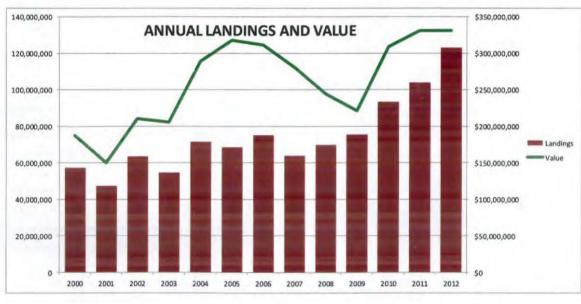
- Cathy Billings (co-chair) Lobster Institute
- Patrice McCarron (secretary) Maine Lobstermen's Association
- Vaughn Stinson (treasurer) Maine Tourism Association

# **INDUSTRY OVERVIEW**

For the fifth year in a row, lobstermen landed a record level of Maine Lobster, with 2012 totals coming in at about 123 million pounds. This represents about a 18% increase over the 2011 record harvest. While the abundance of lobster is a testament to the lobster harvesters' strict resource management and helps open new markets for Maine Lobster, the timing of the harvest created an immense challenge for the industry.

New shell lobsters, whose appearance herald the start of the most prolific harvest months in Maine, appeared well ahead of the normal late June/early July timeframe. This early shed resulted in an abundance of lobster on the market when there wasn't the demand for live product or the capacity for processed product. The price to the fishermen plummeted and never recovered appreciably during the season.







# 2012 ACTIVITIES & RESULTS

# PROMOTIONS — LOBSTER LOVERS CAMPAIGN

In response to the challenging market conditions this summer, MLPC launched the Maine Lobster Lovers Celebration to create positive awareness of Maine Lobster. The campaign ran August through December and included television advertising, radio public service announcements, social media, public relations and events. Businesses in Maine responded positively, commenting that it helped them to engage with their customers and sell more lobster during the promotional period. The promotion also helped to inject positive media coverage about Maine Lobster into a season of negative image and depressing stories. Over 80 restaurants and businesses along with hundreds of consumers also participated in the promotion.

The campaign generated positive print, radio, television and online coverage, including:

- Articles and announcements in the Associated Press, Bangor Daily News, Portland Press Herald, Boothbay Register, Maine Today and more
- Maine Public Broadcast Network / National Public Radio segment
- Broadcast coverage in multiple segments on WCSH 6 '207', WSCH6 News, WABI 5, WMTW and WGME 13
- Online coverage in leading industry and foodservice blogs including Eat Maine, Seafood News, New England Food Adventures, Maine Coast Welcome Center, Epicurean Explorer, EastHavenPatch, MaineToday and more
- The television spot ran 245 times during the promotional period, achieving a reach of 83 to 88.2 and a frequency of 3.4 to 4.6, depending on market.

FOUR MAJOR RADIO GROUPS SUPPORTED THE MAINE LOBSTER INDUSTRY BY RUNNING HUNDREDS OF PUBLIC SERVICE ANNOUNCEMENTS AT NO COST. MANY THANKS TO THE STATIONS FOR THEIR SUPPORT OF THE INDUSTRY:

Cumulus Radio - 943. WCYY, 94.9 WHOM

Blueberry Broadcasting - WVOM (Bangor)
/ WVQM (Augusta), WQSS (Camden /
Rockland), WAEI (Bangor), WIGY
(Madison) / WFAU (Augusta) / WRKD
(Rockland), WKSQ (Bangor-Ellsworth),
WBAK (Bangor-Belfast)

Nassau Broadcasting - 107.5 Frank, 99.9 The Wolf, The WBACH, Maine's Classical Network

Portland Radio Group - WGAN, WZAN, WPOR, WBAE/WAVE, Coast 93.1, Big Hits 100.9, WCLZ





### Lobsterpalooza

The Council partnered with Historic Inns of Rockland and the Penobscot Bay Regional Chamber of Commerce to create a one-week Lobsterpalooza at the end of August. The promotion was designed to raise enthusiasm for eating lobster and create positive press coverage for the industry. Lobsterpalooza included nearly 40 restaurants, spas and retail stores featuring lobster menus, lobster cooking classes, cash mobs, lobster specials and more. The event spawned a flood of positive media coverage (see Lobster Lover media summary,) and local lobstermen appreciated the effort businesses put into promoting Maine Lobster.



#### Lobster Claw Down

The Maine Lobster Lover celebration was further complimented when the Boothbay Harbor Chamber of Commerce held its first Maine lobster *Claw Down*. More than 18 area restaurants participated in the sold out event where chefs had to come up with their best lobster bite. The Council's Dane Somers and past Maine Lobster Chef of the Year winner Kelly Farrin joined the festivities as judges.



# PROMOTIONS — PARTNERSHIPS

#### Sam Adams Promotion

The Council maximizes its marketing dollars and overall reach by partnering with companies that have compatible products, messaging and customers. In 2012, MLPC partnered with Boston Beer to create the perfect pairing of Maine Lobster and Samuel Adams Summer Ale. The promotion was designed to spark interest and awareness for both brands. The promotion, including point of sale materials and cross-merchandising coupons as well as public relations and advertising support, was executed in approximately 400 stores throughout New England. The Maine Lobster logo was positioned prominently in all promotional materials. Over 8,000 Maine Lobsters were tagged with special promotional knuckle tags. The program's success was measured via beer sales, with a 20% increase over sales in the same period the previous year. There was no cost for this program to the MLPC as Boston Beer handled the full cost of the promotion.





# 2012 PUBLIC RELATIONS

#### Maine Lobster Chef of the Year

Maine Lobster was once again a headliner at Harvest on the Harbor, Portland's Premier Food and Wine Festival. The Council benefits from the extensive \$250,000 advertising budget that the Portland Convention & Visitors Bureau expends on the event, reaching local, regional and national audiences with key messages about Maine Lobster. The Lobster Chef of the Year is primarily a public relations event, generating extensive print and television coverage during an 8-week period. The Chef of the Year title creates credibility for the chef with the media and creates public relations opportunities throughout the year. For more on media coverage visit our News section at www.LobsterFromMaine.com











### **Chef Ambassador Program**

To reinforce the premium brand positioning of Maine Lobster nationally, the MLPC works with leading chefs to highlight Maine Lobster at premier events around the country. The Chef Ambassador program is designed to emphasize Maine Lobster's positive attributes to chefs, restaurant owners, foodies and journalists nationwide.

#### 2012 Chef Ambassadors

- Clark Frasier and Mark Gaier, Chefs and Owners, Arrows Restaurant, MC Perkins Cove, Summer Winter
- Melissa Bouchard Executive Chef, DiMillo's On the Water, Portland, ME
- Steven Corry, Chef and Owner, Five Fifty-Five, Petite Jacqueline, Portland, ME
- Jeff Rogers Executive Chef, Monterey Bay Aquarium, CA
- Jerry Regester Executive Chef,
   Intercontinental The Clement, Monterey, CA
- Alexandra Guarnaschelli, Food Network Celebrity Chef, Monterey, CA
- Wilfred Beriau former head of Culinary
  Department at Southern Maine Community
  College, ACF Chef Educator of the Year



#### Chef Ambassador Events

- Los Angeles Food and Wine Festival
- Great American Seafood Cook-off, New Orleans LA
- Share Our Strength Taste of the Nation, No Child Hungry, Portland ME
- Monterey Bay Aquarium's Sustainable Seafood Celebration, Monterey CA
- President's Grand Ball at the American Culinary Federation's National Convention, Orlando FL







# 2012 MARKETING

### ONLINE MARKETING

#### Website and Internet

MLPC maintains a popular website providing customers everything they need to know about Maine Lobster. The website consistently ranks #1 on Google for the search term 'Maine Lobster' and in the top 5 results for the search terms 'lobster' and 'lobster recipes.' The site boasts admirable statistics for 2012:

- Referred over 152,000 potential customers to Maine lobster dealers
- Attracted over 540,000 unique visitors
- Provided valuable information about cooking and handling lobster as evidenced by over 400,00 page views for these sections









In 2012, MLPC also branched into social media. Web statistics prove that customers and consumers like information to be delivered to them via social media channels in addition to searching for information via the web. MLPC launched communications on the four most popular social media sites – Facebook, Twitter, You Tube and Pinterest.

- Initial results in 2012 will be used to benchmark efforts moving forward.
- Lobster from Maine Facebook page achieved a weekly reach of over 2,000
- Lobster from Maine You Tube channel featured approximately 50 videos in 2012 and provided a platform for increasing exposure of positive media coverage for Maine Lobster

# INTERNATIONAL MARKETING

# Maine Lobster Reception in China

The Council sponsored a Maine Lobster Reception in conjunction with the Governor's Trade Mission to China and the Asian Seafood Expo in Hong Kong. The event was deemed a success in creating a forum to educate buyers and connect them with potential suppliers.

The reception was well attended by Asian seafood buyers, distributors, and representatives from the U.S. Consulate General's Agricultural Trade Office and others. The event menu demonstrated the versatility of Maine Lobster as an ingredient and showcased a variety of Maine Lobster dishes. The Hong Kong Trade Development Council filmed the event and interviewed the Governor and Lilian Lo of Atlantic Kingdom Seafood for a news story.



#### International Boston Seafood Show

For the first time, the Council sponsored a Maine Lobster Pavilion to present a prominent and cohesive presence for Maine Lobster at the show. The Pavilion included eight co-exhibitors, plus a cooking station and meeting space. Response to the new format was overwhelmingly positive from both exhibiting companies and customers.

The international Boston Seafood Show is the largest seafood show in North America, with 18,000 buyers and sellers in attendance, representing over 7,000 companies. There are over 650 individual booths. Maine hosted one of five U.S. regional pavilions at the show. There were an additional 26 pavilions representing foreign countries including Canada, China, Japan and Thailand, to name a few.





The Council also sponsored a Maine Lobster Reception in conjunction with the show. The reception gave Maine dealers a relaxed and exclusive venue in which to mingle with international seafood buyers, while enjoying delicious lobster dishes prepared by four leading Maine chefs. The event included approximately 25 buyers and approximately 100 total attendees Maine dealers and industry representatives. Governor LePage showed his support for the industry by visiting both the trade show and the reception.





# 2012 INDUSTRY OUTREACH

#### Maine Fishermen's Forum

The Council presented a seminar on 'How Smart Marketing Can Impact Your Bottom Line.' The seminar focused on *Return on Investment* in marketing, and how companies can know if they are 'getting their money's worth' for their marketing. Dane Somers, Marianne LaCroix and John Sauve were on the panel. Suave provided information from his experiences with the blueberry and lobster industries. The Council staffed a table at the trade show to answer questions from the industry and to display marketing materials.

### Maine Restaurant & Lodging Expo

The Council exhibited at the Maine Food & Lodging Expo in order to support the critical Maine restaurant Industry. We also solicited recipe submissions for our popular Chef of the Year competition and to provide information about Maine lobster marketing programs and opportunities to local foodservice operators.

# **Industry Communications**

MLPC communicates marketing activities to industry members to demonstrate the importance of marketing through: Annual Reports; monthly e-newsletters; articles in industry newsletters; email blasts with partners like the Maine Restaurant and Tourism Associations, and articles posted online.

### National Seafood Marketing Coalition

The Council is active with the National Seafood Marketing Coalition, a group whose initiative is to create a National Seafood Marketing Fund investing in broad and sustained marketing of U.S. seafood. Senator Mark Begich (D-AL) is seeking co-sponsors for a bill written to accomplish this goal. Director Dane Somers was involved with this organization from its inception.

### Maine Seafood Marketing Network

The Council participates in the Maine Seafood Marketing Network, a coalition of fishing industry businesses and organizations working around Maine to develop new and innovative ways to market our delicious seafood.

# Lobster Advisory Council's Project Maine Lobster

The Council helped to finance an outreach effort managed by the Lobster Advisory Council and the Department of Marine Resources. The purpose of the project was to provide a plan for increased funding for Maine Lobster marketing. The industry offered support for the effort, which resulted in a bill going to the legislature in the 2013 session.



# 2012 ANNUAL REPORT FINANCIALS

## REVENUES

The following schedule presents a summary of revenues for the fiscal year ended June 2012 and the percentage of increases and decreases in relation to the prior year.

	FY 2012 Amount	FY 2011 Amount	Change	% Increase (decrease)
Intergovernmental	\$380,410	\$375,692	\$4,718	(1.3%)
Grant Income		\$150,000	(\$150,000)	(100.0%)
Interest Income	\$ 1,064	\$ 1,509	( \$445)	(29.5%)
Miscellaneous		\$ 289	( \$289)	(100.0%)
Total Revenue	\$381,474	\$428,254	(\$146,016)	(27.7%)

# **EXPENDITURES**

The following schedule presents a summary of expenditures for the fiscal year ended June 2012 and the percentage of increases and decreases in relation to the prior year.

	FY 2012 Amount	FY 2011 Amount	Change	% Increase (decrease)
Administrative	\$44,297	\$ 52,802	(\$ 8,505)	(16.1%)
Travel	\$11,816	\$ 14,460	(\$2,824)	(19.3%)
Personnel	\$192,838	\$203,387	(\$10,549)	(5.2%)
Marketing & Promotions	\$185,027	\$180,842	\$4,185	2.3%
Total Expenditures	\$433,978	\$451,491	(\$17,693)	(0.4%)

